

**AGREEMENT BETWEEN CITY OF STOCKTON
AND
UPTIMA ENTREPRENEUR
COOPERATIVE
FOR
COMMUNITY DEVELOPMENT BLOCK GRANT
(Services)**

This agreement (the "Agreement") is entered into on _____, 2026, by and between the City of Stockton, a municipal corporation ("City") and Uptima Entrepreneur Cooperative ("Subrecipient").

RECITALS

WHEREAS, the City has applied for and received funds from the United States Government under Title I of the Housing and Community Development Act of 1974, as amended (HCD Act), Public Law 93-383, Catalog of Federal Domestic Assistance number 14.218, otherwise known as the Community Development Block Grant Entitlement for City;

WHEREAS, pursuant to such grant, CITY is undertaking certain programs and services necessary for the planning, implementation, or execution of such Community Development Block Grant; and

WHEREAS, the Subrecipient applied for Entrepreneurship Grant funding and the City agrees to engage the Subrecipient to assist the City in utilizing funds received for Community Development Block Grant funded by the U.S. Department of Housing and Urban Development to provide services to Stockton small businesses that meet the requirements described in Section 24 of the Code of Federal Regulations, Part 570, Community Development Block Grants ("24 C.F.R. Part 570") and Title 2 of the Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("2 C.F.R. Part 200").

WHEREAS, on March 31, 2026, the Stockton City Council Approved Resolution No. _____, wherein Subrecipient has been allocated the amount of \$81,540 ("Funds") from the Community Development Block Grant Entitlement Program for the Project. Additional Project and Subrecipient information is presented at Exhibit F.

AGREEMENT

NOW, THEREFORE, in recognition of the mutual consideration provided herein, City and Subrecipient hereby agree that the aforementioned recitals are true and correct and further agree as follows:

I. SCOPE OF SERVICE

A. Activities

The Subrecipient will be responsible for administering a CDBG program in a manner satisfactory to the City, consistent with any standards required as a condition of providing these funds, in compliance with this Agreement, and as described in Exhibit A (the “Project”). Such Project will include the following activities eligible under the Community Development Block Grant program:

a. Subrecipient’s Activities and Services:

The program will host 12 monthly virtual workshops to help Stockton small business and cooperative owners strengthen their business models, financial management, access to capital, and succession planning while addressing current economic challenges. Workshops also serve as a pathway into intensive one-on-one advising, with a structured enrollment process that prioritizes LMI-owned businesses and those in underserved areas such as South Stockton. Selected participants receive customized consulting support in strategy, finance, capital access, cooperative conversion, and operational development to build long-term sustainability and resilience.

B. Major Deliverables

- a. Serve 120 business owners through with the monthly workshop series.
- b. Provide intensive one-on-one advising and consulting to support the growth and retention of 30 small businesses and cooperatives.
- c. Plan and conduct a public event for Stockton Small Business Week between the dates of May 3 -May 9, 2026.
- d. Program deliverables will be reported on a quarterly and annual basis including but not limited to beneficiary demographic and income level data as well as narratives related to subrecipient performance as required by HUD.

Project Delivery

Subrecipient shall comply with the goals and performance standards defined below and outlined in the City’s Entrepreneurship Grant application, which is hereby included in this Agreement by reference.

General Administration

The Funds for the Project are to be administered under the direction of the Subrecipient’s Executive Director.

C. National Objectives

All activities funded with CDGB funds must meet one of the CDBG program’s National Objectives: benefit low- and moderate-income persons; aid in the prevention or elimination of slums or blight; or meet community development

needs having a particular urgency, as defined in 24 CFR 570.208.

The Subrecipient certifies that the activity(ies) carried out under this Agreement will meet National Objective 1: benefit to low- and moderate- income (LMI) persons. The National Objective will be met by serving low mod limited clientele (LMC) and at least 51% of the beneficiaries will be LMI persons.

D. Staffing

If the SUBRECIPIENT experiences any staff changes with key personnel assigned at contract execution, the SUBRECIPIENT must notify the CITY and receive approval from the CITY project manager. Additionally, the SUBRECIPIENT must notify the CITY project manager of any changes in the pay rate of key personnel charging time to the CITY CDBG project.

E. Performance Monitoring

The City will monitor the performance of the Subrecipient against goals and performance standards as stated above. Substandard performance as determined by the City will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the Subrecipient within 30 days after being notified by the City, contract suspension or termination procedures may be initiated

II. TIME OF PERFORMANCE/TERM

Services of the Subrecipient shall start on April 1, 2026, and end on March 31, 2027. The term of this Agreement and the provisions herein may be extended by written agreement to cover any additional time period during which the Subrecipient remains in control of CDBG funds or other CDBG assets, including program income. Either party may terminate this Agreement at any time during the term of this Agreement by giving the other party 30-day written notice that such party intends to terminate this Agreement. In the event of termination by either party, Subrecipient shall be entitled to compensation for all eligible expenses incurred up to the date of termination. This Agreement may be terminated if Subrecipient fails to comply with any term of the award and the City may suspend the operation of the Agreement for up to sixty (60) days upon notice based on the City's reasonable grounds to question the fiscal accountability, financial soundness, or compliance with this Agreement by the Subrecipient.

III. PAYMENT

It is expressly agreed and understood that the total amount to be paid by the City to the Subrecipient under this Agreement shall not exceed the amount of \$81,540. Drawdowns for the payment of eligible expenses shall be made against the line-item budgets specified in "Exhibit B" herein and in accordance with performance. Expenses for general administration shall also be paid against the line-item budgets specified in "Exhibit B" and in accordance with performance.

City shall only make payments for those Activities that comply with (a) the terms and conditions of this Agreement, (b) the financial management system in accordance with the standards specified in 2 CFR 200, and (c) 24 C.F.R. Part 570.

Payments shall be made on a reimbursement basis for actual costs incurred in providing services. Subrecipient shall submit a requisition itemizing all costs incurred by budget category as contained on the attached form marked Exhibit B. Requisitions shall be submitted to City on a quarterly basis through the City's Vendor Self Service Portal. All costs listed on requisitions shall be accompanied by copies of invoices, bills, receipts, or payroll records. All payments shall be made to Subrecipient within 30 days from the date requisition is received by City, provided the City has received the required documentation and reporting. Failure to provide any of the required documentation and reporting will cause the City to withhold all or a portion of a request for reimbursement until such documentation and reporting has been received and approved by the City. City shall only be obligated to pay Subrecipient upon City's receipt of grant funds from HUD. Subrecipient will not be reimbursed for any expenses paid outside of the agreement term. Quarterly reports must be submitted for the time period requesting reimbursements.

The Subrecipient shall submit invoices on a quarterly basis in congruence with the quarterly reports as indicated in section VIII(C)(2) of this Agreement. All invoices must include a complete and accurate cover sheet as provided in Exhibit D, substantive and complete supporting documentation for eligible activities for which Subrecipient is requesting reimbursement, and all invoices must be submitted through the City's Vendor Self Service Portal. Failure to submit an accurate and complete corresponding quarterly report may result in the delay or rejection of the invoice until the beginning of the next quarter.

The Subrecipient shall submit all final requests for reimbursements no later than 15 days after March 31.

IV. **DRAW DOWN OF FUNDS**

Draw down of funds shall be determined between the CITY and the SUBRECIPIENT, as stated in the Appendices A and B.

In every case, payment will be made subject to receipt of a written requisition for payment from SUBRECIPIENT specifying and certifying that such expenses are in conformance with this Agreement and SUBRECIPIENT is entitled to receive the amount requisitioned under the terms of the Agreement. To comply with 2 CFR 200.415, with each requisition for payment, an official authorized to bind SUBRECIPIENT shall certify that "By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812)." This certification must be included on the City-provided coversheet referenced in Exhibit D.

A. SUBRECIPIENT agrees that the General Provisions for Selected Items of Cost (2

CFR 200.420-200.475) shall be used to determine the allow-ability of invoiced costs.

- B.** Requisitions for Payment will be dispersed upon request provided that:
- i. The Requisition for Payment is submitted with an original authorized signature;
 - ii. That all Requisitions for Payment are accompanied with supporting documentation verifying all costs are specific to carrying out the Agreement Scope;
 - iii. That a Budget Amendment Form be requested from City, and if approved by City, be returned with an original authorized signature for any Requisition for Payment that varies from the original approved Project Budget. City Approval of the budget amendment will be evaluated based on the nature of the request in comparison to the contract scope, and shall be subject to prior-approval by HUD, if required, pursuant to 2 CFR 200.308. The City of Stockton will only allow up to two

Budget Amendments during the contract period, but no later than December 31.

