

**CITY OF FREDERICK
SUBRECIPIENT AGREEMENT FOR
2024 GRANT YEAR**

By and Between

***THE CITY OF FREDERICK
and***

SUBRECIPIENT

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

FISCAL YEAR

PROJECT NUMBER.....

CITY PROJECT NUMBER

PROJECT AMOUNT ("Budget").....

PROJECT NAME

This AGREEMENT is made this ___ day of _____, 2023 by and between **THE CITY OF FREDERICK** a municipal corporation of the State of Maryland (hereinafter referred to as "CITY" or "GRANTEE") and _____ (hereinafter referred to as "SUBRECIPIENT").

WITNESSETH:

WHEREAS, CITY has applied for and received Community Development Block Grant (hereinafter referred to as "CDBG") funds from the United States Government through the U.S. Department of Housing and Urban Development ("HUD") under Title I of the Housing and Community Development Act of 1974, Public Law 93-183; and

WHEREAS, CITY has adopted The Consolidated Plan 2020-2024 which identifies priority needs and establishes objectives for community development and the CDGB 2022 Annual Action Plan which was approved by the Mayor and Board of Aldermen on _____; and

WHEREAS, CITY wishes to engage the SUBRECIPIENT to render certain services or work hereinafter described in connection with the CITY'S CDBG Program for a budget amount of \$_____.

WHEREAS, SUBRECIPIENT, _____ is a _____ whose mission includes _____ as well as _____.

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, and subject to the terms and conditions hereinafter stated, the parties to this Agreement understand and agree as follows:

I. SCOPE OF SERVICES

A. ACTIVITIES

The SUBRECIPIENT will be responsible for administering a CDBG program entitled _____ (“Project”) during the Fiscal Year 202_ in a manner satisfactory to the CITY and consistent with any standards required as a condition of providing these funds. Such Project will include all activities identified in this section and further described in **Appendix A: Scope of Services** and **Appendix B: Performance Based Measurements**, attached hereto and made a part hereof.

In summary, the Project will fund _____. Funds will be used to fund _____. Funds will also be used to _____. The SUBRECIPIENT shall perform the activities under the highest professional standards to the satisfaction of the CITY.

B. NATIONAL OBJECTIVES AND ELIGIBLE ACTIVITIES

All activities funded with CDBG funds must meet one of the CDBG program’s National Objectives: 1. Benefit to low/moderate income persons; 2. Aid in the prevention or elimination of slums or blight; or 3. Meet a community development need having a particular urgency as defined in 24 CFR Part 570.200(a) and 570.208.

The SUBRECIPIENT certifies that the activities carried out in the Project with funds provided under this Agreement will be considered an eligible activity and meet the Community Development Block Grant (CDBG) program’s National Objectives. The SUBRECIPIENT’s activities are characterized as follows:

Eligible Activity:

National Objective:

Matrix Code:

C. LEVELS OF ACCOMPLISHMENT

In addition to the normal administrative services required as part of this Agreement, the SUBRECIPIENT agrees to provide the specified levels of program services as further defined in **Appendix A: Scope of Services**.

D. STAFFING

The SUBRECIPIENT will maintain sufficient staff to complete the Project. Any changes in the key personnel assigned or their general responsibilities under this project are subject to the prior approval of the CITY.

E. PERFORMANCE MONITORING

The SUBRECIPIENT will submit quarterly (at minimum) performance reports of a form and content prescribed by the CITY. The CITY will monitor the performance of the SUBRECIPIENT against the Scope of Service standards and the performance-based measures set forth herein. Substandard performance as determined by the CITY will constitute non-compliance 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, suspension or termination of the Agreement will be initiated.

F. PERFORMANCE AND OUTCOME MEASUREMENTS

In accordance with HUD requirements, the CITY has implemented a performance measurement system that is based on an outcomes-based approach to funding projects. The CITY requires recipients of Federal funds to assess the productivity and impact of their programs. This Performance and Outcome Measurement System will help to quantify the effectiveness of programs and establish clearly defined outcomes. See **Appendix B: Performance Based Measurements**.

Outcomes-based measurement focuses on results rather than processes and provides an assessment tool for the CITY and its Subrecipients. The implementation of an outcomes funding framework intends to improve results, accountability, and cost-effectiveness of funded programs.

The CITY is required to report outcome accomplishments to HUD. The CITY therefore requires the SUBRECIPIENT to submit performance measurement reports that focus on establishing clearly articulated objectives, performance measures, and program outcomes (desired end results). The CITY shall review the reports to track progress, provide feedback, and when necessary, provide technical assistance. Program performance is also considered in the decision-making process for fund allocation.

