



MEMORANDUM

To: Mayor and City Councilors

From: Rich Olson, City Manager

Date: February 2, 2015

Re: Consideration – Call for a Public Hearing re Hugh Cale Resource Center Sub-recipient Agreement with Albemarle Hospital Foundation

BACKGROUND:

In July 2014, the Boys and Girls Club vacated the Hugh Cale Resource Center and moved to the Middle School building. Since they were the only occupant of the Hugh Cale Center, the Center was left unoccupied. City staff sent out a Request for Proposals (RFP) for another qualifying agency to locate into the Center. The RFP was due on September 15, 2014. No proposals were received by the published deadline. Subsequently, City staff started meeting with several non-profits that would be qualified to occupy the Center.

On January 6, 2015, Mayor Peel met with 20 non-profits that are qualified to occupy the facility. After the meeting, 14 of the organizations expressed an interest; and it now appears that we will need to have several non-profits utilize the facility to maximize use of the Center. City staff began looking for a lead agency that would be responsible for insuring the Hugh Cale facility is managed appropriately and the Food Bank of the Albemarle has been identified to serve as such an agency.

The Food Bank of the Albemarle will oversee the operation of the Center and will utilize four offices within the Hugh Cale Center. The Albemarle Hospital Foundation has requested that they have access to the three former incubator sites (offices) located on the Road Street side of the facility as shown of Exhibit #1. The Albemarle Hospital Foundation will utilize the Hugh Cale Center to provide a variety of free or affordable health care services to the indigent, uninsured or underinsured in our area. Specifically, they will locate Albemarle Project Access (a specialized care referral program) in the Center and also conduct outreach to Spanish-speaking clients and provide medical and behavioral services via telemedicine as well as other related health services.

ANALYSIS:

The Albemarle Hospital Foundation is a qualified 501c3 organization. Their client base is 130% of the federal poverty level and is considered LMI under the federal HUD guidelines. Attached is the proposed Sub-recipient Agreement with the Albemarle Hospital Foundation. The Sub-recipient Agreement is the standard HUD agreement with the following exception. The Statement of Work outlines that they will provide the following services: Albemarle Project Access, outreach to Spanish-speaking clients, medical and behavioral health services via telemedicine (this service on site will only be referral-based) and other community health initiatives. They will occupy the three offices outlined on Exhibit #1. They will have exclusive rights to use those three offices and will need to coordinate with the Food Bank of the Albemarle to use the Common Areas. They will also pay their share of the alarm, phone and internet system. All other provisions of the Sub-recipient Agreement are boiler plate.

STAFF RECOMMENDATION:

By motion, call for a Public Hearing to be held on February 23, 2015 at 7:30 p.m. in City Council Chambers of the Municipal Administration Building, 306 E. Colonial Avenue to receive comment regarding the City entering into a Sub-recipient Agreement with the Albemarle Hospital Foundation for use of the Hugh Cale Resource Center.

RCO/vdw

**SUB-RECIPIENT AGREEMENT
BETWEEN
THE CITY OF ELIZABETH CITY
AND
ALBEMARLE HOSPITAL FOUNDATION
FOR PROVIDING SERVICES IN
HUGH CALE RESOURCE CENTER**

THIS AGREEMENT entered into this _____ day of _____ 2015 by and between the City of Elizabeth City and Albemarle Hospital Foundation, hereafter also referred to as Sub-recipient.

WHEREAS, the Hugh Cale Resource Center was built with U.S. Department of Housing and Urban Development CDBG funds distributed to the City of Elizabeth City by North Carolina Department of Commerce, Division of Community Assistance (DCA); and

WHEREAS, the City of Elizabeth City wishes to engage Albemarle Hospital Foundation, in order that Sub-recipient implement approved activities listed below to help low-income members of the community;

NOW, THEREFORE, it is agreed between the parties hereto that:

I. Statement of Work

Albemarle Hospital Foundation will be responsible for providing an array of healthcare-related services at the Hugh Cale Resource Center (524 South Road Street) for the period March 1, 2015 to March 1, 2016. Albemarle Hospital Foundation will receive no direct financial compensation from the City for the services provided in Hugh Cale Resource Center. The occupation of the Hugh Cale Resource Center requires the occupants to provide these services, free of charge, for the period mentioned above. The programs and services will include the following activities eligible under the Community Development Block Grant Program. It is understood and acknowledged that Hugh Cale Resource Center will have multiple tenants.