C. SUBRECIPIENT shall not claim reimbursement from CITY for (or apply sums received from the CITY with respect to) that portion of any of its obligations which has been or should be paid by another source.

D. SUBRECIPIENT shall be reimbursed only for eligible expenses incurred during the specified time period of the Agreement.

E. SUBRECIPIENT shall notify CITY in writing of all authorized personnel who shall be empowered to file requests for payment and pick up reimbursement checks pursuant to the Agreement.

F. Disbursement of funds may be withheld if periodic (QUARTERLY) activity reports are not provided according to this Agreement.

G. Upon receipt of payment of its final written requisition, SUBRECIPIENT shall have no entitlement to any unused funds.

v. NOTICES

Notices required by this Agreement shall be in writing and delivered via mail (postage prepaid), commercial courier, or personal delivery. Any notice delivered or sent as aforesaid shall be effective on the date of delivery or sending. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice. Communication and details concerning this contract shall be directed to the following contract representatives:

A. Notice or communication to Subrecipient is addressed as follows:

Uptima Entrepreneur Cooperative
 2323 Broadway
 Oakland, CA 94612
 Attn: Founder

B. Notice or communication to City is addressed as follows:

City of Stockton Economic Development Department
 425 N. El Dorado Street
 Stockton, California 95202
 Attn: Director

VI. **ADVERTISING CONDITIONS**

- A. **Advertisement and Web Presence.** Subrecipient shall have an organizational web-based presence and effectively advertise and promote the Project on their website to reach a wider audience. Subrecipient shall translate marketing information, both in-print and web-based, into Spanish and/or other languages reflective of the target community.
- B. SUBRECIPIENT agrees that in advertisements or public notices regarding the Community Development Block Grant -funded portion of the program, that such ads or notices will include wording to the effect that the program, or a portion thereof, is funded through a Community Development Block Grant award provided by the City of Stockton.

VII. **GENERAL CONDITIONS**

A. **General Compliance**

The Subrecipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)) including subpart K of these regulations, except that (1) the Subrecipient does not assume the Recipient's environmental responsibilities described in 24 CFR 570.604 and (2) the Subrecipient does not assume the Recipient's responsibility for initiating the review process under the provisions of 24 CFR 52. The Subrecipient also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this contract. The Subrecipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

B. **"Independent Contractor"**

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Subrecipient shall at all times remain an "independent contractor" with respect to the services to be performed under this Agreement. The City shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance, as the Subrecipient is an independent contractor.

C. **Hold Harmless**

To the fullest extent permitted by law, Subrecipient shall hold harmless, defend and

indemnify the City and its officers, officials, employees and volunteers from and against any and all liability, loss, damage, expense, costs (including without limitation costs and fees of litigation) of every nature arising out of or in connection with Subrecipient's performance hereunder or its failure to comply with any of its obligations contained in the agreement, except such loss or damage which was caused by the sole negligence or willful misconduct of the City. This obligation is independent of, and shall not in any way be limited by, the minimum insurance obligations contained in this Agreement. These obligations shall survive the completion or termination of this Agreement.

If the Subrecipient should subcontract all or any portion of the work to be performed under this Agreement, the Subrecipient shall require each sub-contractor to indemnify, hold harmless and defend the City and its officers, officials, employees, and volunteers in accordance with the terms of the preceding paragraph.

D. Workers' Compensation

The Subrecipient shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement.

E. Insurance

The Subrecipient shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by Subrecipient with limits and other requirements as stated in Exhibit C.

F. City Recognition

The Subrecipient shall ensure recognition of the role of the City in providing services through this Agreement. All activities, facilities and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. The Subrecipient shall adhere to all City guidelines and protocols regarding use of the City logo, brand, name, and/or other materials which identify the City. In addition, the Subrecipient will include a reference to the support provided herein in all publications made possible with funds made available under this Agreement.

G. Amendments

The Parties may amend this Agreement in writing.

Notwithstanding the above, the City may, in its discretion, amend this Agreement to conform with Federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both City and Subrecipient.

VIII. ADMINISTRATIVE REQUIREMENTS

A. Financial Management**1. Accounting Standards**

The Subrecipient agrees to comply with 2 CFR 200 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

2. Cost Principles

The Subrecipient shall administer its program in conformance with 2 CFR 200 as applicable. These principles shall be applied for all costs incurred on a direct basis.

B. Documentation and Record Keeping**1. Records to be Maintained**

The Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR 570.506, that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
- c. Records required to determine the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the equal opportunity components of the CDBG program;
- f. Financial records as required by 24 CFR 570.502, and 2 CFR 200; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR 570.

2. Retention

The Subrecipient shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of five (5) years. The retention period begins on the date of the submission of the City's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the five-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the five-year period, whichever occurs later.

3. Client Data

The Subrecipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to City monitors or their designees for review upon request.

4. Disclosure

The Subrecipient understands that client information collected under this contract is private and the use or disclosure of such information, when not directly connected with the administration of the City's or Subrecipient's responsibilities with respect to services provided under this contract, is prohibited unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.

5. Close-outs

The Subrecipient's obligation to the City shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the City), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Subrecipient has control over CDBG funds, including program income.

6. Audits & Inspections

All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the City, grantor agency, and the Comptroller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient within 30 days after receipt by the Subrecipient. Failure of the Subrecipient to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The Subrecipient hereby agrees to have an annual agency audit conducted in accordance with current City policy concerning subrecipient audits and 2 CFR 200.

C. Reporting and Payment Procedures

1. Program Income

Program income, as defined at 24 CFR 570.500(a), must be spent and is subject to record keeping and spending requirements in compliance with 2 CFR Section 200.302(b)(2)-(4), 24 CFR 570.504 and 24 CFR 570.506.

- a. Program income generated by the SUBRECIPIENT must be spent by the SUBRECIPIENT. The SUBRECIPIENT may only spend

program income on eligible costs within the component that generated it within the contract year during which the program income was generated. The SUBRECIPIENT must spend down any accrued program income on eligible costs before use of other Funds.

- b. Costs paid by program income shall count toward meeting the SUBRECIPIENT's matching requirements, provided the costs are eligible costs that supplement the SUBRECIPIENT's Project.
- c. The SUBRECIPIENT is required to maintain records of their receipt and use of program income. These records must be kept in accordance with the financial records requirements in 24 CFR 570.504 and 24 CFR 570.506. Program income must be tracked separately from grant funds to ensure the program income was spent appropriately. The SUBRECIPIENT must track program income on a quarterly basis and report on the use of program income in the SUBRECIPIENT's quarterly report described in section VIII(C)(1).

The Subrecipient shall report quarterly all program income (as defined at 24 CFR 570.500(a)) generated by activities carried out with CDBG funds made available under this contract. The use of program income by the Subrecipient shall comply with the requirements set forth at 24 CFR 570.504. By way of further limitations, the Subrecipient may use such income during the contract period for activities permitted under this contract and shall reduce requests for additional funds by the amount of any such program income balances on hand. All unexpended program income shall be returned to the City at the end of the contract period. Any interest earned on cash advances from the U.S. Treasury and from funds held in a revolving fund account is not program income and shall be remitted promptly to the City.

2. Quarterly and Annual Reports

The Subrecipient shall submit regular Quarterly Reports to the City in the form, content, and frequency as required by the City. Quarterly reports shall be submitted using the reporting form provided in Exhibit D and following the Agreement date no later than July 15 (for the period of April 1 through June 30), October 15 (for the period of July 1 through September 30), January 15 (for the period of October 1 through December 31), and April 15 (for the period of January 1 through March 31). All quarterly reports shall be submitted to the Economic Development Department. The completion and submittal of quarterly reports are required for invoices to be processed for the same period of time. SUBRECIPIENT shall submit an annual report at the end of the program term summarizing program activity, accomplishments and outcomes.

D. Procurement

1. Compliance

The Subrecipient shall comply with current City policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided

herein. All Program assets (unexpended program income, property, equipment, etc.) shall revert to the City upon termination of this Agreement.

2. Office of Management and Business (OMB) Standards

Unless specified otherwise within this agreement, the Subrecipient shall procure all materials, property, or services in accordance with the requirements of 2 CFR 200.

3. Travel

The Subrecipient shall obtain written approval from the City for any travel outside the metropolitan area with funds provided under this Agreement.

