

<b>WHATCOM COUNTY CONTRACT INFORMATION SHEET</b>				Whatcom County Contract No. <u>202012036</u>	
Originating Department:			85 Health		
Division/Program: (i.e. Dept. Division and Program)			8550 Human Services / 855040 Housing		
Contract or Grant Administrator:			Chris D'Onofrio		
Contractor's / Agency Name:			Pioneer Human Services		
Is this a New Contract?		If not, is this an Amendment or Renewal to an Existing Contract?		Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	If Amendment or Renewal, (per WCC 3.08.100 (a)) Original Contract #:			
Does contract require Council Approval?		Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	If No, include WCC:	
Already approved? Council Approved Date:		(Exclusions see: Whatcom County Codes 3.06.010, 3.08.090 and 3.08.100)			
Is this a grant agreement?		If yes, grantor agency contract number(s):		CFDA#:	
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>				
Is this contract grant funded?		If yes, Whatcom County grant contract number(s):			
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>				
Is this contract the result of a RFP or Bid process?		If yes, RFP and Bid number(s):		Contract Cost	122200 / 124112 /
Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	sole source		Center:	121100 / 127100
Is this agreement excluded from E-Verify?		No <input checked="" type="checkbox"/>	Yes <input type="checkbox"/>		
If YES, indicate exclusion(s) below:					
<input type="checkbox"/> Professional services agreement for certified/licensed professional.					
<input type="checkbox"/> Contract work is for less than \$100,000.			<input type="checkbox"/> Contract for Commercial off the shelf items (COTS).		
<input type="checkbox"/> Contract work is for less than 120 days.			<input type="checkbox"/> Work related subcontract less than \$25,000.		
<input type="checkbox"/> Interlocal Agreement (between Governments).			<input type="checkbox"/> Public Works - Local Agency/Federally Funded FHWA.		
Contract Amount:(sum of original contract amount and any prior amendments):		Council approval required for; all property leases, contracts or bid awards <b>exceeding \$40,000</b> , and professional service contract amendments that have an increase greater than \$10,000 or 10% of contract amount, whichever is greater, <b>except when:</b>			
\$	490,948	1. Exercising an option contained in a contract previously approved by the council.			
This Amendment Amount:		2. Contract is for design, construction, r-o-w acquisition, prof. services, or other capital costs approved by council in a capital budget appropriation ordinance.			
\$		3. Bid or award is for supplies.			
Total Amended Amount:		4. Equipment is included in Exhibit "B" of the Budget Ordinance			
\$		5. Contract is for manufacturer's technical support and hardware maintenance of electronic systems and/or technical support and software maintenance from the developer of proprietary software currently used by Whatcom County.			
Summary of Scope: This contract provides funding for Pioneer Human Services' City Gate permanent supportive housing program for homeless ex-offenders and chronically homeless veterans.					
Term of Contract:	1 Year		Expiration Date:	12/31/2021	
Contract Routing:	1. Prepared by:	JT		Date:	10/07/2020
	2. Health Budget Approval:	KR/JG		Date:	11/5/20 / 11/13/20
	3. Attorney signoff:	RB		Date:	11/13/2020
	4. AS Finance reviewed:	M Caldwell		Date:	11/19/2020
	5. IT reviewed (if IT related):			Date:	
	6. Contractor approved:	<input checked="" type="checkbox"/>		Date:	
	7. Submitted to Exec.:	JT		Date:	12/15/2020
	8. Council approved (if necessary):	AB2020-554		Date:	12/08/2020
	9. Executive signed:	<input checked="" type="checkbox"/>		Date:	12-21-2020
	10. Original to Council:	<input checked="" type="checkbox"/>		Date:	12-22-2020

**WHATCOM COUNTY**  
Health Department



Erika Lautenbach, Director  
Greg Stern, M.D., Health Officer

**MEMORANDUM**

**TO:** Satpal Sidhu, County Executive  
**FROM:** Erika Lautenbach, Director  
**RE:** Pioneer Human Services – City Gate Permanent Supportive Housing Contract  
**DATE:** December 15, 2020

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Attached is a contract between Whatcom County and Pioneer Human Services for your review and signature.

▪ **Background and Purpose**

This contract provides funding for Pioneer Human Services to operate a permanent supportive housing program known as City Gate. City Gate provides ten housing units dedicated to veterans experiencing chronic homelessness and 26 units to ex-offenders who are in need of housing and are returning to Whatcom County under the supervision of the Washington State Department of Corrections, exiting the Whatcom County Jail, or individuals who are experiencing chronic homelessness. Up to 6 units at a time may be occupied by participants of the Mental Health Court Program. Case management and behavioral health services are also provided so that program participants can access necessary services and achieve housing stability.

▪ **Funding Amount and Source**

Funding for this contract, in an amount not to exceed \$490,948, is provided by Mental Health millage, HB 2060 low-income housing funds, local document recording fees, and the Behavioral Health Program Fund. These funds will be included in the 2021 budget. Council approval is required as funding exceeds \$40,000.

▪ **Differences from Previous Contract**

This is a new contract, however, funding for these services has been provided through previous contracts between Whatcom County and Pioneer Human Services since 2011. This contract includes no significant changes from the contract that is currently in place (Whatcom County Contract #201611027). The Contractor maintains its determination as a sole source contractor for the services provided in this contract.

Please contact Kathleen Roy at extension #6007 if you have any questions regarding this agreement.

Encl.

509 Girard Street  
Bellingham, WA 98225-4005  
360.778.6000 | FAX 360.778.6001  
WhatcomCountyHealth  
WhatcomCoHealth



Whatcom County  
**HEALTH**  
Department

1500 North State Street  
Bellingham, WA 98225-4551  
360.778.6100 | FAX 360.778.6101  
www.whatcomcounty.us/health

Whatcom County Contract No.  
202012036

**CONTRACT FOR SERVICES**  
**Between Whatcom County and Pioneer Human Services**

Pioneer Human Services, hereinafter called **Contractor** and Whatcom County, hereinafter referred to as **County**, agree and contract as set forth in this Agreement, including:

- General Conditions, pp. 3 to 12,
- Exhibit A (Scope of Work), pp. 13 to 16,
- Exhibit B (Compensation), pp. 17 to 18,
- Exhibit C (Certificate of Insurance), p. 19,
- Exhibit D (Whatcom County Flex Fund Guidelines), pp. 20 to 21,
- Exhibit E (Types of Income to Count and Calculating Adjusted Income).

Copies of these items are attached hereto and incorporated herein by this reference as if fully set forth herein.

The term of this Agreement shall commence on the 1<sup>st</sup> day of January, 2021 and shall, unless terminated or renewed as elsewhere provided in the Agreement, terminate on the 31<sup>st</sup> day of December, 2021

The general purpose or objective of this Agreement is to **provide a permanent supportive housing facility**, as more fully and definitively described in Exhibit A hereto. The language of Exhibit A controls in case of any conflict between it and that provided here.

The maximum consideration for the initial term of this agreement or for any renewal term shall not exceed \$490,948. The Contract Number, set forth above, shall be included on all billings or correspondence in connection therewith.

Contractor acknowledges and by signing this contract agrees that the Indemnification provisions set forth in Paragraphs 11.1, 21.1, 30.1, 31.2, 32.1, 34.2, and 34.3, if included, are totally and fully part of this contract and have been mutually negotiated by the parties.

Each person signing this Contract represents and warrants that he or she is duly authorized and has legal capacity to execute and deliver this Contract.

IN WITNESS WHEREOF, the parties have executed this Agreement this \_\_\_\_\_ day of 12/21/2020, 2020.

**CONTRACTOR:**

Pioneer Human Services  
7440 W Marginal Way S  
Seattle, WA 98108

Each signatory below to this Contract warrants that he/she is the authorized agent of the respective party; and that he/she has the authority to enter into the contract and to bind the party thereto.

DocuSigned by:  
Audrey Hicks, CFO 12/21/2020  
Audrey Hicks, CFO

**WHATCOM COUNTY:  
Recommended for Approval:**

DocuSigned by:  
*Anne Deacon* 12/16/2020  
67FCDB4A4E70481...  
\_\_\_\_\_  
Anne Deacon, Human Services Manager Date

DocuSigned by:  
*Erika Lautenbach* 12/16/2020  
8556851A703748D...  
\_\_\_\_\_  
Erika Lautenbach, Director Date

**Approved as to form:**  
DocuSigned by:  
*Royce Buckingham* 12/16/2020  
1E56DBD0542401  
\_\_\_\_\_  
Royce Buckingham, Prosecuting Attorney Date

**Approved:**  
Accepted for Whatcom County:  
DocuSigned by:  
*Satpal Sidhu* 12/21/2020  
7373A1F2A59A4FD  
By: \_\_\_\_\_  
Satpal Singh Sidhu, Whatcom County Executive

**CONTRACTOR INFORMATION:**

**Pioneer Human Services**  
7440 W Marginal Way S  
Seattle, WA 98108  
Audrey Hicks, CFO  
[Audrey\\_hicks@p-h-s.com](mailto:Audrey_hicks@p-h-s.com)

## GENERAL CONDITIONS

### **Series 00-09: Provisions Related to Scope and Nature of Services**

#### 0.1 Scope of Services:

The Contractor agrees to provide to the County services and any materials as set forth in the project narrative identified as Exhibit "A", during the agreement period. No material, labor, or facilities will be furnished by the County, unless otherwise provided for in the Agreement.