Program Delivery

The Albemarle Hospital Foundation will provide a variety of healthcare services to the indigent, uninsured and underinsured at the Hugh Cale Resource Center. The Albemarle Hospital Foundation will use the space at the Hugh Cale Resource Center for offices for various ongoing programs of the Foundation, including, but not limited to: Albemarle Project Access (specialty care referral program); outreach to Spanish-speaking clients; provision of medical and behavioral health services via telemedicine; and other community health initiatives as may be

approved by the Foundation's Board of Directors. The Albemarle Hospital Foundation shall have exclusive right to the area so noted in Exhibit No. 1. The Albemarle Hospital Foundation may provide additional programs with approval from the City.

II. Limitations in programs/services and use of the Hugh Cale Resource Center

The Hugh Cale Resource Center may not be used at any time including weekends for any activity that is not listed above without written permission of the Office of City Manager. It is understood and acknowledged that Hugh Cale Resource Center will have multiple tenants. Albemarle Hospital Foundation may not rent or lease any part of the building. The Hugh Cale Resource Center may not be used for any religious activity at any time. The City of Elizabeth City will sign sub-recipient agreements with other organizations to provide services in the Hugh Cale Resource Center and requires that Albemarle Hospital Foundation communicate and coordinate its activities with the City and other organizations that use the building, specially, during hours not mentioned in the Program Delivery Section (above).

It shall be the responsibility of the Albemarle Hospital Foundation to open/secure/close their area as shown on Exhibit No.1. The City will provide the Albemarle Hospital Foundation with keys to all offices/rooms that have been assigned to them. Keys to the perimeter doors and common area will not be provided to the Albemarle Hospital Foundation; use of the common areas must be coordinated with the lead agency, Food Bank of the Albemarle. Albemarle Hospital Foundation shall equally share the cost of the alarm system, telephone utility, and internet access with other sub-recipients; each will be provided access codes to the alarm system. If the City utilizes the facilities after the Albemarle Hospital Foundation normal hours of responsibility, the City shall assume the responsibility for opening/securing/closing the facility.

III. Service Schedule

Albemarle Hospital Foundation shall staff the Hugh Cale Center Monday – Friday from 8 a.m. to 4 p.m., excluding holidays. If the Albemarle Hospital Foundation decides to utilize the Center after 4:00 p.m., it must provide a letter requesting such use one week in advance and coordinate this with the lead agency, Food Bank of the Albemarle.

IV. National Objectives/regulations

Albemarle Hospital Foundation certifies that the activities carried out with funds provided under this Agreement will meet the CDBG National Objective under 24 CFR 570.200 - 24 CFR 570.913:

- 1) Benefit low/moderate income persons

The Sub-recipient will be responsible for maintaining performance records to show the levels of accomplishment and meeting the CDBG program regulations and National Objective.

V. Budget/Finance

The Albemarle Hospital Foundation will provide an annual audit report and/or financial compilation report to the City prepared by a certified public accountant on or before March 31st of each year. The Albemarle Hospital Foundation will provide an annual budget which will cover the programs that will be offered in the Center by July 1st of each year.

VI. Reports

The Albemarle Hospital Foundation will be required to submit a monthly progress report to the City by the 15th of every month outlining accomplishments. The report should include the number of individual patients and the types of services provided to these individuals with a brief explanation. The City may change the format and content of the report according to changing requirements of the City Council or North Carolina Department of Commerce. The programs and activities inside the Hugh Cale Resource Center will be monitored by the City of Elizabeth City. All disputes will be settled by the City, with the City's decision to be final as to all such disputes.