1. Time of Performance

The effective date of the Agreement is the program year start date. Pursuant to 24 CFR 5.110, HUD waived the CPD program regulatory requirements which permits Subrecipients to incur eligible pre-award costs as of the beginning of the program year.

Eligible services of the SUBRECIPIENT shall commence on the effective date of this Agreement and shall end on the date that is three (3) years after the date of this Agreement. The term of this Agreement and the provisions herein shall NOT be extended to cover any additional time period during which the SUBRECIPIENT remains in control of CDBG funds or other assets, including program income, unless expressly agreed upon by the CITY. If the SUBRECIPIENT fails to expend funding within three (3) years of the date of this Agreement, the CITY may de-obligate the funds.

2. Project Amount

The budget amount approved for the Project is _____ (\$_____) Dollars ("Budget"). SUBRECIPIENT hereby agrees to abide by the **Activity Budget Summary** as shown in **Appendix D**, attached hereto and made a part hereof, that may specify the percent of time allocated for each listed individual and provide documentation of all expenditures for which reimbursement is sought in accordance with this Agreement.

The SUBRECIPIENT shall submit any amendments to this budget in writing to the CITY; the CITY shall have the authority to approve or deny such budget amendments. Additional budget allocations may only be authorized by a written amendment to this agreement.

3. Staffing

The SUBRECIPIENT agrees to maintain a staff that is adequate in size and with the professional qualifications to carry out the activities for the Project as described herein.

4. Reports

SUBRECIPIENT shall submit quarterly performance measurement reports that focus on establishing clearly articulated objectives, performance measures, and program outcomes (desired end results). The performance measurement reports, and all requirements shall be contained within the monthly Reports.

SUBRECIPIENT shall provide in its quarterly reporting to the CITY, information as to the status of the racial and ethnic background of each individual served and information as to the status of whether the household is headed by a single parent (by gender of the head of household) and that individual has benefited from any program or activity funded in whole or in part by CDBG Program funding. The monthly reports shall be submitted using the form provided by the CITY.

5. Monitoring Site Visits

In addition to its reporting requirements, SUBRECIPIENT shall be subject to program monitoring. Each SUBRECIPIENT will be subject to “Desktop” monitoring on a quarterly basis. The CITY will also undertake formal “Onsite” monitoring based on a risk analysis completed annually by the CITY. The onsite monitoring will be comprehensive in nature and will include a review of all documentation, files, and other material related to this Agreement and the operation of the activities described herein shall be made available for review and inspection by the CITY. The monitoring will be conducted in accordance with the City’s monitoring policy and procedures.

6. UEI Numbers/SAM.gov

SUBRECIPIENT is required to register with the System for Award Management (SAM.gov) and provide to the City their Unique Entity Identifier (UEI). SUBRECIPIENT shall verify that all contractors/subcontractors have registered and that none have been disbarred from performing work funded with federal, state and/or local funds.

II. PAYMENT

A. AMOUNT

It is expressly agreed and understood that the total amount to be paid by the CITY under this Agreement shall not exceed the Agreement Award amount. Drawdowns for the payment of eligible expenses shall be made against the line-item budget specified in the attached **Appendix D: Budget Summary** and in accordance with performance. Expenses for general administration shall also be paid against the line-item budgets specified in the Activity Budget Summary in accordance with performance.

Payments may be contingent upon certification of the SUBRECIPIENT financial management system in accordance with the standards specified in 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

B. REIMBURSEMENT FORM

SUBRECIPIENT shall provide all documentation substantiating reimbursement in a form specified by the CITY and shall seek reimbursements in a manner and form set forth in **Appendix C: Request for Payment**. Payments to SUBRECIPIENT shall be subject to the prior receipt by the CITY of a completed SUBRECIPIENT Request for Payment form certifying under penalties of perjury that the SUBRECIPIENT has actually performed the work and expended the time claimed for services in conformity with the terms of this Agreement and that SUBRECIPIENT is actually entitled to receive the amount of compensation requisitioned by SUBRECIPIENT under the terms of the Agreement.

III. NOTICES

Notices required by this Agreement shall be in writing and delivered by mail (postage prepaid), commercial courier, or personal delivery. 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:

CITY:

City of Frederick
Attn: Ramenta Cottrell
Director, Department of Housing and Human Services
100 S. Market Street
Frederick, MD 21701
Phone: (301) 600-1506

SUBRECIPIENT:

IV. GENERAL CONDITIONS

A. GENERAL COMPLIANCE

The SUBRECIPIENT agrees to comply with all requirements and regulations promulgated under 24 C.F.R. Part 570, et seq. and FR-6218-N-01: Program Rules, Waivers, and Alternative Requirements, the terms and conditions of the Federal award and all other rules imposed by the CITY outlined herein.