### **Series 10-19: Provisions Related to Term and Termination**

#### 10.1 Term:

Services provided by Contractor prior to or after the term of this contract shall be performed at the expense of Contractor and are not compensable under this contract unless both parties hereto agree to such provision in writing. The term of this Agreement may be extended by mutual agreement of the parties; provided, however, that the Agreement is in writing and signed by both parties.

#### 10.2 Extension:

The duration of this Agreement may be extended by mutual written consent of the parties, for a period of up to one year, and for a total of no longer than three years.

#### 11.1 Termination for Default:

If the Contractor defaults by failing to perform any of the obligations of the contract or becomes insolvent or is declared bankrupt or commits any act of bankruptcy or insolvency or makes an assignment for the benefit of creditors, the County may, by depositing written notice to the Contractor in the U.S. mail, first class postage prepaid, terminate the contract, and at the County's option, obtain performance of the work elsewhere. Termination shall be effective upon Contractor's receipt of the written notice, or within three (3) days of the mailing of the notice, whichever occurs first. If the contract is terminated for default, the Contractor shall not be entitled to receive any further payments under the contract until all work called for has been fully performed. Any extra cost or damage to the County resulting from such default(s) shall be deducted from any money due or coming due to the Contractor. The Contractor shall bear any extra expenses incurred by the County in completing the work, including all increased costs for completing the work, and all damage sustained, or which may be sustained by the County by reason of such default.

#### 11.2 Termination for Reduction in Funding:

In the event that funding from State, Federal or other sources is withdrawn, reduced, or limited in any way after the effective date of this Agreement, and prior to its normal completion, the County may summarily terminate this Agreement as to the funds withdrawn, reduced, or limited, notwithstanding any other termination provisions of this Agreement. If the level of funding withdrawn, reduced or limited is so great that the County deems that the continuation of the programs covered by this Agreement is no longer in the best interest of the County, the County may summarily terminate this Agreement in whole, notwithstanding any other termination provisions of this Agreement. Termination under this section shall be effective upon receipt of written notice as specified herein, or within three days of the mailing of the notice, whichever occurs first.

#### 11.3 Termination for Public Convenience:

The County may terminate the Agreement in whole or in part whenever the County determines, in its sole discretion, that such termination is in the interests of the County. Whenever the Agreement is terminated in accordance with this paragraph, the Contractor shall be entitled to payment for actual work performed at unit contract prices for completed items of work. An equitable adjustment in the contract price for partially completed items of work will be made, but such adjustment shall not include provision for loss of anticipated profit on deleted or uncompleted work. Termination of this Agreement by the County at any time during the term, whether for default or convenience, shall not constitute breach of contract by the County.

### **Series 20-29: Provisions Related to Consideration and Payments**

#### 20.1 Accounting and Payment for Contractor Services:

Payment to the Contractor for services rendered under this Agreement shall be as set forth in Exhibit "B." Where Exhibit "B" requires payments by the County, payment shall be based upon written claims supported, unless otherwise provided in Exhibit "B,"

by documentation of units of work actually performed and amounts earned, including, where appropriate, the actual number of days worked each month, total number of hours for the month, and the total dollar payment requested, so as to comply with municipal auditing requirements.

Unless specifically stated in Exhibit "B" or approved in writing in advance by the official executing this Agreement for the County or his designee (hereinafter referred to as the "Administrative Officer") the County will not reimburse the Contractor for any costs or expenses incurred by the Contractor in the performance of this contract. Where required, the County shall, upon receipt of appropriate documentation, compensate the Contractor, no more often than monthly, in accordance with the County's customary procedures, pursuant to the fee schedule set forth in Exhibit "B."

21.1 Taxes:

The Contractor understands and acknowledges that the County will not withhold Federal or State income taxes. Where required by State or Federal law, the Contractor authorizes the County to withhold for any taxes other than income taxes (i.e., Medicare). All compensation received by the Contractor will be reported to the Internal Revenue Service at the end of the calendar year in accordance with the applicable IRS regulations. It is the responsibility of the Contractor to make the necessary estimated tax payments throughout the year, if any, and the Contractor is solely liable for any tax obligation arising from the Contractor's performance of this Agreement. The Contractor hereby agrees to indemnify the County against any demand to pay taxes arising from the Contractor's failure to pay taxes on compensation earned pursuant to this Agreement.

The County will pay sales and use taxes imposed on goods or services acquired hereunder as required by law. The Contractor must pay all other taxes, including, but not limited to, Business and Occupation Tax, taxes based on the Contractor's gross or net income, or personal property to which the County does not hold title. The County is exempt from Federal Excise Tax.

22.1 Withholding Payment:

In the event the County's Administrative Officer determines that the Contractor has failed to perform any obligation under this Agreement within the times set forth in this Agreement, then the County may withhold from amounts otherwise due and payable to Contractor the amount determined by the County as necessary to cure the default, until the Administrative Officer determines that such failure to perform has been cured. Withholding under this clause shall not be deemed a breach entitling Contractor to termination or damages, provided that the County promptly gives notice in writing to the Contractor of the nature of the default or failure to perform, and in no case more than 10 days after it determines to withhold amounts otherwise due. A determination of the Administrative Officer set forth in a notice to the Contractor of the action required and/or the amount required to cure any alleged failure to perform shall be deemed conclusive, except to the extent that the Contractor acts within the times and in strict accord with the provisions of the Disputes clause of this Agreement. The County may act in accordance with any determination of the Administrative Officer which has become conclusive under this clause, without prejudice to any other remedy under the Agreement, to take all or any of the following actions: (1) cure any failure or default, (2) to pay any amount so required to be paid and to charge the same to the account of the Contractor, (3) to set off any amount so paid or incurred from amounts due or to become due the Contractor. In the event the Contractor obtains relief upon a claim under the Disputes clause, no penalty or damages shall accrue to Contractor by reason of good faith withholding by the County under this clause.

23.1 Labor Standards:

The Contractor agrees to comply with all applicable state and federal requirements, including but not limited to those pertaining to payment of wages and working conditions, in accordance with RCW 39.12.040, the Prevailing Wage Act; the Americans with Disabilities Act of 1990; the Davis-Bacon Act; and the Contract Work Hours and Safety Standards Act providing for weekly payment of prevailing wages, minimum overtime pay, and providing that no laborer or mechanic shall be required to work in surroundings or under conditions which are unsanitary, hazardous, or dangerous to health and safety as determined by regulations promulgated by the Federal Secretary of Labor and the State of Washington.

**Series 30-39: Provisions Related to Administration of Agreement**

30.1 Independent Contractor:

The Contractor's services shall be furnished by the Contractor as an independent contractor, and nothing herein contained shall be construed to create a relationship of employer-employee or master-servant, but all payments made hereunder and all services performed shall be made and performed pursuant to this Agreement by the Contractor as an independent contractor.

The Contractor acknowledges that the entire compensation for this Agreement is specified in Exhibit "B" and the Contractor is not entitled to any benefits including, but not limited to: vacation pay, holiday pay, sick leave pay, medical, dental, or other insurance benefits, or any other rights or privileges afforded to employees of the County. The Contractor represents that he/she/it maintains a separate place of business, serves clients other than the County, will report all income and expense accrued under this contract

to the Internal Revenue Service, and has a tax account with the State of Washington Department of Revenue for payment of all sales and use and Business and Occupation taxes collected by the State of Washington.

Contractor will defend, indemnify and hold harmless the County, its officers, agents or employees from any loss or expense, including, but not limited to, settlements, judgments, setoffs, attorneys' fees or costs incurred by reason of claims or demands because of breach of the provisions of this paragraph

30.2 Assignment and Subcontracting:

The performance of all activities contemplated by this agreement shall be accomplished by the Contractor. No portion of this contract may be assigned or subcontracted to any other individual, firm or entity without the express and prior written approval of the County.

30.3 No Guarantee of Employment:

The performance of all or part of this contract by the Contractor shall not operate to vest any employment rights whatsoever and shall not be deemed to guarantee any employment of the Contractor or any employee of the Contractor or any subcontractor or any employee of any subcontractor by the County at the present time or in the future.

31.1 Ownership of Items Produced and Public Records Act:

All writings, programs, data, public records or other materials prepared by the Contractor and/or its consultants or subcontractors, in connection with performance of this Agreement, shall be the sole and absolute property of the County. If the Contractor creates any copyrightable materials or invents any patentable property, the Contractor may copyright or patent the same, but the County retains a royalty-free, nonexclusive and irrevocable license to reproduce, publish, recover, or otherwise use the materials or property and to authorize other governments to use the same for state or local governmental purposes. Contractor further agrees to make research, notes, and other work products produced in the performance of this Agreement available to the County upon request.