E. Use and Reversion of Assets

The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 2 CFR 200 and 24 CFR 570.502, 570.503, and 570.504, as applicable, which include but are not limited to the following:

1. The Subrecipient shall transfer to the City any CDBG funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination.
2. Real property under the Subrecipient's control that was acquired or improved, in whole or in part, with funds under this Agreement in excess of \$25,000 shall be used to meet one of the CDBG National Objectives pursuant to 24 CFR 570.208 until five (5) years after expiration of this Agreement, or such longer period of time as the City deems appropriate. If the Subrecipient fails to use CDBG-assisted real property in a manner that meets a CDBG National Objective for the prescribed period of time, the Subrecipient shall pay the City an amount equal to the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such payment shall constitute program income to the City. The Subrecipient may retain real property acquired or improved under this Agreement after the expiration of the five-year period, or such longer period of time as the City deems appropriate.
3. In all cases in which equipment acquired, in whole or in part, with funds under this Agreement is sold, the proceeds shall be program income (prorated to reflect the extent to that funds received under this Agreement were used to acquire the equipment). Equipment not needed by the Subrecipient for activities under this Agreement shall be (a) transferred to the City for the CDBG program or (b) retained after compensating the City an amount equal to the current fair market value of the equipment less the percentage of non-CDBG funds used to acquire the equipment.
4. If the SUBRECIPIENT becomes insolvent, all furniture, equipment or any other property or assets purchased partly or totally with Community Development Block Grant funds, shall be returned to the CITY for

disposition.

- F. Unique Entity Identifier.** SUBRECIPIENT shall maintain an updated and valid Unique Entity Identifier (UEI) number, which requires registering with Sam.gov.
- G. Additional Federal Conditions.** SUBRECIPIENT acknowledges it has reviewed, and will remain in compliance with, the Federal Conditions Sections contained in Exhibit E.

IX. PERSONNEL & PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

The Subrecipient agrees to comply with the State of California's Fair Employment and Housing Act, the Unruh Civil Rights Act, and all other State of California nondiscrimination statutes, regulations, and standards, along with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, and Executive Order 11063.

2. Nondiscrimination

The Subrecipient agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607. The applicable non-discrimination provisions in Section 109 of the HCDA are still applicable.

3. Land Covenants

This contract is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352) and 24 CFR 570.601 and 570.602. In regard to the sale, lease, or other transfer of land acquired, cleared, or improved with assistance provided under this contract, the Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the City and the United States are beneficiaries of and entitled to enforce such covenants. The Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. Section 504

The Subrecipient agrees to comply with all Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against individuals with disabilities or handicaps in any Federally assisted program. The City shall provide the Subrecipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

B. Hiring Practices

1. Women- and Minority-Owned Businesses (W/MBE)

The Subrecipient will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

2. Access to Records

The Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the City, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations, and provisions stated herein.

3. Notifications

The Subrecipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the Subrecipient's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

4. Equal Employment Opportunity (EEO) Statement

The Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity employer.

5. Subcontract Provisions

The Subrecipient will include the provisions of Paragraphs IX.A, Civil Rights, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own subrecipients or subcontractors.

C. **Employment Restrictions**

1. **Prohibited Activity**

The Subrecipient is prohibited from using funds provided herein or personnel employed in the administration of the program for political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.

2. **Labor Standards**

The Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et seq.) and all other applicable Federal, state, and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The Subrecipient agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874 et seq.) and its implementing regulations of the U.S. Department of Labor at 29 CFR 5. The Subrecipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the City for review upon request.

The Subrecipient agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation, or repair work financed in whole or in part with assistance provided under this contract, shall comply with Federal requirements adopted by the City pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided that, if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the Subrecipient of its obligation, if any, to require payment of the higher wage. The Subrecipient shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

3. **“Section 3” Clause**

a. **Compliance**

Compliance with the provisions of Section 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder prior to the execution of this contract shall be a condition of the Federal financial assistance provided under this contract and binding upon the City, the Subrecipient and any of the Subrecipient’s subrecipients and subcontractors. Failure to fulfill these requirements shall subject the City, the Subrecipient, and any of the Subrecipient’s subrecipients and subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. The Subrecipient certifies and agrees that no contractual or other disability exists that would prevent compliance with

these requirements.

The Subrecipient further agrees to comply with these “Section 3” requirements and to include the following language in all subcontracts executed under this Agreement:

“The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located.”

The Subrecipient further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to business concerns that provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

The Subrecipient certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.

b. Notifications

The Subrecipient agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or worker’s representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

c. Subcontracts

The Subrecipient will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the grantor agency. The Subrecipient will not subcontract with any entity where it has notice or

knowledge that the latter has been found in violation of regulations under 24 CFR 135 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

4. DRUG-FREE WORKPLACE CERTIFICATE

The Subrecipient agrees to provide a drug-free workplace in accordance with 2 CFR Part 2429 and the Drug-Free Workplace Act of 1988. The Subrecipient will:

- a. Publish a statement notifying employees that it is unlawful to manufacture, distribute, dispense, possess, or use a controlled substance in the applicant's workplace and such activities are prohibited. The statement must specify the actions that will be taken against employees for violation of this prohibition. The statement must also notify employees that, as a condition of employment under the federal award, they are required to abide by the terms of the statement and that each employee must agree to notify the employer in writing if the employee is convicted for a violation of a criminal drug statute occurring in the workplace, no later than 5 calendar days after such conviction.
- b. Establish an ongoing drug-free awareness program to inform employees about:
 - i. The dangers of drug abuse in the workplace;
 - ii. The Subrecipient's policy of maintaining a drug-free workplace;
 - iii. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - iv. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- c. Notify the City in writing within 10 calendar days after receiving notice from an employee of a drug abuse conviction or otherwise receiving actual notice of a drug abuse conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- d. Require that each employee engaged in the performance of the federally funded award be given a copy of the drug-free workplace statement required in item (i) above and notify the employee that one of the following actions will be taken against the employee within 30 calendar days of receiving notice of any drug abuse conviction:
 - i. Institution of a personnel action against the employee, up to and

- including termination consistent with requirements of the Rehabilitation Act of 1973 (29 U.S.C. 794), as amended; or
- ii. Imposition of a requirement that the employee participates satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency.
- e. Identify to the City all known workplaces under the award. The workplace identification must include the actual address of buildings or other sites where work under the award will take place. The Subrecipient must also inform the City of any workplace changes during the performance of the award. The identification of the workplaces must occur either:
- i. At the time of application or upon award; or
 - ii. In documents the applicant keeps on file in its offices during performance of the award, in which case the applicant must make the information available for inspection upon request by the City.

D. Conduct

1. Assignability

The Subrecipient shall not assign or transfer any interest in this Agreement without the prior written consent of the City thereto; provided, however, that claims for money due or to become due to the Subrecipient from the City under this contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the City.

2. Subcontracts

a. Approvals

The Subrecipient shall not enter into any subcontracts with any agency or individual in the performance of this contract without the written consent of the City prior to the execution of such agreement.

b. Monitoring

The Subrecipient will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c. Content

The Subrecipient shall cause all of the provisions of this contract in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

d. Selection Process

The Subrecipient shall undertake to ensure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all subcontracts shall be forwarded to the City along with documentation concerning the selection process.

3. Hatch Act

The Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.

4. Conflict of Interest

The Subrecipient agrees to abide by the provisions of 2 CFR 200 and 570.611, which include (but are not limited to) the following:

- a.** The Subrecipient shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees, or agents engaged in the award and administration of contracts supported by Federal funds.
- b.** No employee, officer, or agent of the Subrecipient shall participate in the selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.
- c.** No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-assisted activity, or with respect to the proceeds from the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the City, the Subrecipient, or any designated public agency.

5. Lobbying

The Subrecipient hereby certifies that:

- a.** No Federal appropriated funds have been paid or will be paid, by

or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
- c. It will require that the language of paragraph (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Subrecipients shall certify and disclose accordingly:

d. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

6. Copyright

If this contract results in any copyrightable material or inventions, the City and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish, or otherwise use and to authorize others to use, the work or materials for governmental purposes.

7. Religious Activities

The Subrecipient agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

x. ENVIRONMENTAL CONDITIONS

A. Air and Water

The Subrecipient agrees to comply with the following requirements insofar as they apply

to the performance of this Agreement:

- Clean Air Act, 42 U.S.C., 7401, et seq.;
- Federal Water Pollution Control Act, as amended, 33 U.S.C., 1251, et seq., as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder;
- Environmental Protection Agency (EPA) regulations pursuant to 40 CFR 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the Subrecipient shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

The Subrecipient agrees to complete a lead regulation screening worksheet to identify if real property involved in the Project is exempt from 24 CFR 35 as specified in 24 CFR Section 35.115.

The Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment, and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. Notification shall also include providing owners, prospective owners, and tenants with the “Protect Your Family from Lead in Your Home” pamphlet in accordance with 24 CFR Section 35.1210(b). The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment, and/or abatement may be conducted.