If Albemarle Hospital Foundation is suspended/terminated by any federal or State agency, the Sub-recipient must inform the City within ten (10) days of date of the suspension/termination notice, and such suspension or termination would be grounds for City's immediate termination of this sub-recipient Agreement.

VII. Program Income

The Albemarle Hospital Foundation may not charge the individuals that receive services in the Hugh Cale Resource Center but may charge for services rendered outside of the facility. The programs provided in the Hugh Cale Resource Center should generate no income, excluding grants from outside agencies.

VIII. Reversion of Assets

Hugh Cale Resource Center will be returned to the City at the end of this agreement unless the City of Elizabeth City decides to extend the agreement. All assets including the building must be returned to the City in good condition.

IX. Other Conditions

The Albemarle Hospital Foundation recognizes the City of Elizabeth City as the only legitimate owner of the Hugh Cale Resource Center. As long as Albemarle Hospital Foundation occupies the Hugh Cale Resource Center it will make no request directly or indirectly to assume ownership of the building, and it will not support such a request by others.

X. Notices

Communication and details concerning this contract shall be directed to the following contract representatives:

City of Elizabeth City
Richard C. Olson
City Manager
City of Elizabeth City
P.O. Box 347
Elizabeth City, NC 27907
Phone: (252) 337-6864
Fax: (252) 335-2503

Albemarle Hospital Foundation/Sub-Recipient/Coordinator
Lyn Jenkins, RN
P.O. Box 1412
Elizabeth City, NC 27906
Phone: (252) 384-4377

XI. General Conditions

A. General Compliance

The Sub-recipient agrees to comply with the requirements of Title 24 of the Code of the Federal Regulations, Part 570 (the Housing and Urban Development Regulations concerning Community Development Block Grants (CDBG)). The Sub-recipient, also, agrees to comply with all other applicable Federal, State and Local laws, regulations and policies governing the funds provided under this contract.

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 Sub-recipient shall at all times be 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 Insurance associated with Sub-recipient's operations, as the Sub-recipient is an independent sub-recipient.

C. Hold Harmless

The Sub-recipient shall hold harmless, defend and indemnify the City of Elizabeth City from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the Sub-recipient's performance or nonperformance of the services or subject matter called for in this Agreement.

D. Workers' Compensation

The Sub-recipient shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this contract.

E. Insurance and Bonding

The Sub-recipient shall carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering all employees and shall furnish evidence of such insurance coverage to the City.

F. Grantor Recognition

The Sub-recipient shall insure recognition of the role of the City of Elizabeth City in providing services through this contract.

G. Amendments

The City or Sub-recipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of both organizations, and their governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the City or Sub-recipient from its obligations under this Agreement.

H. Suspension and termination

The City of Elizabeth City may terminate this agreement without cause after providing the Albemarle Hospital Foundation with a 180 days' notice.

The City of Elizabeth City may immediately terminate this agreement in case of violation of any HUD or State of North Carolina regulations including 24 CFR 570.

The City of Elizabeth City, in accordance with 24 CFR 85.43, reserves the right to suspend or terminate this agreement if the sub-recipient materially fails to comply with any term of the award and that the Agreement may be terminated for convenience in accordance with 24 CFR 85.44.

The City of Elizabeth City may, in its discretion, amend this Agreement to conform to Federal, State or local government guidelines, and polices. If such amendments result in a change in 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 the City of Elizabeth City and Sub-recipient.

The Albemarle Hospital Foundation may terminate this agreement after providing 180 days written notice to the City.

I. Compliance with Requirements and all Applicable Laws

Sub-recipient shall procure, maintain and comply with all permits, licenses, and other authorizations required for the use of the premises by Sub-recipient for its intended purposes. Sub-recipient shall join in the application for any permit or authorization with respect to any legal requirements if such joinder is necessary.

