

CITY OF SOMERSET, KENTUCKY

RESOLUTION NO. 09-03

**CITY OF SOMERSET SCATTERED SITE HOUSING PROJECT IV
CONFLICT OF INTEREST**

WHEREAS, The City of Somerset, Kentucky, herein referred to as the City, is requesting Community Development Block Grant Funds (CDBG) program funds for the purpose of providing financial assistance for low to moderate income homeowners to reconstruct or rehabilitate their homes as part of the City of Somerset Scattered Site Housing Project IV located in the City of Somerset, Kentucky, and

WHEREAS, Federal, state and local conflict of interest regulations must be adhered to in order to ensure that public officers and employees are not gaining a financial and/or any other benefit in the procurement of goods and services, as well as in determining direct beneficiaries related to said project, and

WHEREAS, except for the use of CDBG funds to pay salaries and other related administrative or personnel costs, the general rule is that no persons covered (defined below) who exercise or have exercised any functions or responsibilities with respect to CDBG 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 or benefit from a CDBG-assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds there under, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter, and,

WHEREAS, the conflict of interest provisions apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the State, the unit of local government, or of any designated public agencies or sub-recipients that are receiving CDBG funds, and

WHEREAS, exceptions to the conflict of interest may only be allowed when upon the written request of the recipient, the Department for Local Government reviews the provisions of this section on a case-by-case basis and determines that such an exception will serve to further the purposes of Title I and the effective and efficient administration of the program or project.

The procedures for requesting, documenting, and submitting a request for an exception from the Conflict of Interest provisions shall include the applicable procedures delineated in 24 CFR 570.489(h)(4); KRS 99.350(8); KRS 61.252(1); KRS 65.003 and the local community ethics code. An exception may be considered only after the local government has provided the following:

- A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and

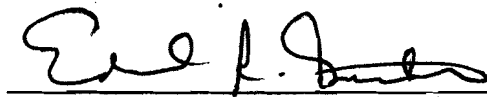
- A certification the affected person has withdrawn from his or her functions or responsibilities, or the decision-making process with respect to the specific assisted activity in question;
- An opinion of the local government's attorney that the interest for which the exception is sought would not violate State or local law, and

WHEREAS, all city council members, the Mayor and city employees with responsibilities related to said project have been provided with a current list of the names and addresses of potential participants in the proposed project and advised to disclose any known potential conflict of interest to the city attorney and the project administrator, and

NOW THEREFORE, BE IT RESOLVED THAT:

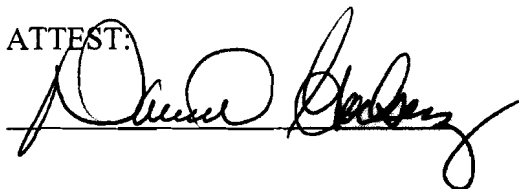
Based on the foregoing, the Somerset City Council hereby certifies that it is aware of and will comply with the conflict of interest regulations related to the use of Federal CDBG funds in regards to the proposed Somerset Scattered Site Housing Project IV.

APPROVED THIS 9th DAY OF November 2009, BY THE SOMERSET CITY COUNCIL, PULASKI COUNTY, KENTUCKY.



Edward R. Girdler, Mayor

ATTEST:



I have reviewed the above requirements in regards to Conflict of Interest and will notify the project administrator of any potential conflicts of interest known to me.

City Attorney