The Subrecipient further agrees to retain a copy of each notice, evaluation, and clearance or abatement report related to lead-based paint activities undertaken pursuant to 24 CFR 35, Subpart B for at least three years. Those records applicable to a portion of a residential property for which ongoing lead-based paint maintenance and/or reevaluation activities are required shall be kept and made available for HUD’s review, until at least three years after such activities are no longer required.

D. Historic Preservation

The Subrecipient agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR 800, Advisory Council on Historic Preservation

Procedures for Protection of Historic Properties, insofar as they apply to the performance of this agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

XI. MISCELLANEOUS PROVISIONS

A. SEVERABILITY

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

B. SECTION HEADINGS AND SUBHEADINGS

The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

C. WAIVER

The City's failure to act with respect to a breach by the Subrecipient does not waive its right to act with respect to subsequent or similar breaches. The failure of the City to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

D. CONSTRUCTION OF LANGUAGE

The terms and conditions in this Agreement have been arrived at through negotiation and each party had a full and fair opportunity to review and revise.

E. ATTORNEY'S FEES

If any action at law or inequity is brought to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to costs and reasonable attorney's fees in addition to any other relief to which it may be entitled.

F. GOVERNING LAW

The validity of this Agreement and of any of its terms or provisions, as well as the rights and duties of the parties hereunder, shall be governed by the laws of the State of California.

G. ENTIRE AGREEMENT

This agreement constitutes the entire agreement between the City and the Subrecipient for the use of funds received under this Agreement and it supersedes all prior or

contemporaneous communications and proposals, whether electronic, oral, or written between the City and the Subrecipient with respect to this Agreement.

IN WITNESS WHEREOF, the Parties have executed this contract as of the date first written above.

Uptima Entrepreneur Cooperative, a California cooperative corporation

BY: Rani Langer-Croager

ITS: Founder & Co-CEO

DATE: March 11, 2026

CITY: CITY OF STOCKTON, a municipal corporation

By: _____
JOHNNY FORD
CITY MANAGER

DATE: _____

ATTEST:

KATHERINE ROLAND, CMC, CPMC
CITY CLERK
CITY OF STOCKTON

APPROVED AS TO FORM:

BY: _____
MARCI A. ARREDONDO
CITY ATTORNEY

INCORPORATED ATTACHMENTS & EXHIBITS

Exhibit "A"	Scope of Work/Services
Exhibit "B"	Program Budget
Exhibit "C"	Insurance Requirements
Exhibit "D"	City of Stockton Reimbursement Packet Documents
Exhibit "E"	Federal Conditions Sections Certifications
Exhibit "F"	Federal Award Identification Information
Appendix A	
Appendix B	

EXHIBIT A

Scope of Work/Services

Agency Name: Uptima Entrepreneur Cooperative

Program Name: Small Business & Cooperative Development Program

Amount of Grant: \$81,540

National Objective: 18C

Matrix Code: LMC

SUBRECIPIENT's UEI Number: G98CP27LWAN4

Program Narrative

We are proposing a Small Business & Cooperative Development program (the “Program”) that focuses on providing outreach, monthly workshops, and one-on-one advising and consulting to help Stockton's small business and cooperatives owners, especially those from low- to moderate-income (LMI) communities. Through this Program, we aim to serve 100-120 business owners through our workshop series and provide intensive one-on-one advising and consulting to support the growth and retention of 20-30 small businesses and cooperatives.

Our program is designed to address the gaps identified in the City's Economic Development Strategic Action Plan (EDSAP), particularly for underserved entrepreneurs who face barriers to accessing traditional business development resources. We will provide expert support to help business owners strengthen their business models, strategies, plans, finances, access to capital, and long-term sustainability. As part of this work, we will offer specialized support in cooperative business structures, governance, and conversions, helping business owners explore shared-ownership strategies for succession and stability. This integrated approach gives Stockton business owners access to practical tools to build resilient, community-based enterprises.

The program directly connects to CDBG goals by meeting the national objective of benefiting low- to moderate-income people through microenterprise assistance. Our activities qualify under 24 CFR 570.201(o) as we provide technical assistance, advice, and business services to owners of microenterprises and people developing microenterprises.

Outreach Strategy

We understand that small business and cooperative owners in Stockton operate within networks of trust and community. Our outreach strategy builds on our experience supporting diverse business owners through trusted community networks and relationships. We recognize that meaningful engagement requires meeting business owners in the spaces where they already gather and connecting through the organizations they already trust.

Our multi-faceted approach to outreach includes:

Community Partnerships: We will build relationships with local community organizations, business

associations, and neighborhood groups in Stockton, with a particular focus on South Stockton. These partnerships will help us reach business owners who might not typically access government-funded programs. We will develop clear referral processes and create opportunities for joint programming that maximizes our collective impact.

Digital Marketing: We will implement targeted digital outreach through social media content, email newsletters, and online resources that highlight program benefits and showcase success stories. This approach will create multiple touchpoints for business owners to learn about the program and connect with our team.

Direct Outreach: We will engage in direct outreach to small businesses and cooperatives in Stockton, with a focus on businesses in LMI areas, particularly South Stockton. This direct engagement helps build trust and creates personal connections that encourage participation.

Through this multi-channel approach, we ensure broad awareness while maintaining our core focus on building the kind of trusted relationships that help historically underserved business owners successfully engage with our services and strengthen their businesses.

Monthly Workshops

We will deliver 12 monthly virtual workshops covering critical business development topics, ensuring maximum accessibility for busy business owners across Stockton. These virtual workshops create welcoming online spaces where business owners can learn essential skills alongside their peers, share experiences, and build a supportive network, all without the barriers of travel time and location constraints. They also provide a marketing tool for us to engage small business and cooperative owners and promote our one-on-one advising and consulting for deeper levels of support.

Workshop topics will include:

- **Business Model Development & Validation:** Evaluate current business model and identify strategies to improve business resilience in the current economy.
- **Strategic Planning & Pivoting:** Develop practical strategies for strengthening business position and implementing protective measures against economic uncertainties.
- **Financial Management & Forecasting:** Learn essential tools and practices for managing business finances, creating budgets, and developing projections for both short and long-term planning.
- **Access to Capital & Funding Readiness:** Understand different funding sources available and determine which options best suit specific business needs.
- **Cooperative Business Models & Governance:** Explore shared ownership structures that can enhance stability and community wealth building.
- **Succession Planning & Business Transitions:** Develop strategies for business continuity, ownership transitions, and preserving business assets in the community.

These workshops are specifically designed to address the current economic challenges faced by Stockton's small businesses and cooperatives, including tariff impacts on supply chains, inflation effects on operations, interest rate volatility, and evolving consumer spending patterns. In addition, some

workshops will focus on how shared ownership models can provide more sustainability and offer options for retiring business owners to pass on the ownership and legacy to their workers.

Advising & Consulting Enrollment Process

Our approach to moving small business and cooperative owners from outreach and workshop participation to intensive one-on-one advising and consulting follows a carefully designed pathway that builds trust and demonstrates value at each step.

During our outreach activities and workshops, we provide clear information about our one-on-one advising and consulting services, highlighting specific ways these services can address the challenges business owners are facing. At the conclusion of each workshop, we offer a brief overview of our advising services and provide a simple way for interested business owners to schedule an initial consultation.

For small business and cooperative owners who express interest, we conduct an enrollment consultation to learn more about their business, vision, goals, and specific needs. This conversation helps determine if our advising services are a good fit for their current situation.

Selected businesses are required to sign a business advising agreement that outlines program expectations, including their commitment to regular meetings and implementation of agreed-upon action steps. This agreement also covers information-sharing requirements for CDBG compliance and program evaluation.

Our enrollment process will prioritize businesses that:

- Are owned by LMI individuals per HUD guidelines
- Demonstrate commitment to business growth or stabilization
- Have specific, actionable needs that our advising can address
- Are located in or serve South Stockton and other underserved areas

This screening helps ensure we focus our resources on businesses that are well positioned to benefit from our services and meet CDBG requirements.

One-on-One Advising & Consulting Services

After we enroll a business or cooperative in our one-on-one advising and consulting services, we match them with a dedicated business consultant team based on the stage of business, complexity of business needs, industry, and personality fit. Through this careful matching process, we create effective partnerships that allow for open communication and trust.

Our business consultants work closely with each business owner to co-create an advising plan that meets their specific needs identified through the enrollment process. Between weekly advising sessions, our consultants take a hands-on approach by researching economic and industry data, reviewing business models and strategies, reviewing cooperative structures and governance, preparing financial statements, developing budgets and forecasts, analyzing scenarios, and preparing funding analyses. This collaborative process ensures business owners

can focus on running their operations while receiving the expert support needed to strengthen their small businesses and cooperatives.