Ownership. Any and all data, writings, programs, public records, reports, analyses, documents, photographs, pamphlets, plans, specifications, surveys, films or any other materials created, prepared, produced, constructed, assembled, made, performed or otherwise produced by the Contractor or the Contractor's subcontractors or consultants for delivery to the County under this Contract shall be the sole and absolute property of the County. Such property shall constitute "work made for hire" as defined by the U.S. Copyright Act of 1976, 17 U.S.C. § 101, and the ownership of the copyright and any other intellectual property rights in such property shall vest in the County at the time of its creation. Ownership of the intellectual property includes the right to copyright, patent, and register, and the ability to transfer these rights. Material which the Contractor uses to perform this Contract but is not created, prepared, constructed, assembled, made, performed or otherwise produced for or paid for by the County is owned by the Contractor and is not "work made for hire" within the terms of this Agreement.

Public Records Act. This Contract and all records associated with this Contract shall be available for inspection and copying by the public where required by the Public Records Act, Chapter 42.56 RCW (the "Act"). To the extent that public records then in the custody of the Contractor are needed for the County to respond to a request under the Act, as determined by the County, the Contractor agrees to make them promptly available to the County at no cost to the County. If the Contractor considers any portion of any record provided to the County under this Agreement, whether in electronic or hard copy form, to be protected from disclosure under law, the Contractor shall clearly identify any specific information that it claims to be confidential or proprietary. If the County receives a request under the Act to inspect or copy the information so identified by the Contractor and the County determines that release of the information is required by the Act or otherwise appropriate, the County's sole obligations shall be to notify the Contractor (a) of the request and (b) of the date that such information will be released to the requester unless the Contractor obtains a court order to enjoin that disclosure pursuant to RCW 42.56.540. If the Contractor fails to timely obtain a court order enjoining disclosure, the County will release the requested information on the date specified.

The County has, and by this section assumes, no obligation on behalf of the Contractor to claim any exemption from disclosure under the Act. The County shall not be liable to the Contractor for releasing records not clearly identified by the Contractor as confidential or proprietary. The County shall not be liable to the Contractor for any records that the County releases in compliance with this section or in compliance with an order of a court of competent jurisdiction.

The Contractor shall be liable to the requester for any and all fees, costs, penalties or damages imposed or alleged as a result of the Contractor's failure to provide adequate or timely records.

This provision and the obligations it establishes shall remain in effect after the expiration of this contract.

31.2 Patent/Copyright Infringement:

Contractor will defend and indemnify the County from any claimed action, cause or demand brought against the County, to the extent such action is based on the claim that information supplied by the Contractor infringes any patent or copyright. The Contractor will pay those costs and damages attributable to any such claims that are finally awarded against the County in any action. Such defense and payments are conditioned upon the following:

- A. The Contractor shall be notified promptly in writing by the County of any notice of such claim.
- B. Contractor shall have the right, hereunder, at its option and expense, to obtain for the County the right to continue using the information, in the event such claim of infringement, is made, provided no reduction in performance or loss results to the County.

32.1 Confidentiality:

The Contractor, its employees, subcontractors, and their employees shall maintain the confidentiality of all information provided by the County or acquired by the Contractor in performance of this Agreement, except upon the prior written consent of the County or an order entered by a court after having acquired jurisdiction over the County. Contractor shall immediately give to the County notice of any judicial proceeding seeking disclosure of such information. Contractor shall indemnify and hold harmless the County, its officials, agents or employees from all loss or expense, including, but not limited to, settlements, judgments, setoffs, attorneys' fees and costs resulting from Contractor's breach of this provision.

33.1 Right to Review:

This contract is subject to review by any Federal, State or County auditor. The County or its designee shall have the right to review and monitor the financial and service components of this program by whatever means are deemed expedient by the Administrative Officer or by the County Auditor's Office. Such review may occur with or without notice and may include, but is not limited to, on-site inspection by County agents or employees, inspection of all records or other materials which the County deems pertinent to the Agreement and its performance, and any and all communications with or evaluations by service recipients under this Agreement. The Contractor shall preserve and maintain all financial records and records relating to the performance of work under this Agreement for three (3) years after contract termination, and shall make them available for such review, within Whatcom County, State of Washington, upon request. Contractor also agrees to notify the Administrative Officer in advance of any inspections, audits, or program review by any individual, agency, or governmental unit whose purpose is to review the services provided within the terms of this Agreement. If no advance notice is given to the Contractor, then the Contractor agrees to notify the Administrative Officer as soon as it is practical.

34.1 Insurance:

The Contractor shall, at its own expense, obtain and continuously maintain the following insurance coverage for the duration of this contract, which shall include insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, subcontractors or employees. All insurers providing such insurance shall have an A.M. Best Rating of not less than A- (or otherwise be acceptable to the County) and be licensed to do business in the State of Washington and admitted by the Washington State Insurance Commissioner. Coverage limits shall be the minimum limits identified in this Contract or the coverage limits provided or available under the policies maintained by the Contractor without regard to this Contract, whichever are greater.

**1. Commercial General Liability**

Property Damage	\$500,000.00, per occurrence
General Liability & bodily injury	\$1,000,000.00, per occurrence
Annual Aggregate	\$2,000,000.00

At least as broad as ISO form CG 00 01 or the equivalent, which coverage shall include personal injury, bodily injury and property damage for Premises Operations, Products and Completed Operations, Personal/Advertising Injury, Contractual Liability, Independent Contractor Liability, medical payments and Stop Gap/Employer's Liability. Coverage shall not exclude or contain sub-limits less than the minimum limits required, unless approved in writing by the County.

**2. Business Automobile Liability**

\$1,000,000.00	Minimum, per occurrence
\$2,000,000.00	Minimum, Annual Aggregate

Contractor shall provide auto liability coverage for owned, non-owned and hired autos using ISO Business Auto Coverage form CA 00 01 or the exact equivalent with a limit of no less than \$1,000,000 per accident. If Contractor owns no vehicles this requirement may be met through a non-owned auto Endorsement to the CGL policy.

**3. Professional Liability - \$1,000,000 per occurrence:**



Obtain professional liability insurance covering the negligent acts, errors, or omissions of the professional in connection with the performance of services to the County. If any insurance policy or the professional liability insurance is written on a claims made form, its retroactive date, and that of all subsequent renewals, shall be no later than the effective date of this contract. The policy shall state that coverage is claims made, and state the retroactive date. Claims-made form coverage shall be maintained by the Contractor for a minimum of 36 months following the Completion Date or earlier termination of this Contract, and the Contractor shall annually provide the Contracting Agency with proof of renewal. If renewal of the claims made form of coverage becomes unavailable, economically prohibitive, the Contractor shall purchase an extended reporting period ("tail") or execute another form of guarantee acceptable to the Contracting Agency to assure financial responsibility for liability for services performed.

**4. Additional Insurance Requirements and Provisions**

- a. All insurance policies shall provide coverage on an occurrence basis.
- b. Additional Insureds. Whatcom County, its departments, elected and appointed officials, employees, agents and volunteers shall be included as additional insureds on Contractor's and Contractor's subcontractors' insurance policies by way of endorsement for the full available limits of insurance required in this contract or maintained by the Contractor and subcontractor, whichever is greater.
- c. Primary and Non-contributory Insurance. Contractor shall provide primary insurance coverage and the County's insurance shall be non-contributory. Any insurance, self-insured retention, deductible, risk retention or insurance pooling maintained or participated in by the County shall be excess and non-contributory to Contractor's insurance.
- d. Waiver of Subrogation. The insurance policy shall provide a waiver of subrogation with respect to each insurance policy maintained under this Contract. When required by an insurer, or if a policy condition does not permit Contractor to enter into a pre-loss agreement to waive subrogation without an endorsement, then Contractor agrees to notify the insurer and obtain such endorsement. This requirement shall not apply to any policy which includes a condition expressly prohibiting waiver of subrogation by the insured or which voids coverage should the Contractor enter into such a waiver of subrogation on a pre-loss basis.
- e. Review of and Revision of Policy Provisions. Upon request, the Contractor shall provide a full and complete certified copy of all requested insurance policies to the County. The County reserves the right, but not the obligation, to revise any insurance requirement, including but not limited to limits, coverages and endorsements, or to reject any insurance policies which fail to meet the requirements of this Contract. Additionally, the County reserves the right, but not the obligation, to review and reject any proposed insurer providing coverage based upon the insurer's financial condition or licensing status in Washington.
- f. Verification of Coverage/Certificates and Endorsements. The Contractor shall furnish the County with a certificate of insurance and endorsements required by this contract. The certificates and endorsements for each policy shall be signed by a person authorized by the insurer to bind coverage on its behalf. The certificate and endorsements for each insurance policy are to be on forms approved by the County prior to commencement of activities associated with the contract. The certificate and endorsements, and renewals thereof, shall be attached hereto as Exhibit "C". If Exhibit C is not attached, the Contractor must submit the certificate and endorsements required in this contract to the County prior to the commencement of any work on the contracted project. A certificate alone is insufficient proof of the required insurance; endorsements must be included with the certificate. The certificate of insurance must reflect the insurance required in this contract, including appropriate limits, insurance coverage dates, per occurrence, and in the description of operations, include the County project, Whatcom County, its departments, officials, employees, agents and volunteers as additional insureds, primary, non-contributory, and waiver of subrogation.
- g. The County must be notified immediately in writing of any cancellation of the policy, exhaustion of aggregate limits, notice of intent not to renew insurance coverage, expiration of policy or change in insurer carrier. Contractor shall always provide the County with a current copy of the certificate and endorsements throughout the duration of the contract.
- h. No Limitation on Liability. The insurance maintained under this Contract shall not in any manner limit the liability or qualify the liabilities or obligations of the Contractor to the coverage provided by such insurance, or otherwise limit the County's recourse to any remedy available at law or equity.