The SUBRECIPIENT is prohibited under 24 CFR 570.200 to use federal funds on explicitly religious activities.

The SUBRECIPIENT also agrees to comply with all other applicable Federal, state, and local laws, regulations, and policies governing the funds provided under this Agreement. 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, nor shall be construed in any manner, as creating or establishing the relationship of employer/employee between the two 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 Worker's Compensation Insurance as the SUBRECIPIENT is an independent contractor.

C. HOLD HARMLESS

The SUBRECIPIENT shall hold harmless, defend and indemnify the CITY from any and all claims, actions, suits, charges and judgments, whatsoever, that may arise out of the SUBRECIPIENT'S performance or nonperformance of the services or subject matter called for in this agreement.

D. WORKER'S COMPENSATION

The SUBRECIPIENT shall provide Worker's Compensation Insurance coverage for all employees involved in the performance of this Agreement in the statutory amount established by the State of Maryland.

E. INSURANCE AND BONDING

The SUBRECIPIENT shall carry sufficient insurance coverage to protect project 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 in an equal amount to cash advances from the CITY.

The SUBRECIPIENT shall comply with the bonding and insurance requirements of 2 CFR Part 200 Subpart D - Post Federal Award Requirements, Sections 200.304 and 200.310.

F. RECOGNITION OF CITY AS GRANTEE

The SUBRECIPIENT shall insure recognition of the role of the City as Grantee in providing services through this Agreement. All activities, facilities, and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, the SUBRECIPIENT will include a reference to the support provided herein in all publications made possible, by funds provided under this Agreement.

G. AMENDMENTS

The CITY or SUBRECIPIENT may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and must be executed in writing, and signed by a duly authorized representative of both organizations. Such amendments shall not invalidate this Agreement, nor relieve or release the CITY or SUBRECIPIENT from its obligations under this Agreement.

The CITY may, in its discretion, amend this Agreement to conform to Federal, state, or local governmental guidelines, polices 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 activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both the CITY and SUBRECIPIENT.

H. SUSPENSION OR TERMINATION

Either party may terminate this Agreement at any time by giving written notice to the other party of such termination and specifying the effective date thereof at least 30 days before the effective date of such termination. Partial terminations of the Scope of Services in Section I above, may only be undertaken with the prior approval of CITY. In the event of any termination for convenience, all finished or unfinished documents, data, studies, surveys, maps, models, photographs, reports or other materials prepared by SUBRECIPIENT under this agreement shall, at the option of the CITY, become the property of the CITY and SUBRECIPIENT shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents or materials prior to the termination.

I. REVERSION OF ASSETS

Unless the extension to this Agreement is authorized by the CITY in writing, CDBG funds held by the SUBRECIPIENT, as well as accounts receivable attributable to the use of CDBG funds shall upon expiration of the Agreement, be promptly returned to the CITY.

J. REIMBURSEMENT OF DISALLOWED COSTS

Violations of Federal Laws and Regulations may result in HUD's disallowance of certain costs as eligible CDBG activities. Ineligible costs must be repaid to the CITY. The SUBRECIPIENT agrees to reimburse the CITY for any costs disallowed by HUD that are attributable to errors of omissions or commission on the part of the SUBRECIPIENT.

K. DISBURSEMENT OF FUNDS

The SUBRECIPIENT understands and agrees that it may not request the disbursement of funds under this Agreement until the funds are needed for payment of eligible project costs, and the requests for payment will be limited to the amount needed.

The CITY may also suspend or terminate this Agreement, in whole or in part, if SUBRECIPIENT materially fails to comply with any term of this Agreement, or with any of the rules, regulations or provisions referred to herein; and the CITY may declare the SUBRECIPIENT ineligible for any further participation in CITY contracts, in addition to other remedies as provided by law. In the event there is probable cause to believe the SUBRECIPIENT is in noncompliance with any applicable rules or regulations, the CITY may withhold all unencumbered funds of this Agreement until such time as the SUBRECIPIENT is found to be in compliance by the CITY or is otherwise adjudicated to be in compliance.

V. ADMINISTRATIVE REQUIREMENTS

A. FINANCIAL MANAGEMENT

1. Accounting Standards

The SUBRECIPIENT agrees to comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200, Subpart D) 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 the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200, Subpart E) for all costs incurred whether charged on a direct or indirect basis.