Our advising and consulting services are customized to meet each small business or cooperative where they are. These services include:

- **Business Strategy Assessment and Development:** We help small business and cooperative owners clarify their business models, identify market opportunities, and develop strategies for sustainable growth that respond to current economic conditions.
- **Financial Planning and Management:** Our advisors work directly with small business and cooperative owners to review and strengthen financial statements, develop budgets, and implement cash flow management systems that build resilience against economic uncertainties.
- **Capital Access Strategy:** We assist small business and cooperatives in identifying appropriate funding sources, preparing loan applications, and developing pitch materials for investors, with a focus on funding opportunities accessible to underserved business owners.
- **Cooperative Conversion Exploration:** For small businesses interested in shared ownership models, we provide specialized guidance on cooperative structures, governance models, and transition planning that preserves community assets and builds community wealth.
- **Succession Planning:** We help established business owners develop exit strategies and transition plans to ensure business continuity and preserve community assets, with cooperative conversion as a key option for keeping businesses locally owned.
- **Business Infrastructure Development:** Our advisors support small business and cooperative owners in establishing the systems and processes needed for operational efficiency and growth, even during challenging economic conditions.

We anticipate providing 20-30 hours of one-on-one business advising and consulting to each enrolled small business and cooperative.

Program Evaluation

We bring significant expertise in tracking and reporting program outcomes through our contract partnerships with government agencies. Our standard practice includes collecting intake and program data and providing monthly data, quarterly reports, and detailed annual reporting that demonstrates program impact and the patterns we are observing in the businesses we serve.

Intake Data: To ensure full compliance with CDBG requirements for serving 100% LMI individuals, we will implement a rigorous documentation protocol. During the enrollment process, we will collect and verify the following from each participant:

Income Verification Form: All participants will complete an income self-certification form that documents household size and annual income.

Supporting Documentation: We will collect appropriate supporting documentation such as tax returns, pay stubs, benefit award letters, or bank statements to verify income levels.

HUD Compliance Checklist: Each file will include a completed checklist verifying that income falls

within the appropriate limits for household size (below 80% AMI per HUD guidelines).

Quarterly Re-verification: For longer-term program participants, we will conduct quarterly re-verifications to ensure continued eligibility.

Secure Database Management: All participant information will be maintained in a secure database that tracks demographic information, services received, and outcomes achieved.

Our team has extensive experience implementing similar verification protocols through our prior CDBG-funded work in other municipalities, ensuring that all services are delivered to eligible LMI entrepreneurs and in full compliance with HUD regulations.

Reporting: For this program, we will measure success through multiple lenses that align with the City's goals and CDBG requirements. Our quantitative metrics include:

- Number of small businesses and cooperatives reached through outreach efforts
- Number of small businesses and cooperatives attending workshop sessions
- Number of small businesses and cooperatives enrolled and completing the advising program
- Hours of direct business advising and consulting provided
- Financial management improvements (cash flow tracking, budgeting implementation)
- Risk mitigation strategies developed and implemented
- Business retention and stability measures
- Job creation and retention data
- Number of businesses exploring cooperative models
- Number of businesses beginning cooperative conversion processes
- Number of cooperative succession plans developed Our

qualitative outcomes include:

- Whether small businesses and cooperatives have developed viable financial management and risk mitigation plans
- If small business and cooperative owners have gained the confidence to implement these plans
- How participating small businesses and cooperatives have improved their financial management practices
- Increased understanding of cooperative business structures and benefits
- Progress toward worker-ownership or other shared-ownership models
- Community wealth retention through cooperative conversions and succession planning
- Changes in business owner wellbeing through program participation
- Level of satisfaction with program services and likelihood to recommend to others

We have refined our assessment tools through years of similar programs with government agencies, ensuring compliance with CDBG reporting and accountability requirements. Our evaluation process begins when a business enrolls in the program with the completion of a baseline assessment that captures both their current business status and knowledge levels. We will implement post-program assessments to

measure improvement in participant knowledge and skills, with interim surveys following major workshop sessions to track progress and adjust content delivery as needed. This comprehensive assessment approach serves as both an intake tool and a measurement system that allows us to track meaningful progress throughout the program and demonstrate real change over time.

To ensure full compliance with CDBG requirements, we will augment our program evaluation with the following reporting processes:

- *Documentation of LMI Status:* We will verify and document that 100% of participants meet LMI requirements per HUD guidelines through income verification forms and supporting documentation.
- *Monthly Activity Reporting:* We will submit detailed monthly reports documenting all program activities, including workshop attendance, advising hours provided, participant demographics, and business progress indicators.
- *Quarterly Performance Matrices:* Our quarterly reports will track the progress of businesses in the program and include both quantitative metrics and qualitative success stories, formatted to meet the City's reporting requirements.
- *Final Program Report:* Our end of contract report will provide detailed analysis of program outcomes, including the financial health of participating businesses and success in implementing strategies for sustainability and growth. We will also highlight business owner success stories that demonstrate how the program is making a difference in the Stockton community.

The data we collect feeds into regular reporting that keeps all stakeholders informed of program progress. Our comprehensive reporting approach ensures transparency, accountability, and clear demonstration of program impact while meeting all CDBG compliance requirements.

Implementation Timeline

We are equipped to provide the services under this program beginning when the contract is issued (potentially October). Below is the preliminary timeline for our service delivery plan.

Month 1-2 Project Setup & Initial Outreach	<ul style="list-style-type: none"> • Complete program setup including database systems, reporting templates, and outreach materials • Establish formal partnerships with at least 3 Stockton community organizations • Develop workshop curriculum tailored to Stockton entrepreneurs' needs • Begin direct outreach to Stockton businesses • Deliver first workshop with at least 10 participants
Months 2-4 Program Launch & Participant Onboarding	<ul style="list-style-type: none"> • Conduct first 3 monthly workshops with at least 10 participants per session • Complete enrollment of 8-10 small businesses and cooperatives for intensive advising • Provide at least 200 hours of cumulative one-on-one advising • Establish baseline assessments for all enrolled businesses
Months 5-7 Program Implementation & Monitoring	<ul style="list-style-type: none"> • Deliver 4 additional workshops with at least 10 participants per session • Enroll additional 8-10 businesses for intensive advising • Provide at least 400 hours of cumulative one-on-one advising • Complete mid-program assessments for all enrolled businesses
Months 8-10 Expanded Implementation & Refinement	<ul style="list-style-type: none"> • Deliver 3 additional workshops with at least 10 participants per session • Enroll additional 8-10 businesses for intensive advising • Provide at least 600 hours of cumulative one-on-one advising
Month 11-12 Completion & Reporting	<ul style="list-style-type: none"> • Deliver final workshop with at least 10 participants • Wrap up one-on-one business advising and consulting engagements with participants • Complete final assessments for all enrolled businesses • Analyze program data to evaluate overall impact • Compile comprehensive final report with success stories and recommendations

These milestones will guide our implementation efforts and provide clear benchmarks for measuring progress. Our team will monitor these metrics monthly, allowing us to make real-time adjustments to our approach if needed to ensure program success.

EXHIBIT B
Program/Project Budget

Funding Uses/Expenses	City of Stockton Allocation
Consulting Fees	\$71,400
Materials and Resources	\$2,540
Travel Expenses	\$300
Other Expenses (Monthly Business Education Workshops)	\$4,800
Stockton Small Business Week Event Supplies	\$2,500
Total	\$81,540

EXHIBIT C

Insurance Requirements

Subrecipient shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Subrecipient, its agents, representatives, or employees.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Insurance Services Office Form CG 00 01 covering CGL on an “occurrence” basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than **\$2,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.

2. **Automobile Liability:** Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Subrecipient has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **\$1,000,000** per accident for bodily injury and property damage.

3. **Workers’ Compensation** insurance as required by the State of California, with Statutory Limits, and Employer’s Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease.

(Not required if consultant provides written verification it has no employees)

If the Subrecipient maintains broader coverage and/or higher limits than the minimums shown above, the City of Stockton requires and shall be entitled to the broader coverage and/or the higher limits maintained by the contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Stockton.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status

The City of Stockton, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Subrecipient including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Subrecipient’s insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of **both** CG 20 10, CG 20 26, CG 20 33, or CG 20

38; **and** CG 20 37 if a later edition is used). Additional insured Name of Organization shall read “City of Stockton, its officers, officials, employees, and volunteers.” Policy shall cover City of Stockton, its officers, officials, employees, and volunteers for all locations work is done under this contract.