- i. **Payment Conditioned on Insurance and Failure to Maintain Insurance.** Compensation and/or payments due to the Contractor under this Contract are expressly conditioned upon the Contractor's compliance with all insurance requirements. Failure on the part of the Contractor to maintain the insurance as required shall constitute a material breach of contract. Payment to the Contractor may be suspended in the event of non-compliance, upon which the County may, after giving five business days' notice to the Contractor to correct the breach, immediately terminate the contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the County on demand or offset against funds due the Contractor. Upon receipt of evidence of Contractor's compliance, payments not otherwise subject to withholding or set-off will be released to the Contractor.
- j. **Workers' Compensation.** The Contractor shall maintain Workers' Compensation coverage as required under the Washington State Industrial Insurance Act, RCW Title 51, for all Contractors' employees, agents and volunteers eligible for such coverage under the Industrial Insurance Act.
- k. **Failure of the Contractor to take out and/or maintain required insurance** shall not relieve the Contractor or subcontractors from any liability under the contract, nor shall the insurance requirements be construed to conflict with or otherwise limit the obligations concerning indemnification. The County does not waive any insurance requirements even in the event the certificate or endorsements provided by the Contractor were insufficient or inadequate proof of coverage but not objected to by the County. The County's failure to confirm adequate proof of insurance requirements does not constitute a waiver of the Contractor's insurance requirements under this Contract.
- l. **Availability of Contractor Limits.** If the Contractor maintains higher insurance limits than the minimums shown above, the County shall be insured for the full available limits, including Excess or Umbrella liability maintained by the Contractor, irrespective of whether such limits maintained by the Contractor are greater than those required by this contract or whether any certificate furnished to the County evidences limits of liability lower than those maintained by the Contractor.
- m. **Insurance for Subcontractors.** If the Contractor subcontracts (if permitted in the contract) any portion of this Contract, the Contractor shall include all subcontractors as insureds under its policies or shall require separate certificates of insurance and policy endorsements from each subcontractor. Insurance coverages by subcontractors must comply with the insurance requirements of the Contractor in this contract and shall be subject to all of the requirements stated herein, including naming the County as additional insured.
- n. The Contractor agrees Contractor's insurance obligation shall survive the completion or termination of this Contract for a minimum period of three years.

**34.3 Defense & Indemnity Agreement:**

To the fullest extent permitted by law, the Contractor agrees to indemnify, defend and hold the County and its departments, elected and appointed officials, employees, agents and volunteers, harmless from and against any and all claims, damages, losses and expenses, including but not limited to court costs, attorney's fees, and alternative dispute resolution costs, for any personal injury, for any bodily injury, sickness, disease, or death and for any damage to or destruction of any property (including the loss of use resulting therefrom) which: 1) are caused in whole or in part by any error, act or omission, negligent or otherwise, of the Contractor, its employees, agents or volunteers or Contractor's subcontractors and their employees, agents or volunteers; or 2) directly or indirectly arise out of or occur in connection with performance of this Contract or 3) are based upon the Contractor's or its subcontractors' use of, presence upon, or proximity to the property of the County. This indemnification obligation of the Contractor shall not apply in the limited circumstance where the claim, damage, loss, or expense is caused by the sole negligence of the County.

Should a court of competent jurisdiction determine that this contract is subject to RCW 4.24.115, then in the event of concurrent negligence of the Contractor, its subcontractors, employees or agents, and the County, its employees or agents, this indemnification obligation of the Contractor shall be valid and enforceable only to the extent of the negligence of the Contractor, its subcontractors, employees, and agents. This indemnification obligation of the Contractor shall not be limited in any way by the

Washington State Industrial Insurance Act, RCW Title 51, or by application of any other workmen's compensation act, disability benefit act or other employee benefit act, and the Contractor hereby expressly waives any immunity afforded by such acts.

It is further provided that no liability shall attach to the County by reason of entering into this contract, except as expressly provided herein. The parties specifically agree that this Contract is for the benefit of the parties only and this Contract shall create no rights in any third party. The County reserves the right, but not the obligation, to participate in the defense of any claim, damages, losses, or expenses, and such participation shall not constitute a waiver of Contractor's indemnity obligations under this Agreement.

In the event the Contractor enters into subcontracts to the extent allowed under this Contract, the Contractor's subcontractors shall indemnify the County on a basis equal to or exceeding Contractor's indemnity obligations to the County. The Contractor shall pay all attorney's fees and expenses incurred by the County in establishing and enforcing the County's rights under this indemnification provision, whether or not suit was instituted.

The Contractor agrees all Contractor's indemnity obligations shall survive the completion, expiration or termination of this Agreement. The foregoing indemnification obligations of the Contractor are a material inducement to County to enter into this Agreement and are reflected in the Contractor's compensation.

By signing this contract, the Contractor acknowledges that it has freely negotiated and agreed to the indemnification requirements to defend, indemnify and hold harmless the County from all claims and suits including those brought against the County by the Contractor's own employees, arising from this contract.

35.1 Non-Discrimination in Employment:

The County's policy is to provide equal opportunity in all terms, conditions and privileges of employment for all qualified applicants and employees without regard to race, color, creed, religion, national origin, sex, sexual orientation, age, marital status, disability, or veteran status. The Contractor shall comply with all laws prohibiting discrimination against any employee or applicant for employment on the grounds of race, color, creed, religion, national origin, sex, sexual orientation, age, marital status, disability, or veteran status, except where such constitutes a bona fide occupational qualification.

Furthermore, in those cases in which the Contractor is governed by such laws, the Contractor shall take affirmative action to insure that applicants are employed, and treated during employment, without regard to their race, color, creed, religion, national origin, sex, age, marital status, sexual orientation, disability, or veteran status, except where such constitutes a bona fide occupational qualification. Such action shall include, but not be limited to: advertising, hiring, promotions, layoffs or terminations, rate of pay or other forms of compensation benefits, selection for training including apprenticeship, and participation in recreational and educational activities. In all solicitations or advertisements for employees placed by them or on their behalf, the Contractor shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The foregoing provisions shall also be binding upon any subcontractor, provided that the foregoing provision shall not apply to contracts or subcontractors for standard commercial supplies or raw materials, or to sole proprietorships with no employees.

35.2 Non-Discrimination in Client Services:

The Contractor shall not discriminate on the grounds of race, color, creed, religion, national origin, sex, age, marital status, sexual orientation, disability, or veteran status; or deny an individual or business any service or benefits under this Agreement; or subject an individual or business to segregation or separate treatment in any manner related to his/her/its receipt any service or services or other benefits provided under this Agreement; or deny an individual or business an opportunity to participate in any program provided by this Agreement.

36.1 Waiver of Noncompetition:

Contractor irrevocably waives any existing rights which it may have, by contract or otherwise, to require another person or corporation to refrain from submitting a proposal to or performing work or providing supplies to the County, and contractor further promises that it will not in the future, directly or indirectly, induce or solicit any person or corporation to refrain from submitting a bid or proposal to or from performing work or providing supplies to the County.

36.2 Conflict of Interest:

If at any time prior to commencement of, or during the term of this Agreement, Contractor or any of its employees involved in the performance of this Agreement shall have or develop an interest in the subject matter of this Agreement that is potentially in conflict with the County's interest, then Contractor shall immediately notify the County of the same. The notification of the County shall be made with sufficient specificity to enable the County to make an informed judgment as to whether or not the County's interest may be compromised in any manner by the existence of the conflict, actual or potential. Thereafter, the County may require the Contractor to take reasonable steps to remove the conflict of interest. The County may also terminate this contract according to the provisions herein for termination.

37.1 Administration of Contract:

This Agreement shall be subject to all laws, rules, and regulations of the United States of America, the State of Washington, and political subdivisions of the State of Washington. The Contractor also agrees to comply with applicable federal, state, county or municipal standards for licensing, certification and operation of facilities and programs, and accreditation and licensing of individuals.

