

**AGREEMENT FOR THE RECEIPT OF FUNDS FROM THE SNOQUALMIE SMALL
BUSINESS AND COMMUNITY ORGANIZATION RAPID RELIEF PROGRAM**

THIS AGREEMENT is entered into on this ____ day of June 2020, by and between the City of Snoqualmie, hereinafter “the City,” and _____, d/b/a _____, recipient of a grant award under the Snoqualmie Small Business and Community Organization Rapid Relief Program, hereinafter “the Recipient.”

RECITALS

WHEREAS, on March 27, 2020, the United States Congress adopted the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) which, among other things, amended Section 601(a) of the Social Security Act and established the Coronavirus Relief Fund into which Congress appropriated \$150 billion to make payments for specified uses to States and certain local governments; and

WHEREAS, the Coronavirus Relief Fund is available to reimburse government recipients for necessary expenditures incurred due to the COVID-19 public health emergency that were not accounted for in the government recipient’s most-recently appropriated budget and that were incurred during the period between March 1, 2020 and December 30, 2020; and

WHEREAS, guidance issued by the U.S. Treasury Department indicates that necessary expenditures incurred due to the COVID-19 public health emergency include costs incurred to support local businesses that suffered losses due to COVID-19 business interruptions, or incurred costs for personal protective equipment or other materials, supplies and equipment needed to safely operate following a COVID-19-related closure; and

WHEREAS, the State of Washington has decided to distribute a certain portion of its share of the CARES Act funds to Washington Cities, including the City of Snoqualmie, with such funds being administered through the Washington State Department of Commerce; and

WHEREAS, under the Washington State Department of Commerce Interagency Agreement with the City of Snoqualmie through the Coronavirus Relief Fund for Local Governments reimbursable expenditures must be incurred during the period between March 1, 2020 and October 31, 2020 in order for the State of Washington to closeout its contracts in time to meet the United States Treasury’s December 30, 2020 end date; and

WHEREAS, the City established the Snoqualmie Small Business and Community Organization Rapid Relief Program (“Program”), the focus of which is to provide short-term economic stability via monetary grants to qualifying businesses and community organizations located within City limits, and to community human and/or social service organizations providing service to residents of the City of Snoqualmie; and

WHEREAS, the City has determined the Recipient eligible for assistance under this Program.

NOW, THEREFORE, the parties herein do mutually agree as follows:

- 1. Award Amount and Eligible Expenses.** The total amount to be awarded to Recipient under the Program is \$_____ (“Program Award Funds”). Recipient shall use Program Award Funds only to pay or reimburse Recipient for Eligible Expenses incurred during the time period set forth in Section 2. A list of Eligible and Ineligible Expenses is included in Exhibit A. Expenditure of Program Award Funds on Ineligible Expenses shall be subject to recapture at the discretion of the City. The Recipient agrees to repay to the City, within thirty (30) days or such other the time period specified by the City, all Program Award Funds determined by the City to have been spent on an Ineligible Expense. In the alternative, the City may recapture such funds from payments due under this Agreement.
- 2. Time Period.** All Eligible Expenses must be incurred by the Recipient between March 1, 2020 and October 31, 2020. Any expenses incurred before or after this period are not Eligible Expenses for Program Award Funds. The Recipient understands that any expenses incurred in excess of Program Award Funds are the Recipient’s sole responsibility and will not be paid by the City.
- 3. Compliance with Federal, State and Local Laws.** The Recipient shall comply with and obey all applicable federal, state and local laws, regulations, and ordinances. Should the Recipient’s spending of the Program Award Funds be inconsistent with applicable laws, provisions of this Agreement, or otherwise inappropriate, the City shall have the right to the return of any portion of the Funds that are later determined to have been spent in violation of applicable laws. In the alternative, the City may recapture such funds from payments due under this Agreement. The City shall not exercise this right until it has given written notice of noncompliance with applicable laws or this Agreement to Recipient, and allowed Recipient a period of ten (10) days from the date of notice for Recipient to cure the noncompliance. The right of recapture provided in this section is in addition to and not in lieu of any right which Washington law provides for breach of contract.

 - a. **Requirement to Provide Accurate Information.** The Recipient understands and acknowledges that providing false information on any documents submitted to the City or its designees as part of the Recipient’s participation in the Program may constitute fraud, and may be subject to civil and/or criminal penalties and/or sanctions.
 - b. **No Use of Program Award Funds for Expenses Covered by Other Programs.** The Recipient shall not use Program award funds to cover payroll or other employee-related or business-associated costs for which the Recipient has received other federal, state or regional funds, including without limitation funds made available under the Payroll Protection Program (“PPP”) or unemployment insurance compensation.
 - c. **Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transaction.** Recipient certifies, by signing this Agreement that neither it nor its principals is presently debarred, suspended,

proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal or State department or agency.

- 4. Maintenance of Records.** The Recipient shall maintain accurate written records, including accounting records such as invoices, sales receipts, and proof of payment, books, documents, data and other evidence that reflects all of Recipient's direct and indirect expenditures of Program Award Funds. These records must be sufficient to demonstrate that the funds have been used in accordance with Section 601(d) of the Social Security Act. The City may at any time review the documentation to determine the Recipient's conformance with the requirements of the Program, and the Recipient shall make available to the City, upon request, all of the Recipient's records and documents with respect to all matters covered by this Agreement.