Primary Coverage

For any claims related to this contract, the **Subrecipient’s insurance coverage shall be primary and non-contributory** and at least as broad as ISO CG 20 01 04 13 as respects the City of Stockton, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City of Stockton, its officers, officials, employees, or volunteers shall be excess of the Subrecipient’s insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies. The City of Stockton does not accept endorsements limiting the Subrecipient’s insurance coverage to the sole negligence of the Named Insured.

Umbrella or Excess Policy

The Subrecipient may use Umbrella or Excess Policies to provide the liability limits as required in this agreement. This form of insurance will be acceptable provided that all of the Primary and Umbrella or Excess Policies shall provide all of the insurance coverages herein required, including, but not limited to, primary and non-contributory, additional insured, Self-Insured Retentions (SIRs), indemnity, and defense requirements. The Umbrella or Excess policies shall be provided on a true “following form” or broader coverage basis, with coverage at least as broad as provided on the underlying Commercial General Liability insurance. No insurance policies maintained by the Additional Insureds, whether primary or excess, and which also apply to a loss covered hereunder, shall be called upon to contribute to a loss until the Subrecipient’s primary and excess liability policies are exhausted.

Notice of Cancellation

Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the City of Stockton.

Waiver of Subrogation

Subrecipient hereby grants to City of Stockton a waiver of any right to subrogation which any insurer of said Subrecipient may acquire against the City of Stockton by virtue of the payment of any loss under such insurance. Subrecipient agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City of Stockton has received a waiver of subrogation endorsement from the insurer.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the City of Stockton. The City of Stockton may require the Subrecipient to purchase coverage with a lower retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City of Stockton. The CGL and any policies, including Excess liability policies, may not be subject to a self-insured

retention (SIR) or deductible that exceeds \$25,000 unless approved in writing by City of Stockton. Any and all deductibles and SIRs shall be the sole responsibility of Subrecipient or a subcontractor of the Subrecipient who procured such insurance and shall not apply to the Indemnified Additional Insured Parties. City of Stockton may deduct from any amounts otherwise due Subrecipient to fund the SIR/deductible. Policies shall NOT contain any self-insured retention (SIR) provision that limits the satisfaction of the SIR to the Named. The policy must also provide that Defense costs, including the Allocated Loss Adjustment Expenses, will satisfy the SIR or deductible. City of Stockton reserves the right to obtain a copy of any policies and endorsements for verification.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City of Stockton.

Claims Made Policies

If any of the required policies provide claims-made coverage:

1. The Retroactive Date must be shown, and must be before the date of the contract or the beginning of contract work.
2. Insurance must be maintained and evidence of insurance must be provided ***for at least five (5) years after completion of the contract of work.***
3. If coverage is canceled or non-renewed, and not replaced ***with another claims-made policy form with a Retroactive Date prior to*** the contract effective date, the Subrecipient must purchase "extended reporting" coverage for a minimum of ***five (5)*** years after completion of work.

Verification of Coverage

Subrecipient shall furnish the City of Stockton with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause **and a copy of the Declarations and Endorsements Pages of the CGL and any Excess policies listing all policy endorsements.** All certificates and endorsements and copies of the Declarations & Endorsements pages are to be received and approved by the City of Stockton before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Subrecipient's obligation to provide them. The City of Stockton reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time. City of Stockton reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Subcontractors

Subrecipient shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Subrecipient shall ensure that City of Stockton is an additional

insured on insurance required from subcontractors.

Duration of Coverage

CGL & Excess liability policies **for any construction related work, including, but not limited to, maintenance, service, or repair work**, shall continue coverage for a minimum of 5 years for Completed Operations liability coverage. Such Insurance must be maintained and evidence of insurance must be provided ***for at least five (5) years after completion of the contract of work.***

Special Risks or Circumstances

City of Stockton reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

Certificate Holder Address

The address for mailing certificates, endorsements and notices shall be:

City of Stockton
Its Officers, Officials, Employees, and Volunteers
425 N. El Dorado Street – HR
Stockton, CA 95202

EXHIBIT D

City of Stockton Reimbursement Packet Documents

Subrecipient Name:						
Contract Number:		Date Submitted:		Contract Service Term:		
Invoice No.:		Program Description:		Contract Year:		
Item #	Budget Category	Budget Amount	Invoice Request	YTD Reimbursement	Balance	Usage
1						
2						
3						
4						
5						
6						
7						
TOTALS						%

Remit to:

By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812.)

Authorized Program Staff

Date



**CITY OF STOCKTON
COMMUNITY DEVELOPMENT BLOCK GRANT
ENTREPRENEURSHIP GRANT PROGRAM QUARTERLY REPORT**

Agreement No.		Subrecipient (Organization):	
Contact Person (Name and Title):			
Quarter Being Reported:		Date Submitted	

Required Reporting Metrics		
Total Number of Businesses Assisted This Quarter		
<u>Number of new businesses assisted:</u>	<u>Number of existing businesses assisted:</u>	
	<u>Number of businesses expanding (if applicable):</u>	
	<u>Number of businesses relocating (if applicable):</u>	
<u>Number of aspiring businesses assisted (business does not yet exist):</u>		
Race and Ethnicity Data for Businesses Assisted This Quarter		
Race	Non-Hispanic/Latino	Hispanic/Latino
White		
Asian		
Native Hawaiian/Other Pacific Islander		
Black/African American		
American Indian/Alaskan Native		
Asian & White		
Black/African American & White		
American Indian/Alaskan Native & White		
American Indian/Alaskan Native & Black		
Other/Multiracial		

TOTALS			
<u>Income Level for Businesses Assisted This Quarter</u>			
<u>Moderate (>80%) Income</u>		<u>Very Low (50%) Income</u>	
<u>Low (80%) Income</u>		<u>Extremely Low (<30%) Income</u>	
<u>Services and Accomplishments During This Quarter</u>			
<u>Services provided to the businesses/aspiring entrepreneurs:</u>			

CITY OF STOCKTON SELF-CERTIFICATION HOUSEHOLD INCOME VERIFICATION ENTREPRENEURSHIP ECOSYSTEM BUILDING PROGRAM

Following to be completed by the BUSINESS SERVICE ORGANIZATION

Business Service Organization (BSO): _____

BSO Address: _____, Stockton CA

BSO Contact Name: _____ Title: _____

BSO Telephone: _____ Email: _____

Date(s) of Service Provided to Program Beneficiary: _____

Please check appropriate box: New Beneficiary Previous Beneficiary

Please check appropriate box:

Individual/Aspiring Business Served New Business Served Existing Business Served

If the beneficiary was an existing business, were they:

Expanding? Yes No

Relocating? Yes No

Did the BSO provide services to staff of the program beneficiary (business owner)?

Yes, services were provided to _____ staff members No

Indicate Type of Service:

Business Consulting Access to Capital Workshop Attendee
 Cohort Participant Training attendee Financial Guidance
 Other: _____

BSO Signature: _____

BSO Print Name: _____ Date: _____

Following to be completed by the PROGRAM BENEFICIARY/BUSINESS OWNER

The Business Service Organization (BSO) you are receiving assistance from was assisted under a Federally funding program which has, as one of its objectives, the creation of jobs or services for low- and moderate-income persons. Whether you are from a **low/moderate-income household** depends on the size of the household and your total household income.

Please first circle the number of members in your household, then circle your total household income in the same row. Income is defined as the total annual gross income of all **household members** 18-years of age or older residing within the home. Students away at college but still reported as a dependent on a family member's tax return should also be included. Household member refers all persons living in the same household for the past 12-month period who are related by birth, marriage or adoption.

Step 1: House- hold Size (Circle One)	Step 2: Total Annual Household Income (On the row that has your Household size, Circle your total annual household income)			
	EL (0-30% AMI)	VL (31-50% AMI)	L (51-80% AMI)	M (81% AMI and Greater)
1	\$22,000 or less	\$22,201 - \$36,650	\$36,651- \$58,600	\$58,601 or more
2	\$25,150 or less	\$25,151 - \$41,850	\$41,851- \$67,000	\$67,001 or more
3	\$28,300 or less	\$28,301 - \$47,100	\$47,101- \$75,350	\$75,351 or more
4	\$31,400 or less	\$31,401 - \$52,300	\$52,301- \$83,700	\$83,701 or more
5	\$33,950 or less	\$33,951 - \$56,500	\$56,501- \$90,400	\$90,401 or more
6	\$36,450 or less	\$36,451 - \$60,700	\$60,701- \$97,100	\$97,101 or more
7	\$38,950 or less	\$38,951 - \$64,900	\$64,901- \$103,800	\$103,801 or more
8	\$41,450 or less	\$41,451 - \$69,050	\$69,051- \$110,500	\$110,501 or more

Following to be completed by the PROGRAM BENEFICIARY (Cont'd)

EMPLOYMENT STATUS

Part-time or Full-time

POSITION CURRENTLY HELD: _____

OTHER DEMOGRAPHIC INFORMATION

Ethnicity: Hispanic or Non-Hispanic

Race (please check one):

- | | |
|---|---|
| <input type="checkbox"/> White (Caucasian) | <input type="checkbox"/> Black/African American |
| <input type="checkbox"/> Asian | <input type="checkbox"/> American Indian/Alaskan Native |
| <input type="checkbox"/> Native Hawaiian/Other Pacific Islander | <input type="checkbox"/> American Indian/Alaskan Native & White |
| <input type="checkbox"/> Asian & White | <input type="checkbox"/> American Indian/Alaskan Native & Black |
| <input type="checkbox"/> Black/African American & White | <input type="checkbox"/> Other/Multiracial |

Does your family have a **Female Head of the Household**? Yes or No

If this is a new position, were you previously **unemployed**? Yes or No

If you are a current business owner, does your business have a Unique Identifier Number (UEI)?
 Yes, Please provide: _____ or No

I hereby certify that the information on this form is accurate and complete. I understand that this self-certification may be subject to further verification by the agency providing services, the City of Stockton, or the U.S. Department of Housing and Urban Development. I, therefore, authorize such verification, and I will provide supporting documents, if necessary. Warning: Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the U.S. Government.