The County hereby appoints, and the Contractor hereby accepts, the Whatcom County Executive, and his or her designee, as the County's representative, hereinafter referred to as the Administrative Officer, for the purposes of administering the provisions of this Agreement, including the County's right to receive and act on all reports and documents, and any auditing performed by the County related to this Agreement. The Administrative Officer for purposes of this agreement is:

Christopher D'Onofrio, Program Specialist  
Whatcom County Health Department

37.2 Notice:

Any notices or communications required or permitted to be given by this Contract must be (i) given in writing and (ii) personally delivered or mailed, by prepaid, certified mail or overnight courier, or transmitted by electronic mail transmission (including PDF), to the party to whom such notice or communication is directed, to the mailing address or regularly-monitored electronic mail address of such party as follows:

To: Whatcom County  
Attn: Christopher D'Onofrio  
509 Girard Street  
Bellingham, WA 98225

To: Pioneer Human Services  
7440 W Marginal Way S  
Seattle, WA 98108

Any such notice or communication shall be deemed to have been given on (i) the day such notice or communication is personally delivered, (ii) three (3) days after such notice or communication is mailed by prepaid certified or registered mail, (iii) one (1) working day after such notice or communication is sent by overnight courier, or (iv) the day such notice or communication is sent electronically, provided that the sender has received a confirmation of such electronic transmission. A party may, for purposes of this Agreement, change his, her or its address, email address or the person to whom a notice or other communication is marked to the attention of, by giving notice of such change to the other party pursuant to this Section.

37.3 If agreed by the parties, this Contract may be executed by Email transmission and PDF signature and Email transmission and PDF signature shall constitute an original for all purposes.

38.1 Certification of Public Works Contractor's Status under State Law:

If applicable, Contractor certifies that it has fully met the responsibility criteria required of public works contractors under RCW 39.04.350 (1), which include: (a) having a certificate of registration in compliance with RCW 18.27; (b) having a current state unified business identifier number; (c) if applicable, having industrial insurance coverage for its employees working in Washington as required in Title 51 RCW, an employment security department number as required in Title 50 RCW, and a state excise tax registration number as required in Title 82 RCW; and (d) not being disqualified from bidding on any public works contract under RCW 39.06.010 or 39.12.065 (3).

38.2 Certification Regarding Federal Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions:

If applicable, the Contractor further certifies, by executing this contract, that neither it nor its principles is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or Agency.

The Contractor also agrees that it shall not knowingly enter into any lower tier covered transactions (a transaction between the Contractor and any other person) with a person who is proposed for debarment, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, and the Contractor agrees to include this clause titled "Certification Regarding Federal Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction" without modification, in all lower tier covered transactions and in all solicitations for lower tier transactions.

The "Excluded Parties List System in the System for Award Management (SAM) website is available to research this information at WWW.SAM.GOV. Contractor shall immediately notify Whatcom County if, during the term of this Contract, Contractor becomes debarred.

38.3 E-Verify:

The E-Verify contractor program for Whatcom County applies to contracts of \$100,000 or more and sub contracts for \$25,000 or more if the primary contract is for \$100,000 or more. If applicable, Contractor represents and warrants that it will, for at least the duration of this contract, register and participate in the status verification system for all newly hired employees. The term "employee" as used herein means any person that is hired to perform work for Whatcom County. As used herein, "status verification system" means the Illegal Immigration Reform and Immigration Responsibility Act of 1996 that is operated by the United States Department of Homeland Security, also known as the E-Verify Program, or any other successor electronic verification system replacing the E-Verify Program. Contractor/Seller agrees to maintain records of such compliance and, upon request of the County, to provide a copy of each such verification to the County. Contractor/Seller further represents and warrants that any person assigned to perform services hereunder meets the employment eligibility requirements of all immigration laws of the State of Washington. Contractor/Seller understands and agrees that any breach of these warranties may subject Contractor/Seller to the following: (a) termination of this Agreement and ineligibility for any Whatcom County contract for up to three (3) years, with notice of such cancellation/termination being made public. In the event of such termination/cancellation, Contractor/Seller would also be liable for any additional costs incurred by the County due to contract cancellation or loss of license or permit." Contractor will review and enroll in the E-Verify program through this website: [www.uscis.gov](http://www.uscis.gov)

**Series 40-49: Provisions Related to Interpretation of Agreement and Resolution of Disputes**

40.1 Modifications:

Either party may request changes in the Agreement. Any and all agreed modifications, to be valid and binding upon either party, shall be in writing and signed by both of the parties.

40.2 Contractor Commitments, Warranties and Representations:

Any written commitment received from the Contractor concerning this Agreement shall be binding upon the Contractor, unless otherwise specifically provided herein with reference to this paragraph. Failure of the Contractor to fulfill such a commitment shall render the Contractor liable for damages to the County. A commitment includes, but is not limited to, any representation made prior to execution of this Agreement, whether or not incorporated elsewhere herein by reference, as to performance of services or equipment, prices or options for future acquisition to remain in effect for a fixed period, or warranties.

41.1 Severability:

If any term or condition of this contract or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application. To this end, the terms and conditions of this contract are declared severable.

41.2 Waiver:

Waiver of any breach or condition of this contract shall not be deemed a waiver of any prior or subsequent breach. No term or condition of this contract shall be held to be waived, modified or deleted except by an instrument, in writing, signed by the parties hereto. The failure of the County to insist upon strict performance of any of the covenants and agreements of this Agreement, or to exercise any option herein conferred in any one or more instances, shall not be construed to be a waiver or relinquishment of any such, or any other covenants or agreements, but the same shall be and remain in full force and effect.

42.1 Disputes:

a. General:

Differences between the Contractor and the County, arising under and by virtue of the Contract Documents, shall be brought to the attention of the County at the earliest possible time in order that such matters may be settled or other appropriate action promptly taken. Except for such objections as are made of record in the manner hereinafter specified and within the time limits stated, the records, orders, rulings, instructions, and decisions of the Administrative Officer shall be final and conclusive.

b. **Notice of Potential Claims:**

The Contractor shall not be entitled to additional compensation which otherwise may be payable, or to extension of time for (1) any act or failure to act by the Administrative Officer or the County, or (2) the happening of any event or occurrence, unless the Contractor has given the County a written Notice of Potential Claim within ten (10) days of the commencement of the act, failure, or event giving rise to the claim, and before final payment by the County. The written Notice of Potential Claim shall set forth the reasons for which the Contractor believes additional compensation or extension of time is due, the nature of the cost involved, and insofar as possible, the amount of the potential claim. Contractor shall keep full and complete daily records of the work performed, labor and material used, and all costs and additional time claimed to be additional.

c. **Detailed Claim:**

The Contractor shall not be entitled to claim any such additional compensation, or extension of time, unless within thirty (30) days of the accomplishment of the portion of the work from which the claim arose, and before final payment by the County, the Contractor has given the County a detailed written statement of each element of cost or other compensation requested and of all elements of additional time required, and copies of any supporting documents evidencing the amount or the extension of time claimed to be due.

d. **Arbitration:**

Other than claims for injunctive relief, temporary restraining order, or other provisional remedy to preserve the status quo or prevent irreparable harm, brought by a party hereto (which may be brought either in court or pursuant to this arbitration provision), and consistent with the provisions hereinabove, any claim, dispute or controversy between the parties under, arising out of, or related to this Contract or otherwise, including issues of specific performance, shall be determined by arbitration in Bellingham, Washington, under the applicable American Arbitration Association (AAA) rules in effect on the date hereof, as modified by this Agreement. There shall be one arbitrator selected by the parties within ten (10) days of the arbitration demand, or if not, by the AAA or any other group having similar credentials. Any issue about whether a claim is covered by this Contract shall be determined by the arbitrator. The arbitrator shall apply substantive law and may award injunctive relief, equitable relief (including specific performance), or any other remedy available from a judge but shall not have the power to award punitive damages. Each Party shall pay all their own costs, attorney fees and expenses of arbitration and the parties shall share equally in the Arbitrator's fees and costs. The decision of the arbitrator shall be final and binding and an order confirming the award or judgment upon the award may be entered in any court having jurisdiction. The parties agree that the decision of the arbitrator shall be the sole and exclusive remedy between them regarding any dispute presented or pled before the arbitrator. At the request of either party made not later than forty-five (45) days after the arbitration demand, the parties agree to submit the dispute to nonbinding mediation, which shall not delay the arbitration hearing date; provided, that either party may decline to mediate and proceed with arbitration.

Any arbitration proceeding commenced to enforce or interpret this Contract shall be brought within six years after the initial occurrence giving rise to the claim, dispute, or issue for which arbitration is commenced, regardless of the date of discovery or whether the claim, dispute, or issue was continuing in nature. Claims, disputes, or issues arising more than six years prior to a written request or demand for arbitration issued under this Contract are not subject to arbitration.

- e. The parties may agree in writing signed by both parties that a claim or dispute may be brought in Whatcom County Superior Court rather than mediation or arbitration.

*Unless otherwise specified herein, this Contract shall be governed by the laws of Whatcom County and the State of Washington.*

43.1 **Venue and Choice of Law:**

In the event that any litigation should arise concerning the construction or interpretation of any of the terms of this Agreement, the venue of such action of litigation shall be in the courts of the State of Washington in and for the County of Whatcom. This Agreement shall be governed by the laws of the State of Washington.