 - a. The City may require the Recipient to provide additional documentation if the existing documentation is deemed incomplete.
 - b. The Recipient shall retain all records related to this Agreement for a period of six (6) years following the receipt of Program Award Funds. These records, including materials generated under the contract, shall be subject at all reasonable times to inspection and review by the City, and to an audit by the Washington State Department of Commerce, personnel duly authorized by Commerce, the Office of the State Auditor, and federal and state officials so authorized by law, regulation or agreement.
 - c. If any litigation, claim or audit is started before the expiration of the six (6) year period provided in Section 4(b) above, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.
- 5. Snoqualmie Valley Chamber of Commerce.** The City is partnering with the Snoqualmie Valley Chamber of Commerce ("the Chamber") to administer this Program. Recipients may be contacted by the Chamber regarding this Program and are encouraged to contact the Chamber with questions about the Program.
- 6. No Employee Relationship.** The Recipient understands and acknowledges that neither the Recipient nor any officer, employee or agent of the Recipient shall be considered to be an employee of the City, nor entitled to any benefits accorded City employees, by virtue of the services provided under this Agreement. The City shall not be responsible for assuming the duties of an employer with respect to the Recipient or any employee of the Recipient.
- 7. Indemnification.** The Recipient shall indemnify and hold the City harmless against any claim or liability of any nature in connection with or arising in any manner out of this Agreement. In the event of any dispute between the Recipient and its employees, subcontractors or anyone with a claim to some or all of the Recipient's Program award funds, the Recipient shall be responsible for resolution of any such claim and the City shall have no responsibility or obligation in the resolution process or outcome. The Recipient

shall ensure that any sub-recipient of any Program award funds shall agree to defend and indemnify the City to the extent and on the same terms and conditions as the Recipient.

- 8. Non-discrimination.** The Recipient shall conduct its business and use funds in a manner which assures fair, equal and non-discriminatory treatment of all persons, including maintaining open hiring and employment practices, and compliance with all requirements of applicable federal, state or local laws or regulations related to hiring and employment practices and providing services to all persons, without discrimination as to any person's race, color, religion, sex, sexual orientation, disabled veteran condition, physical or mental handicap or national origin.
- 9. Complete Agreement.** This Agreement sets forth the complete expression of the agreement between the Parties, and any oral representations or understandings not incorporated herein are excluded.
- 10. Waiver.** Any waiver by the Recipient or the City of the breach of any provision of this Agreement by the other party will not operate, or be construed, as a waiver of any subsequent breach by either party or prevent either party from thereafter enforcing any such provisions.
- 11. Modification.** This Agreement may only be amended by written agreement signed by both Parties.
- 12. Severability.** If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void, insofar as it is in conflict with said laws, and the remainder of the Agreement shall remain in full force and effect.
- 13. Notices.**
 - A. Notices to the City of Snoqualmie shall be sent to the following address:

City of Snoqualmie
Attn: City Administrator
38624 SE River Street
P.O. Box 987
Snoqualmie, WA 98065
 - B. Notices to the Recipient shall be sent to the following address:

- 14. Assignment of Contract.** The Recipient shall not assign this contract without the prior written consent of the City.
- 15. Venue.** This Agreement shall be governed by the law of the State of Washington and venue for any lawsuit arising out of this Agreement shall be in King County.

16. Disclaimer of Liability. Washington State Department of Commerce and the State of Washington are not liable for claims or damages arising from the Recipient's performance of this Agreement.

IN WITNESS WHEREOF, the City and Recipient have executed this Agreement as of the date first above written.

<p>CITY OF SNOQUALMIE, WASHINGTON</p> <p>By: _____ Its: Mayor Date: _____</p>	<p>Recipient</p> <p>[Recipient's Complete Legal Name]</p> <p>By: _____ Typed/Printed Name: _____ Its: _____ Date: _____</p>
<p>ATTEST:</p> <p>Jodi Warren, City Clerk Date: _____</p>	
<p>APPROVED AS TO FORM:</p> <p>Bob C. Sterbank, City Attorney, Date: _____</p>	

Exhibit A

SNOQUALMIE SMALL BUSINESS AND COMMUNITY ORGANIZATION RAPID RELIEF PROGRAM

A. Eligible Uses of Program Grant Funds:

- a. Payment of rent or required monthly loan payments.
- b. Payments of regular wages, employee benefits and taxes; provided such expenses have not been and, to the best knowledge of the Recipient, will not be reimbursed under any federal, state or regional program, including any grant or loan programs.
- c. Expenditures involved in typical operating costs, including those set forth on an income statement as a regular, ongoing cost of operating the business.
- d. Typical draws or wages paid on a regular interval to the owner; provided such draws or wages are consistent with those paid to the owner in previous corresponding quarters, years or other appropriate time intervals.
- e. Expenses for compliance with COVID-19-related public health measures, including personal protective equipment and supplies, plexiglass barriers or other similar equipment and expenses reasonably necessary for the protection of public health and the health of Recipient owners and employees.

B. Ineligible Uses of Program Grant Funds:

- a. Political campaign contributions or donations.
- b. Charitable contributions or gifts.
- c. Bonus payments to Recipient owners, officers or employees.
- d. Payment of wages to any member of the Recipient owner's family who is not a bona fide employee.
- e. Draws or salary to Recipient owner that exceeds the amount paid over a corresponding interval, quarter, or year in 2019.
- f. Paydown or payoff of debt by more than the monthly amount required by the underlying debt instrument.
- g. Payroll and other employee- or business-associated costs for which the Recipient has received or expects to receive reimbursement from other federal, state or regional funds (*e.g.* Payroll Protection Program or unemployment insurance).
- h. Damages covered by insurance.
- i. Reimbursement to donors for donated items or services.
- j. Severance pay.
- k. Legal settlements.
- l. Any expenses not considered an eligible business expenses by the Department of the Treasury Internal Revenue Service.