Program Beneficiary Name (please print): _____

Signature (Parent/Guardian if under 18 years old)

Date

Please return completed, signed form to:

***City of Stockton
Economic Development Department
501 W. Weber Ave., Bldg 2
Stockton, CA 95203
Phone: (209) 937-8539
economic.development@stocktonca.gov***

Income levels current as published by HUD effective April 1, 2025 (80% of median – low income)
https://www.huduser.gov/portal/datasets/il/il2025/select_Geography.odn

[*form updated 2/27/2026*](#)



**CITY OF STOCKTON
COMMUNITY DEVELOPMENT BLOCK GRANT
ENTREPRENEURSHIP GRANT PROGRAM ANNUAL REPORT**

<u>Agreement No.</u>		<u>Subrecipient (Organization):</u>	
<u>Contact Person (Name and Title):</u>			
<u>Date Submitted:</u>			

Required Reporting Metrics		
<u>Total Number of Businesses Assisted (Do Not Double Count)</u>		
<u>Number of new businesses assisted:</u>	<u>Number of existing businesses assisted:</u>	
<u>Number of aspiring businesses assisted (business does not yet exist):</u>		
<u>Race for Total Number of Businesses Assisted</u>		
Race	Non-Hispanic/Latino	Hispanic/Latino
White		
Asian		
Native Hawaiian/Other Pacific Islander		
Black/African American		
American Indian/Alaskan Native		
Asian & White		
Black/African American & White		
American Indian/Alaskan Native & White		
American Indian/Alaskan Native & Black		
Other/Multiracial		

TOTALS			
<u>Income Level for all Businesses Assisted</u>			
<u>Moderate (>80%) Income</u>		<u>Very Low (50%) Income</u>	
<u>Low (80%) Income</u>		<u>Extremely Low (<30%) Income</u>	
<u>Services and Accomplishments During This Year</u>			
<u>Services provided to the businesses/aspiring entrepreneurs:</u>			
<u>Annual highlight and/or success story:</u>			

Timesheet

(Insert Logo)

Program	Entrepreneurship Grant Program
Employee Name	
Employee Title	
Agency	
Period Beginning	
Period Ending	

Time Worked	Week 1							Week 2						
	26-Apr Sun	27-Apr Mon	28-Apr Tue	29-Apr Wed	30-Apr Thur	1-May Fri	2-May Sat	3-May Sun	4-May Mon	5-May Tue	6-May Wed	7-May Thur	8-May Fri	9-May Sat
Work Activities														
Hours	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	0.00							0.00						

Comment: _____

I certify the hours entered above are a true and correct record of all time worked by me for this pay period.

Employee Signature _____ Date _____

Supervisor Signature _____ Date _____

EXHIBIT E

Federal Conditions Sections Certifications

In December 2014, 2 CFR Part 200 – “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,” commonly referred to as Uniform Guidance, became effective for all federal agencies and their grantees. This sweeping regulation replaced, combined, and streamlined eight previous sets of federal regulations. With this certification, Subrecipient acknowledges reading the Federal Conditions and the corresponding Sections related to 2 CFR Part 200 as well as HUD related CFRs as outlined in this Exhibit. Subrecipient understands that compliance with these Sections is a condition of the CDBG Grant Agreement between the City of Stockton and the Subrecipient.

The Federal Conditions Sections and federal regulations that are relevant to this grant include, but are not limited are as follows:

List of Sections Reviewed:

<u>Section 1:</u>	<u>2 CFR Part 200</u>	<u>Uniform Administrative Requirements</u>
<u>Section 2:</u>	<u>2 CFR Part 200</u>	<u>Cost Principles for Non-Profits</u>
<u>Section 3:</u>	<u>2 CFR Part 200</u>	<u>Audit Requirements</u>
	<u>24 CFR 570.602</u>	<u>Section 109 - Non-Discrimination</u>
	<u>24 CFR 570.607</u>	<u>EEO- Non-Discrimination</u>
	<u>24 CFR 570.604</u>	<u>Environmental Standards</u>
	<u>24 CFR 570.605</u>	<u>National Flood Insurance</u>
	<u>24 CFR Part 87</u>	<u>Restrictions on Lobbying</u>
	<u>24 CFR 570.207</u>	<u>Restrictions on Political Activities</u>
	<u>24 CFR 570.200 (j)</u>	<u>Restrictions on Religious Activities</u>
	<u>24 CFR Part 570</u>	<u>Education - Non-Discrimination</u>

EXHIBIT F
FEDERAL AWARD IDENTIFICATION INFORMATION

1. SUBRECIPIENT'S name: **Uptima Entrepreneur Cooperative**
2. SUBRECIPIENT'S UEI Number: **G98CP27LWAN4**
3. Federal Award Identification Number (FAIN): **B-24-MC-0026**
4. Federal Award Date: **12/9/2024**
5. Subaward Period of Performance Start and End Date: **April 1, 2026 – March 31, 2027**
6. Amount of Federal Funds Obligated by this action by the CITY entity to the SUBRECIPIENT: **\$81,540**
7. Total amount of Federal Funds Obligated to the SUBRECIPIENT by the CITY including the current obligation: **\$81,540**
8. Total amount of Federal Award committed to the SUBRECIPIENT by the CITY: **\$102,500**
9. Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA): **CDBG**
10. Name of Federal awarding agency: **US Department of Housing and Urban Development (HUD)**
11. Contact information for CITY official responsible for awarding funding: **Angelina Abella, Angelina.abella@stocktonca.gov**
12. CFDA Number and Name: **14.218 CDBG**
13. Identification of whether the award is Research and Development (R&D): **No**
14. Indirect cost rate for the HUD award to the CITY: **N/A**
15. Indirect cost rate for the subaward (which must be an approved Federally-recognized indirect cost rate negotiated between the SUBRECIPIENT and the Federal government or, if no such rate exists, either a rate negotiated between the CITY and the SUBRECIPIENT (in compliance with 2 CFR part 200), or a de minimis indirect cost rate as defined in §200.414(f)): **N/A**

APPENDIX A

1. Reporting Requirements

a. HUD recordkeeping regulations at 24 CFR Part 121 specifies the types of racial and ethnic data to be maintained. Subrecipient shall use HUD-issued “OMB Standards for Federal Data on Race and Ethnicity: HUD Policy Statement and Implementing Guidelines” that specifies the manner in which racial and ethnic characteristics are to be gathered, maintained, and submitted to City of Stockton and HUD. This format shall be utilized to collect racial and ethnic data. This format allows for self-identification of ethnicity from one of two ethnic categories (i.e., “Hispanic/Latino” and “Non-Hispanic/Latino”) and race from one or more of five racial categories. Observation method is described in the implementing guidelines indicated above. (Required by Title VI and Section 109 implementing regulations at 24 CFR Parts 1.6(b) and 6.10(c) and with recordkeeping requirements at 24 CFR Part 121)

b. Subrecipient shall gather, maintain, and submit racial, ethnic, gender, head of household and family, housing status and financial assistance received for each program participant documentation that describes the extent to which Program beneficiaries to the activity funded by this Agreement. Beneficiaries and prospective beneficiaries shall be expected to self-identify disability status. This requirement is intended to ensure meaningful access and participation for persons with disabilities. (Required by Section 504 implementing regulations at 24 CFR Part 8.55(b))

c. Subrecipient shall analyze, at least on a quarterly basis, the degree to which racial and ethnic minorities, female-headed households, persons with disabilities, as well as the categories covered in paragraph “5.b.” of this Appendix, are participating in the activity funded by this Agreement. Where subrecipient identifies underrepresentation of any group (underrepresentation of 10% or more in participation compared to its representation in the Stockton general population is considered significant) based on race, color, national origin, gender, or disability, the subrecipient shall adjust the administration of this funded activity in an effort to promote greater equity in participation (e.g., affirmative marketing/outreach). (Required by Title VI and Section 109 implementing regulations at 24 CFR Parts 1.4 and 6.4; Section 504 implementing regulations at 24 CFR Part 8.4(b); Section 808(e)(5) of the Fair Housing Act which requires HUD-funded activities to affirmatively further fair housing; and HUD’s Civil Rights-Related Program Requirements at 24 CFR 570.601)