44.1 **Survival:**

The provisions of paragraphs 11.1, 11.2, 11.3, 21.1, 22.1, 30.1, 31.1, 31.2, 32.1, 33.1, 34.2, 34.3, 36.1, 40.2, 41.2, 42.1, and 43.1, if utilized, shall survive, notwithstanding the termination or invalidity of this Agreement for any reason.

45.1 **Entire Agreement:**

This written Agreement, comprised of the writings signed or otherwise identified and attached hereto, represents the entire Agreement between the parties and supersedes any prior oral statements, discussions or understandings between the parties.

**EXHIBIT "A"**  
(SCOPE OF WORK)

**I. Background**

In 2009, Whatcom County established the Whatcom County Offender Re-Entry Housing Program as a pilot project funded primarily by Department of Commerce Homeless Grant Assistance Program. This project has become a permanent supportive housing program for homeless ex-offenders who are returning to Whatcom County under the supervision of the Washington State Department of Corrections, for homeless ex-offenders exiting the Whatcom County Jail, for individuals experiencing homelessness, Mental Health Court participants, and chronically homeless veterans. The Contractor will provide permanent housing, housing case management, and behavioral health services to enable program participants' access to services and achieve housing stability. Behavioral health services are also offered to the Lighthouse Mission through this contract.

By entering into this agreement, it is not intended to create a benefit or cause of action for any third person not a signatory to this agreement, except a program participant. By providing services to a program participant, the Contractor does not enter into a take charge relationship for anything other than making services available to the participant. It is not meant to provide protection to any third person or the public in general.

Definitions:

AMI	Area Median Income
DOC	Washington State Department of Corrections
HMIS	Homeless Management Information System
SHP	U.S. Department of Housing and Urban Development Supportive Housing Program
WHSC	Whatcom Homeless Service Center
VA	United States Department of Veteran Affairs
VASH	Veteran Affairs Supportive Housing program combines Housing Choice Voucher rental assistance for homeless Veterans with case management and clinical services provided by the VA
S+C	Shelter Plus Care Program – a U.S. Department of Housing and Urban Development Supportive Housing Program

**II. Statement of Work**

The Contractor will be responsible for the operation of the permanent supportive housing program at City Gate which provides housing for:

- A. Homeless ex-offenders who are returning to Whatcom County under the supervision of the Washington State Department of Corrections.
- B. Homeless ex-offenders exiting the Whatcom County Jail.
- C. Individuals and veterans experiencing chronic homelessness.
- D. Mental Health Court participants (up to 6 units).

The re-entry residents eligible to reside at City Gate must have a mental health disability and/or be disabled due to a history of substance use disorder with an income at or below 50% of Area Median Income (AMI). The contractor will also

provide rental assistance vouchers through the use of Whatcom County flex funds to ex-offenders under DOC supervision. By operating this program, the Contractor will be responsible for the following, as well as any other activities identified by the Contractor as being necessary to meet the program objective of increased housing stability for ex-offenders and homeless individuals and veterans:

1. Provide a resident manager to oversee the safety and security of the building. Facility staff will be available on site at all times to monitor resident behavior and compliance with lease agreements.
2. Provide 36 permanent housing units at the City Gate apartment building: 10 to be used for VASH participants, 5 for SHP participants, and up to 5 for S+C participants. An additional 6 units may be used for Mental Health Court participants.
3. Develop leases and program agreements with all participating clients, including master lease with the SHP provider.
4. Operate and provide property management services of the permanent supportive housing program, including rent determination and collection, facility maintenance, and unit turnover.
5. Establish rental amounts that are no more than 30 percent of resident's adjusted monthly income in compliance with Exhibit E (Types of Income to Count and Calculating Adjusted Income). Establish deposit and minimum rent amounts.
6. Continue to further develop and refine the referral protocol in conjunction with Whatcom County Housing Specialist for ex-offenders released from the Whatcom County Jail.
7. Accept referrals from the Whatcom Homeless Service Center to consider for placement in City Gate.
8. Determine and document client eligibility.
9. Coordinate Housing Quality Standard (HQS) inspections for Housing Authority funded units or conduct Housing Safety Standard (HSS) inspections for all other occupied City Gate units receiving assistance under this contract.
10. Respond in a timely manner to a City Gate program participant's report of a housing quality problem.
11. Develop a permanent housing plan for re-entry clients accepted into the program and coordinate a Housing Service Plan for the VASH, S+C, and SHP residents with their case managers.
12. Work closely and collaboratively with DOC staff, Whatcom County Jail staff, law enforcement, criminal justice staff, County staff, WHSC, VA, local government staff, other community service providers, and community groups in managing the program, ensuring that offender accountability to DOC release plans is maintained and Housing Service Plans are followed, and increasing the likelihood of program participants' housing success.
13. Use reasonable care to notify DOC in the event of known violations of community supervision provisions, the VA social worker in the event of VASH program violations, and the housing case manager of the SHP clients in the case of program violations.
14. Participate as a member of a Re-Entry Coordination Team to help determine acceptance of potential residents into the program and to develop and implement a re-entry plan. This will include conferring with the program participant and his or her assigned Department of Corrections Community Corrections Officer to discuss housing and service needs, obtain available documentation, and explain the housing program.
15. Make necessary arrangements to ensure that a housing unit is available to an accepted program participant.
16. Link program participants to other needed services (e.g., mental health services, substance abuse treatment; health care; education and training; employment; parenting classes; social networks; family/community reconciliation, etc.).
17. Conduct a criminal background check on all potential residents of City Gate.
18. Ensure that no convicted sex offenders are considered for acceptance into the City Gate program.



19. Provide housing case management services to program participants. Housing case management services include but are not limited to:
  - a. Educating clients about:
    - i. The cleaning and maintenance of housing units.
    - ii. Tenant responsibilities under Landlord-Tenant Law.
    - iii. Financial literacy and money management.
  - b. Communicating with landlords and other residents.
  - c. Linking clients to employment and training programs.
  - d. Assisting clients in life skills and/or activities of daily living training.
  - e. Monitoring each program participant and his/her adherence to tenant responsibilities.
  - f. Assisting in addressing issues that threaten continued program participation, housing status, and safety of other residents or the immediate neighborhood.
20. Provide onsite behavioral health services by a Behavioral Health Professional for residents at City Gate and guests of The Lighthouse Mission. The position will coordinate with City Gate resident manager and case managers, VASH case manager, Mental Health Court Manager, SHP case manager, and S+C staff acting as part of the service provider team. This position will require compliance with state and federal confidentiality laws. Behavioral health services to be provided by Pioneer Human Services may include:
  - a. Screening residents to determine behavioral health needs; screen potential residents' behavioral health needs as they relate to housing placement and stability.
  - b. Conducting an assessment of behavioral health issues, including mental health and substance abuse history for residents who are not engaged with a mental health or substance use disorder treatment provider.
  - c. Developing a file and charting all provider contacts on residents engaged in formal behavioral health services.
  - d. Completing an Individualized Treatment Plan conjointly with each resident engaged in behavioral health treatment with PHS behavioral health staff.
  - e. Providing treatment and case management activities.
  - f. Coordinating ongoing care with other professionals.
  - g. Providing for an after-hours response system in the event of an emergency.
  - h. Follow relevant state statutes for provision of mental health treatment.
21. Providing monitoring for security with an operational interior and exterior camera system, and the use of a single entrance for all residents in units accessible from the building interior.
22. Distribute rental assistance voucher flex funds as appropriate up to a maximum of \$1,500 per household, according to the Whatcom County Flex Fund Guidelines set forth in Exhibit D.
23. Participate in Homeless Management Information System (HMIS) data collection efforts, coordinated through the WHSC.
24. Comply with state and federal confidentiality laws and regulations.
25. Comply with Landlord-Tenant Law.
26. Develop all administrative and programmatic policies and procedures required for the administration and operation of the program.
27. Attend Whatcom County Homeless Coalition meetings and Pioneer corporate staff meetings as required.

28. Ensure that common area bathrooms comply with standards set by the Americans with Disabilities Act (ADA).

**III. Program Requirements**

If on average over the course of the year, occupancy at City Gate falls below 95%, the Contractor shall meet with County staff to address occupancy rates with the goal of keeping the units at City Gate fully occupied.

**IV. Program Outcomes**

1. Facility strives to fill vacancies and maintain occupancy level of at least 95%
2. No more than two residents will exit per quarter to unstable housing destinations
3. Facility will be well integrated into community and there will be no more than two complaints from neighbors in any given quarter
4. City Gate staff will make at least four outreach efforts with neighbors and nearby businesses to proactively maintain good neighborhood relationships
5. At least 50% of residents will engage with a behavioral health clinician each quarter
6. At least 35% of residents (including those participating in the VA Supportive Housing program) will participate in pro-social community activities facilitated by City Gate staff

**V. Reporting Requirements**

The Behavioral Health Professional will submit separate monthly reports\* by the 15<sup>th</sup> of each month to the Health Department for clients seen at the Lighthouse Mission and at City Gate. These monthly reports will provide the following numbers: Clients assessed; clients that received services; contacts made with clients; average number of contacts with clients; client contacts during 1:1 sessions; and client contacts during group sessions.