B. NATIONAL OBJECTIVES

The SUBRECIPIENT agrees to maintain documentation that demonstrates that the activities carried out with funds provided under this agreement meet one or more of the CDBG Program's national objectives: 1) benefit to low/moderate income persons, 2) aids in the prevention or elimination of slums or blight, or 3) meets community development needs having a particular urgency - as defined in 24 CFR Part 570.201. The SUBRECIPIENT further agrees that the use of CDBG funds shall only be used for the purposes set forth herein.

C. DOCUMENTATION AND RECORD-KEEPING

1. Records to be Maintained

The SUBRECIPIENT shall maintain all records required by the Federal regulations specified in 24 CFR Part 570.201(e), 570.482(c)(2) (Notice and FAQs: Program Rules, Waivers, and Alternative Requirements Under the Cares Act for CDBG-CV Grants, FY 2021 CDBG Grants and for Other Formula Programs) and other records that are pertinent to the activities to be funded under this Agreement. Such records shall include but are not 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 demonstrating that each activity undertaken is used for the purposes set forth herein;
- d. Records determining the eligibility of activities;
- e. Records documenting the acquisition, improvement, use or disposition of real property acquired or improved with CDBG financial assistance;
- f. Records documenting compliance with the fair housing and equal opportunity components of the

CDBG Program;

- g. Payroll records showing salaries and fringe benefits for any positions assigned to this Project;
- h. Financial records as required by 24 CFR Part 570.502, and 2 CFR Part 200; and,
- i. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

2. Retention

The SUBRECIPIENT shall retain all records in accordance with 2 CFR 200.334 as modified by 24 CFR 570.502(a)(7)(iii). In general, SUBRECIPIENT must retain records for the longest of the following:

- Three years after the expiration or termination of the SUBRECIPIENT agreement.
- Three years after the CITY's submission of the CAPER in which the SUBRECIPIENT'S specific activity is reported for the last time.

The SUBRECIPIENTS shall retain records in certain situations as follows:

For individual activities subject to the reversion of assets provisions at 24 CFR 570.503(b)(7), for as long as this provision continues to apply to the activity.

For individuals activities for which there are outstanding loan balances, other receivables, or contingent liabilities, until such receivables or liabilities have been satisfied (24 CFR 570.502(a)(7)(ii)(C).

If any litigation, claim, audit, negotiation, or other action involving the SUBRECIPIENT'S records has started before the expiration of the three (3) year period, records must be retained until all findings involving the records have been resolved and final action is taken (2 CFR 200.334(a)).

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 the City's or Grantor Agency's monitors or their designees for review upon request.

4. Disclosure

The SUBRECIPIENT understands that client information collected under this Agreement 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 Agreement, is prohibited by State privacy laws, unless written consent is obtained from such person receiving service, and in the case of a minor, that of a responsible parent/guardian.

5. Property Records

The SUBRECIPIENT shall maintain real property inventory records, which clearly identify properties purchased, improved or sold. Properties retained shall continue to meet eligibility criteria and shall conform to the "changes in use" restrictions specified in 24 CFR Part 570.503(b) (8).

6. Close-Outs

The SUBRECIPIENT'S obligation to the CITY shall not end until all closeout requirements are completed. Activities undertaken during this closeout period shall include but are not limited to: submission of annual performance reports; making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and receivable accounts to the CITY); and determining the custodianship of records.

7. Audits & Inspections

All SUBRECIPIENT records with respect to any matters covered by this Agreement shall be made available to the CITY, Grantor Agency, their designees or the Federal Government, at any time during normal business hours, as often as the CITY or Grantor Agency deems 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 Agreement 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 as applicable, 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards Subpart F – Audit Regulations.

D. REPORTING AND PAYMENT PROCEDURES

1. Budgets

The SUBRECIPIENT will submit a detailed Agreement budget in a form and content prescribed by the CITY for approval by the CITY. The CITY and the SUBRECIPIENT may agree to revise the budget from time to time in accordance with existing CITY policies.

2. Program Income

The SUBRECIPIENT shall report QUARTERLY all program income if applicable, as defined at 24 CFR Part 570.500(a) generated by activities carried out with CDBG funds made available under this Agreement. The use of program income by the SUBRECIPIENT shall comply with the requirements set forth at 24 CFR Part 570.504. By way of further limitations, the SUBRECIPIENT may use such income during the Agreement period for activities permitted under this Agreement and shall reduce requests for additional funds by the amount of any such program income balance on hand. All unused program income shall be returned to the CITY at the end of the Agreement period. Any interest earned on cash advances from the U.S. Treasury is not program income and shall be remitted promptly to the CITY.