Sub-recipient shall be responsible for procuring and maintaining all necessary local, state, and federal permits associated with or necessary as a consequence of Sub-recipient's occupation or use of the premises. Additionally, Sub-recipient shall comply with all federal, state, and local laws or ordinances pertaining to the occupation or use of the premises by Sub-recipient during the Agreement term. Any noncompliance by Sub-recipient with any federal, state, or local law or ordinance shall be grounds for the termination of this Agreement by City without any further notice to Sub-recipient. Sub-recipient shall further comply with all provisions of the Unified Development Ordinance in effect within the city limits of the City of Elizabeth City, and any non-compliance by Sub-recipient with the Unified Development Ordinance shall be grounds for the termination of this Agreement by City without any further notice to Sub-recipient.

J. Maintenance, Alterations and Additions

Sub-recipient will keep the premises in good order and condition and shall be responsible for the upkeep of their exclusive right areas(s) so noted in Exhibit No. 1. It is the intention of the City and Sub-recipient that Sub-recipient use the premises for the purposes stated herein in "I. Statement of Work" for individuals in the Elizabeth City, North Carolina area.

Except for routine maintenance, Sub-recipient shall not make any additions or improvements to the premises without the expressed written consent of the City. No structural changes to the interior or exterior of the buildings on the premises shall be made without the prior written consent of the City.

Sub-recipient shall not store, or allow to be stored, upon the premises any hazardous, flammable, or toxic materials of any kind, and Sub-recipient's non-compliance with this requirement shall be grounds for immediate termination of this Agreement.

Sub-recipient shall indemnify and hold harmless the City and the City's successors in interest, for any and all loss, including reasonable attorney's fees, occasioned by Sub-recipient's failure to comply with local, state, or federal laws or ordinances associated with

the use, storage, or removal of any and all hazardous or dangerous materials and petroleum products on or about the premises. Sub-recipient shall also indemnify and hold harmless the City and the City's successors in interest, for any and all loss, including reasonable attorney's fees, occasion by Sub-recipients use or occupation of the premises

K. Insurance

Sub-recipient will maintain with insurers authorized to do business in North Carolina liability insurance associated with the premises, which insurance coverage shall be in a limit of not less than \$500,000.00 per occurrence. Sub-recipient shall provide City with proof of such insurance coverage within thirty (30) days of the commencement of the Agreement term, and Sub-recipient shall further provide proof of such insurance coverage to Sub-recipient by November 15th of each year during the term of this Agreement.

Sub-recipient shall indemnify and hold harmless City and City's successors in interest, for any and all claims arising out of or from Sub-recipient's use of the premises.

L. Surrender of Premises

Upon the expiration or earlier termination of this Agreement, Sub-recipient shall return the premises to City in good order and condition, except for ordinary wear and tear, and except for the results of any casualty damage caused through no fault of Sub-recipient. Sub-recipient shall remove from the premises on or prior to such expiration or earlier termination all of Sub-recipient's property situate thereon and shall repair any damage caused by such removal. No hazardous, flammable, or toxic materials of any kind whatsoever shall be left on the premises by Sub-recipient upon the expiration or earlier termination of this Agreement.

M. Severability

If any provision of this Agreement or any application thereof shall be invalid or unenforceable, the remainder of this Agreement and any other application of such provision shall not be affected thereby

[SIGNATURES ON FOLLOWING PAGE]

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

City of Elizabeth City
A NC Municipal Corporation

By: _____
Joseph W. Peel
Mayor

ATTEST:

Vivian D. White, CMC/NCCMC
City Clerk

[SEAL]