City Gate staff will report quarterly on occupancy, exits to homelessness, neighborhood encounters, and behavioral health stability of residents through submission of quarterly reports due by the 15<sup>th</sup> of April, July, October, and January. The County reporting form for permanent supportive housing is to be used for this purpose as follows:

Current reporting templates will be posted on the Whatcom County Health Department Housing Program website which may be accessed at:

<http://www.whatcomcounty.us/DocumentCenter/View/37564/WCHDquarterlyPSHreportCityGate>

\*Contractors will be notified via email of updates to reporting templates.

**EXHIBIT "B"**  
(COMPENSATION)

**I. Budget and Source of Funding:** The source of funding for this contract, in an amount not to exceed \$490,948, is, HB 2060, local document recording fees, Mental Health Millage, and the Behavioral Health Program fund. The budget for this contract is as follows:

Item	Documents Required Each Invoice	Budget
<b>Program Services</b>		
Resident Manager/Case Managers – 3 FTE	GL Detail	\$133,070
Resident Monitor – 1 FTE		\$36,522
Mental Health Professional – 1 FTE		\$59,072
Supervisor (.25 FTE)		\$20,801
<b>Wages Subtotal</b>		<b>\$249,465</b>
Indirect Program Administration	27.5% on salaries only, not to exceed budget	\$68,603
<b>Wages Total</b>		<b>\$318,068</b>
Resident Manager / Case Manager Benefits		\$44,729
Resident Monitor Benefits		\$13,083
Mental Health Professional Benefits		\$16,900
Supervisor Benefits		\$5,068
Medical/UA	GL Detail	\$600
Operational Supplies (office, food, etc.)		\$4,500
Travel/Training/Mileage	Receipts for fees related to registration, training, licenses and dues. Ground transportation, parking, coach airfare, and ferries will be reimbursed at cost when accompanied by receipts. Reimbursement requests for allowable travel must include name of staff member, copies of mileage records (if applicable), dates of travel, starting point and destination, and a brief description of purpose. Lodging and meal costs for training are not to exceed the U.S. General Services Administration (GSA) Domestic Per Diem rates, specific to location ( <a href="http://www.gsa.gov">www.gsa.gov</a> ).	\$7,000
Flex Funds – Internal	Detail log with client ID with date and amount listed	\$3,000
Flex Funds – External		\$6,000
<b>Subtotal (excluding salaries)</b>		<b>\$100,880</b>
<b>Total Facility Staffing &amp; Services Costs</b>		<b>\$418,948</b>
<b>Facility Costs</b>		
City Gate Apartment Rent @ \$6,000/month		\$72,000
<b>Total Facility Costs</b>		<b>\$72,000</b>
<b>TOTAL</b>		<b>\$490,948</b>

Changes to the line item budget that exceed 10% of the line item amount must be approved in writing by the County. Under no circumstances shall program administration costs exceed the above specified budgeted amount.

**II. Invoicing**

- The Contractor shall submit itemized invoices on a monthly basis in a format approved by the County. The Contractor shall submit invoices to (include contract/PO #) [HL-BusinessOffice@whatcomcounty.us](mailto:HL-BusinessOffice@whatcomcounty.us). Monthly

invoices must be submitted by the 10<sup>th</sup> of the month, following the month of service. Invoices submitted for payment must include the items identified in the table above.

2. Contractor must submit quarterly financial reports detailing all costs and program income no later than April 30<sup>th</sup>, July 31<sup>st</sup>, October 31<sup>st</sup>, and January 31<sup>st</sup>. Reports will be sent to [HL-BusinessOffice@co.whatcom.wa.us](mailto:HL-BusinessOffice@co.whatcom.wa.us).
3. Payment by the County will be considered timely if it is made within 30 days of the receipt and acceptance of billing information from Contractor. The County may withhold payment of an invoice if the Contractor submits it more than 30 days after the expiration of this contract.
4. Invoices must include the following statement, with an authorized signature and date:  
**I certify that the materials have been furnished, the services rendered, or the labor performed as described on this invoice.**
5. Duplication of Billed Costs or Payments for Service: The Contractor shall not bill the County for services performed or provided under this contract, and the County shall not pay the Contractor, if the Contractor has been or will be paid by any other source, including grants, for those costs used to perform or provide the services in this contract. The Contractor is responsible for any audit exceptions or disallowed amounts paid as a result of this contract.

**EXHIBIT "C"**  
(CERTIFICATE OF INSURANCE)



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
9/14/2020

**THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.**

**IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).**

<b>PRODUCER</b> Arthur J. Gallagher Risk Management Services, Inc. 777 108th Ave NE, #200 Bellevue WA 98004	<b>CONTACT NAME:</b> Kim Lohr <b>PHONE (A/C, No, Ext):</b> 425-454-3386 <b>FAX (A/C, No):</b> 425-451-3716 <b>E-MAIL ADDRESS:</b> Kim_Lohr@ajg.com
<b>INSURED</b> Pioneer Human Services 7440 W. Marginal Way Seattle WA 98108	<b>INSURER(S) AFFORDING COVERAGE</b> <b>NAIC #</b> <b>INSURER A:</b> Philadelphia Indemnity Insurance Company      18058 <b>INSURER B:</b> Midwest Employers Casualty Company      23612 <b>INSURER C:</b> <b>INSURER D:</b> <b>INSURER E:</b> <b>INSURER F:</b>

**COVERAGES**      **CERTIFICATE NUMBER:** 1198703503      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INBR LTR	TYPE OF INSURANCE	ADDL SUBR INSD	WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC OTHER:			PHPK2179413	9/15/2020	9/15/2021	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 20,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COM/OP AGG \$ 3,000,000 \$
A	<input checked="" type="checkbox"/> <b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS ONLY			PHPK2179413	9/15/2020	9/15/2021	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 10,000			PHUB737970	9/15/2020	9/15/2021	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000 \$
B	<input checked="" type="checkbox"/> <b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N    N/A If yes, describe under DESCRIPTION OF OPERATIONS below			EWC006935	9/15/2020	9/15/2022	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER    WA Stop Gap E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A	Professional Liability			PHPK2179413	9/15/2020	9/15/2021	Each Incident Limit \$ 1,000,000 Aggregate Limit \$ 3,000,000

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)**  
 RE: Contract for City Gate housing in Bellingham.  
 Whatcom County Health Department is included as an Additional Insured under General Liability coverage per blanket form #CG2026 (04-13), Professional Liability per blanket form #PI-MANU-1 (01-00), Automobile Liability per blanket form #PI-CA-003 (04-14) and Umbrella Liability but only as required in written contract with named insured.

General Liability, Professional Liability, Umbrella Liability and Automobile Liability policies shall be Primary and Non-Contributory with any other insurance in force for or which may be purchased by Additional Insureds.

See Attached...

<b>CERTIFICATE HOLDER</b>  Whatcom County Health Department Attn: Barbara Johnson-Vinna, MSW, Housing Specialist 509 Girard Street Bellingham WA 98225	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
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**Exhibit D**  
**WHATCOM COUNTY FLEX FUNDS GUIDELINES**

"Flex funds" are funds that may be used at the discretion of the Contractor, following the policies described below, to purchase goods or services directly related to the service needs of the Contractor's clients, when no other funding source is available. **Such goods or services must be reasonable and necessary to meet a client's emergent service needs or contribute to the stabilization or self-sufficiency of the client.**

**Allowable Costs:** Allowable uses of client-specific expenditures of flex funds include the following:

- Clothing
- Food
- Housing/rental assistance
- Bus passes or taxi fare
- Car repairs
- Driver's license or ID card fees
- Educational or training program registration fees
- Household supplies, including furniture
- Medications
- Health care
- Other, as approved by Whatcom County

**Limitations:** Flex fund expenditures must be within the allowable criteria established by the County, as identified above, must be based upon the service needs as documented in the client's individual service plan, and must have no other funding available from any other source. Flex funds distributed to any one client cannot exceed \$1,500 per year, except with written authorization from the County. No flex fund disbursements are to be made directly to the client but rather will be made on behalf of a client.

**Documentation:** Requests for reimbursement of flex funds must include the attached form including the following:

- A. The person or organization funds were paid to.
- B. Date of transaction.
- C. A list of the goods and/or services purchased.
- D. The cost of the goods and/or services purchased.
- E. The initials of the client and/or unique identifying number of the client for whom the goods and/or services were purchased.
- F. The total amount of flex funds distributed to the client during the year.
- G. The service need addressed by the expenditure.
- H. Accompanying invoices and/or receipts.
- I. Evidence of administrative review of expenditures

**See Attached Form**





**EXHIBIT "E"**  
(TYPES OF INCOME TO COUNT AND CALCULATING ADJUSTED INCOME)

Annual income is made up of the types of household income that are A) included in the definition ("inclusions") or B) excluded in the definition ("exclusions"). The table below shows income inclusions and exclusions.