2. Definitions:

a. Family is defined in the Entitlement program as a group of persons residing together, and includes but is not limited to: a family with or without children, an elderly family; a near-elderly family; a disabled family; a displaced family; An individual living in a housing unit that contains no other person(s) related to him/her is considered to be a one-person family for this purpose. Adult children who continue to live at home with their parent(s) are considered to be part of the family for this purpose and their income must be counted in determining the total family income. A dependent child who is living

outside of the home (for example, students living in a dormitory or other student housing) is considered for these purposes to be part of the family upon which he/she is dependent, even though he/she is living in another housing unit.

b. Household is defined in the Entitlement program as all persons occupying the same housing unit, regardless of their relationship to each other. The occupants could consist of a single family, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

3. Additional Requirements:

a. Subrecipients that employ fifteen (15) or more persons shall designate at least one person to coordinate efforts to comply with Section 504 requirements. Designated Section 504 (Accessibility) Coordinator shall coordinate efforts to comply with Section 504 program and physical requirements. Requirements include, but are not limited to: posting in a non-discrimination notice that includes the name and contact telephone number for the Section 504 Coordinator (notice must also be included in informational, advertising, and marketing materials); reasonable accommodation, removal of architectural barriers, policies and practices that promote access for persons with disabilities, grievance policies and procedures that incorporate appropriate due process standards and that provide for the prompt and equitable resolution of complaints alleging any action prohibited by Section 504, etc.

b. Grievance procedures shall include: 1) overseeing the investigation and resolution of complaints by the designated Section 504 Coordinator and documenting the number, nature, and outcomes of grievances; 2) notifying an individual of the right to file a complaint with the state or federal government against the City of Stockton or subrecipient without filing first with the state office; 3: displaying the name(s) and phone number(s) of the Section 504 Coordinator(s); and 4) notifying applicants, participants, and beneficiaries of its grievance policy on all forms and documents used to communicate with them or when the City of Stockton or subrecipient's decision may have an adverse impact to a prospective applicant, participant, or beneficiary. Subrecipient shall post the grievance policy at its office to notify applicants, participants, and beneficiaries. (Required by Section 504 implementing regulations at 24 CFR Part 8.53(a).

c. CDBG subrecipients shall be required to submit QUARTERLY Consolidated Annual Performance and Evaluation Report (CAPER) Data Reports.

d. City of Stockton may withhold reimbursement payment(s) in cases of non-compliance until non-compliance is cured.

APPENDIX B

1. Budget: Budget line items may be modified by mutual agreement with written authorization by Community Development Block Grant (CDBG) Program Manager or a City of Stockton designee.

2. Reimbursement Eligibility:
 - a. In order for costs to be reimbursable, costs must be reasonable, allowable, documented, and allocable. Only an executed subrecipient funding agreement authorizes these costs to be reimbursed for costs incurred during the term of the agreement. Any expenditure accrued or costs incurred prior to or after the term of the agreement will be ineligible for reimbursement.
 - b. City of Stockton reserves the right to hold or return reimbursement requests and disallow incurred expenses based on compliance with agreement. All financial transactions must be supported by complete and verifiable source documents. These records must provide a clear audit trail and must be maintained as specified by federal guidelines.

3. Reimbursement Request Submission:
 - a. Subrecipients must use the City of Stockton's Vendor Self Service Portal for invoice and supporting documentation submission.
 - b. Unless Subrecipient and CITY have agreed to monthly invoicing submittal, Subrecipient must submit reimbursement requests at least once per quarter.
 - c. Subrecipients that have agreed to submit monthly invoicing, must submit its Draw Requests no later than 15 days after the end of the month. Failure to comply with this requirement may default to a quarterly invoice if decided by CITY staff.
 - d. Subrecipients must submit the City-issued coversheet (Exhibit D) with every invoice.
 - e. Invoice supporting documentation must include, at a minimum, the following information:
 1. Vendor name
 2. Item description
 3. Date
 4. Check/invoice number
 5. Total dollar amount of the item(s)
 6. % allocated to the City
 7. Amount requested from the City
 - f. Supporting Documentation must be neatly organized and bundled by approved budget line item categories (i.e. salaries, operations, etc). Each bundle must clearly identify which budget line item the documentation applies to by placing an itemized summary sheet/cover page on each bundle listing each invoice with subtotals and/or totals.
 - g. Staffing Costs:
 1. Timesheets for each staff member charging time to the funding source must be submitted for each pay period. The City of Stockton will only reimburse time/salary for job positions/personnel identified and

approved within the application for funding. If at any time during the contract period there is a change in program personnel within the approved job position, Subrecipient must notify the City of Stockton of the change and request City approval to fund new personnel;

2. Allowable time charged to the grant for each CITY approved position will be limited to the number of hours allocated to the project as listed in the application.
3. Staff and her/his manager must sign timesheets;
4. Timesheets must reflect the total time worked each day and specify the number of hours being charged to the Community Development Block Grant; Subrecipient must use the timesheet tracking and any related forms provided by the City. Only Community Development Block Grant hours worked will be paid, based on the hourly rate approved at the time of application; supporting documentation of pay increases during the program year for staff covered by the grant must be submitted (e.g. Human Resources pay rate increase documentation and/or other equivalent documentation that demonstrates a pay rate increase was processed and approved).
5. If the employee is hourly pay exempt, timesheets detailing hourly time and effort reporting must still be turned in. Otherwise, the position(s) cannot be billed as direct costs. A payroll register or paystubs must be submitted in tandem with the corresponding timesheets. .
6. The cost of fringe benefits in the form of employer contributions or expenses for social security; employee life, health, unemployment, and worker's compensation insurance (except as indicated in CFR § 200.447); pension plan costs; and other similar benefits are allowable pursuant to CFR § 200.431, provided such benefits are granted under established written policies and do not exceed 20% of total salary costs per employee . Such benefits, must be allocated to Federal awards and all other activities in a manner consistent with the pattern of benefits attributable to the individuals or group(s) of employees whose salaries and wages are chargeable to such Federal awards and other activities, and charged as direct or indirect costs in accordance with the non-Federal entity's accounting practices.
7. The cost of fringe benefits in the form of regular compensation paid to employees during periods of authorized absences from the job, such as for annual leave, family-related leave, sick leave, holidays, court leave, military leave, administrative leave, and other similar benefits, are allowable if all of the following criteria are met:
 - (i) They are provided under established written leave policies;
 - (ii) The costs are equitably allocated to all related activities, including Federal awards; and,
 - (iii) The accounting basis (cash or accrual) selected for costing each type of leave is consistently followed by the non-Federal entity or specified grouping of employees.
8. Bonuses are not allowable expenses.

9. Subrecipient may pay for overtime, extra-pay shifts, and multi-shift work only with prior approval from the City of Stockton.

h. City of Stockton Community Development Block Grant funds are released on a reimbursement basis, except when authorized by the City of Stockton for advanced payment. Requested reimbursement for costs must have the City's Standard Invoicing form with source documentation that substantiates that the costs were incurred and evidence of payment made. Payment by the City is not to be construed as final in the event it or HUD disallows any reimbursement of costs.

i. Personal Identifiable Information (PII) must be removed from the invoice backup documentation before submittal, except when SUBRECIPIENT is informed by City that PII is required to determine client eligibility. If the City informs SUBRECIPIENT that specified PII is required, other client information not needed to determine client eligibility must be removed. Failure to remove Personal Identifiable Information may result in the invoice being rejected and returned for revision. PII must be removed for both organization staff and program participants.

1. When alone and/or combined with other PII, the following information can be PII and must be removed from invoicing:
 - i. Names
 - ii. Social security number
 - iii. Driver's license number
 - iv. Patient/Client ID numbers
 - v. Addresses
 - vi. Personal telephone numbers
 - vii. Biometric data
 - viii. Date and place of birth
 - ix. Race or ethnicity
 - x. Religion
 - xi. Geographical indicators
 - xii. Financial information