The Albemarle Hospital Foundation

By: _____

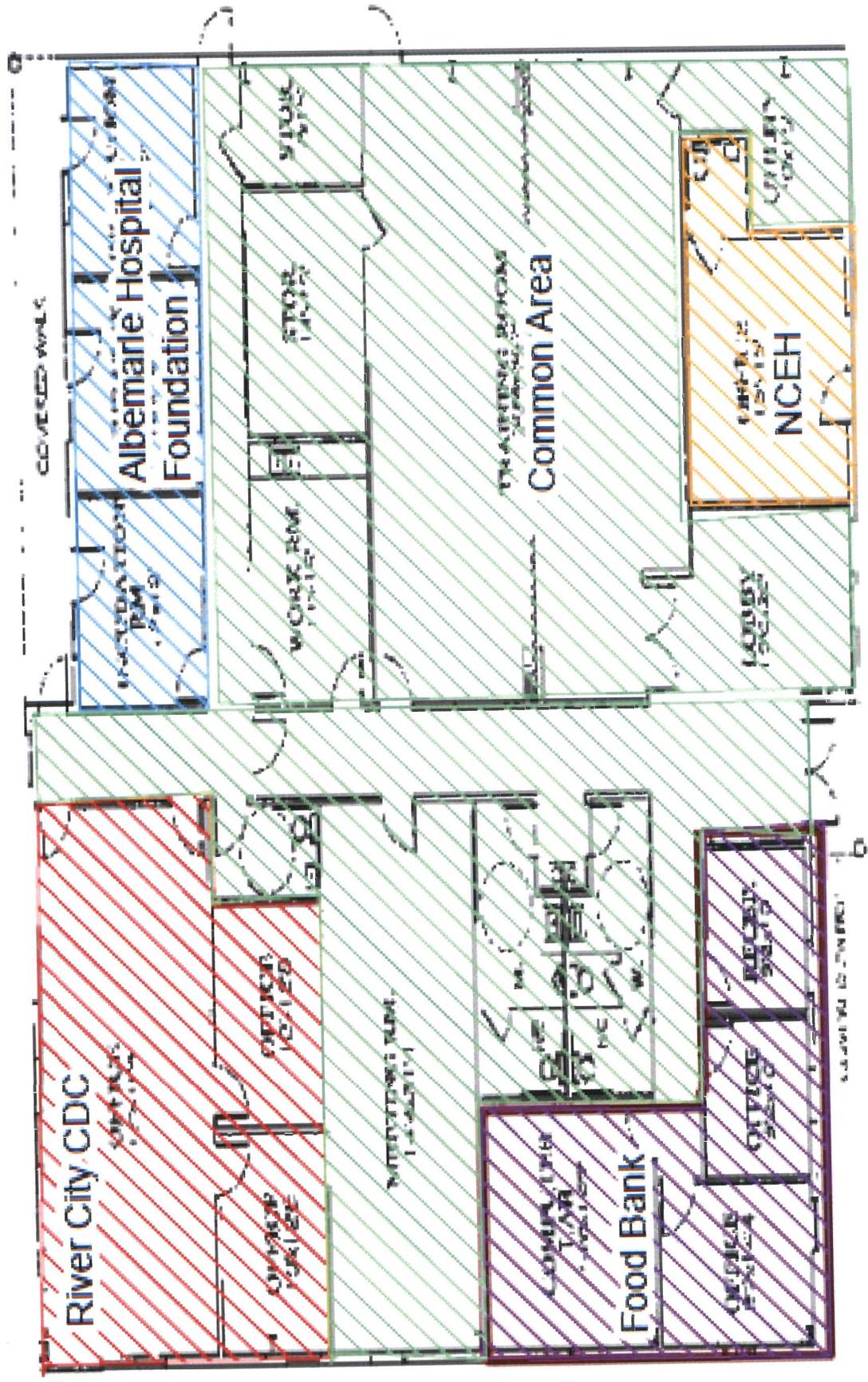
Witness

By: _____

Chairman of the Board

Witness

Exhibit # 1



FLOOR PLAN
 HUGH CALF BUILDING
 DUNSMITH CITY, NC

EDMOND F. VIRCHILI, R.A.
 ARCHITECT
 101 WEST 10TH ST., SUITE 100
 CHARLOTTE, NC 28202