**Inclusions**

	<b>General Category</b>	<b>Amounts Anticipated to be Received During the Coming 12 Months</b>
1	Income from wages, salaries, tips, etc.	The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services.
2	Business Income	The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the household.
3	Interest, Dividend Income & Income from Assets	Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in number 2 (above). Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the household. Where the household has net household assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net household assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD.
4	Retirement & Insurance Income	The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except as provided in number 14 of Discretionary Items).
5	Unemployment & Disability Income	Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay (except as provided in number 3 of Discretionary Items of Income Exclusions).
6	Welfare Assistance	Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income: a. Qualify as assistance under the TANF program definitions at 45 CFR 260.31; and b. Are otherwise excluded from the calculation of annual income.
7.	Periodic and Determinable Allowances & Gift Income	Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling.
8.	Armed Forces Income	All regular pay, special day and allowances of a member of the Armed Forces (except as provided in number 8 of Income Exclusions).

### Exclusions

<b>General Category</b>	<b>Description</b>
1	Income from employment of children (including foster children) under the age of 18 years.
2	Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone).
3	Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (except as provided in number 5 of Income Inclusions).
4	Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member.
5	Income of a live-in aide (as defined in 24 CFR 5.403).
6	Certain increases in income of a disabled member of qualified families residing in HOME-assisted housing or receiving HOME tenant-based rental assistance (24 CFR 5.671(a)).
7	The full amount of student financial assistance paid directly to the student or to the educational institution for tuition and books.
8	The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.
9	<p>a. Amounts received under training programs funded by HUD.</p> <p>b. Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS).</p> <p>c. Amounts received by a participant in other publicly-assisted programs that are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, childcare, etc.) and which are made solely to allow participation in a specific program.</p> <p>d. Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for a Public Housing Authority (PHA) or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time.</p> <p>e. Incremental earnings and benefits resulting to any family member from participation in qualifying state or local employment training programs (including training not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program.</p>
10	Gifts
11	<p>Temporary, nonrecurring, or sporadic income (including gifts).</p> <p>Reparation payments paid by a foreign government pursuant to claims files under the laws of that government by persons who</p>

		were persecuted during the Nazi era.
12	Income from Full-time Students	Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household or spouse).
13	Adoption Assistance Payments	Adoption assistance payments in excess of \$480 per adopted child.
14	Social Security & SSI Income	Deferred periodic amounts from SSI and Social Security benefits that are received in a lump sum amount or in prospective monthly amounts.
15	Property Tax	Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit.
16	Home Care Assistance	Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep this developmentally disabled family member at home.
17	Other Federal Exclusions	<p>Amounts specifically excluded by any other federal statute from consideration as income for purposes of determining eligibility or benefits, including:</p> <ul style="list-style-type: none"> <li>a. The value of the allotment made under the Food Stamp Act of 1977;</li> <li>b. Payments received under programs funded in whole or in part under the Job Training Partnership Act (employment and training programs for Native Americans and migrant and seasonal farm workers, Job Corps, veterans employment programs, state job training programs and career intern programs, AmeriCorps);</li> <li>c. Allowances, earnings, and payments to individuals participating in programs under the Workforce Investment Act of 1998;</li> <li>d. Payments received under the Domestic Volunteer Service Act of 1973 (employment through VISTA, Retired Senior Volunteer Program, Foster Grandparents Program, youthful offender incarceration alternatives, senior companions);</li> <li>e. Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program;</li> <li>f. Amounts of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under the Federal work study program or under the Bureau of Indian Affairs student assistance programs;</li> <li>g. Allowances, earnings, and payments to AmeriCorps participants under the National and Community Service Act of 1990;</li> <li>h. Payments received under the Alaskan Native Claims Settlement Act;</li> <li>i. Income derived from the disposition of funds to the Grand River Band of Ottawa Indians;</li> <li>j. Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes;</li> <li>k. Payments received under the Maine Indian Claims Settlement Act of 1980 (25 U.S.C. 1721);</li> <li>l. The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U.S. Claims Court and the interests of individual Indians in trust or restricted lands, including the first \$2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands;</li> <li>m. Payments received from programs funded under Title V of the Older Americans Act of 1985 (Green Thumb, Senior Aids, Older American Community Service Employment Program);</li> <li>n. Payments received on or after January 1, 1989 from the Agent Orange Settlement Fund or any other fund established</li> </ul>

	<p>pursuant to the settlement in the In Re Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.);</p> <p>o. Earned income tax credit refund payments received on or after January 1, 1991, including advanced earned income credit payments;</p> <p>p. The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990;</p> <p>q. Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation;</p> <p>r. Any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran;</p> <p>s. Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act.</p>
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**Treatment of Assets: What to Include**

In general terms, an asset is cash or no cash item that can be converted to cash. Note that when assets are included in the calculation of annual income, it is the income earned from the asset – not the value of the asset – that is counted.

**Inclusions**

1. Cash held in savings accounts, checking accounts, safe deposit boxes, homes, etc. For savings accounts, use the current balance. For checking accounts, use the average six-month balance.
2. Cash value of revocable trusts available to the applicant.
3. Equity in rental property or other capital investments. Equity is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and all reasonable costs (e.g., broker fees) that would be incurred in selling the asset. Under HOME, equity in the family's primary residence is not considered in the calculation of assets for owner-occupied rehabilitation projects.
4. Cash value of stocks, bonds, Treasury bills, certificates of deposit, and money market accounts.
5. Individual retirement and Keogh accounts (even though withdrawal would result in a penalty).
6. Retirement and pension funds.
7. Cash value of life insurance policies available to the individual before death (e.g., surrender value of a whole life or universal life policy).
8. Personal property held as an investment such as gems, jewelry, coin collections, antique cars, etc.
9. Lump sum or one-time receipts, such as inheritances, capital gains, lottery winnings, victim's restitution, insurance settlements, and other amounts not intended as periodic payments.
10. Mortgages or deeds of trust held by an applicant.

### **Exclusions**

1. Necessary personal property, except as noted in number 8 of Inclusions, such as clothing, furniture, cars, and vehicles specially equipped for persons with disabilities.
2. Interest in Indian trust lands.
3. Assets not effectively owned by the applicant. That is, when assets are held in an individual's name, but the assets and any income they earn accrue to the benefit of someone else who is not a member of the household and that other person is responsible for income taxes incurred on income generated by the asset.
4. Equity in cooperatives in which the family lives.
5. Assets not accessible to and that provide no income for the applicant.
6. Term life insurance policies (i.e. where there is no cash value).
7. Assets that are part of an active business. "Business" does not include rental of properties that are held as an investment and not a main occupation.

### **CALCULATING ADJUSTED INCOME**

Adjusted income is used to determine total tenant payment (TTP), which is a measure of a household's ability to pay housing costs. It is derived by subtracting any of four deductions (or allowances) that apply to the household from the household's annual (gross) income.

### **Allowable Deductions**

Elderly or Disabled Household Deduction: A household that meets the elderly or disabled definition is entitled to a deduction of \$400 per household. An elderly household is any household in which the head, spouse, or sole member is 62 years of age or older; two or more persons who are at least 62 years of age live together; or one or more persons who are at least 62 years of age live with one or more live-in aides. A disabled household is one in which the head, spouse, or sole member is a person with disabilities. Two or more persons with disabilities living together and one or more persons with disabilities living with one or more live-in aides also qualify as disabled households.

Dependent Deduction: Deduct \$480 from annual income for each household dependent. A dependent is any household member who is not the head, co-head, or spouse, but is under the age of 18 years or disabled (of any age) or a full-time student (of any age). The household member must qualify for the deduction at the time the income certification is made.

Child Care Expenses Deduction: Deduct reasonable child care expenses (anticipated to be incurred during the coming year) for the care of a child age 12 or under if the childcare (1) enables the participant to seek or become employed, or further his/her education and (2) expenses are not reimbursed.

Medical Expenses Deduction: Deduct medical expenses (anticipated to be incurred during the coming year and are not covered by insurance) that are in excess of three percent of annual income. Medical expenses can include such items as:

- a. Services of a physician or other health care professional.
- b. Services of a hospital or other health care facility.

- c. Medical insurance premiums.
- d. Prescription and nonprescription medicines.
- e. Dental expenses.
- f. Eyeglasses and eye examinations.
- g. Medical or health products or apparatus (e.g., hearing aids or batteries).
- h. Live-in or periodic medical care assistance (e.g., visiting nurses or care attendants).
- i. Periodic payments on accumulated medical bills.

The medical expenses allowance is the amount by which total medical expenses exceed 3% of annual income.

For example, a youth has an anticipated annual income of \$10,000 and anticipated medical expenses of \$3,000 (not covered by insurance). The calculation for the medical expense deduction would be:

Total medical expenses	\$3000
Less 3% of annual income	<u>300</u>
Medical expense deduction	\$2,700