3. Indirect Costs

If indirect costs are charged, the SUBRECIPIENT will develop an indirect cost allocation plan for determining the appropriate share of administrative costs and shall submit such plan to the CITY for prior approval.

4. Payment Procedures

The CITY will pay to the SUBRECIPIENT funds available under this Agreement based upon information submitted by the SUBRECIPIENT and consistent with any approved budget and CITY policy concerning payments. With the exception of certain advances, payments will be made for eligible expenses actually incurred by the SUBRECIPIENT, and not to exceed actual cash requirements. Payments will be adjusted by the CITY in accordance with advance fund and program income balances available in SUBRECIPIENT accounts. In addition, the CITY reserves the right to liquidate funds available under this Agreement for costs incurred by the CITY on behalf of the SUBRECIPIENT.

5. Progress Reports

The SUBRECIPIENT shall submit regular Progress Reports to the CITY in the form, content, and frequency as required by the CITY.

E. PROCUREMENT

1. Compliance

The SUBRECIPIENT shall comply with current CITY policy concerning the purchase of equipment and shall maintain an inventory record 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 Budget (OMB) Standards

The SUBRECIPIENT shall procure materials in accordance with the requirements of 2 CFR Part 200 Subpart D Post Federal Award Requirements as amended and shall subsequently follow Property Management Standards, covering utilization and disposal of property.

3. Travel

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

4. Relocation, Acquisition and Displacement

The SUBRECIPIENT agrees to comply with 24 CFR Part 570.606 relating to the acquisition and disposition of all real property utilizing grant funds, and to the displacement of persons, businesses, nonprofit organizations and farms occurring as a direct result of any acquisition of real property utilizing grant funds. The SUBRECIPIENT agrees to comply with applicable CITY Ordinances, Resolutions, and Policies concerning displacement of individuals from their residences.

VI. PERSONNEL & PARTICIPANT CONDITIONS

A. CIVIL RIGHTS

1. Compliance

The SUBRECIPIENT agrees to comply with the CITY and State's Human Relations Ordinances and with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 109 of Title 1 of the Housing and Community Development Act of 1974, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Fair Housing Act of 1968, as amended, the Age Discrimination Act of 1975, Executive Order 11063, and with Executive Order 11246 as amended by Executive Orders 11375 and 12086.

2. Nondiscrimination

The SUBRECIPIENT will not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital status, or status regarding public assistance. The SUBRECIPIENT will take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The SUBRECIPIENT agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

3. Land Covenants

This Agreement is subject to the requirements of Title VI of the Civil rights Act of 1964 (P.L. 88-352) and 24 CFR Part 570, Part I. In regard to the sale, lease, or transfer of land acquired, cleared, or improved

with assistance provided under this Agreement, 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 of America 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 any Federal Regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. 706) which prohibits discrimination against the handicapped 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. AFFIRMATIVE ACTION

1. Approved Plan

The SUBRECIPIENT agrees that it shall carry out an Affirmative Action Program in keeping with the principles as provided in the President's Executive Order 11246 of September 24, 1965. The CITY shall provide Affirmative Action guidelines to the SUBRECIPIENT to assist in the formulation of such program.

2. Minority and Female Business Enterprise (MBE/WBE) and Section 3

The SUBRECIPIENT will use its best efforts to afford minority- and women-owned business enterprises the maximum practicable opportunity to participate in the performance of this Agreement, along with low-income residents of the area served by the activity (Section 3 participants). As used in this Agreement, the term "minority and female 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 further defined as:

Minority: A racial or ethnic group, members of which have been subjected to prejudice or cultural bias by virtue of belonging to the group, without regard to individual qualities. Such groups include, but are not limited to:

- a. **African Americans.** Persons having origins in any of the African racial groups of Africa.
- b. **Hispanic Americans.** All persons of Mexican, Puerto Rican, Cuban, South or Central American, Caribbean and other Spanish or Portuguese culture or origin.
- c. **Native Americans.** Persons having origins in any of the original peoples of North America and the Hawaiian Islands, in particular, American Indians, Eskimos, Aleuts and Native Hawaiians.
- d. **Asian-Pacific Americans.** Persons having origins in Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the U.S. Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia, Taiwan and India.

The SUBRECIPIENT may rely on written representations by the enterprise regarding their status as minority and female business enterprises in lieu of an independent investigation.

3. Access to Records

The SUBRECIPIENT shall furnish and cause each of its sub-SUBRECIPIENTS to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the CITY, Grantor

Agency, or its agents, or other authorized federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

4. Notifications

The SUBRECIPIENT will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contracts or understanding, a notice, to be provided by the SUBRECIPIENT'S 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.

5. Equal Opportunity or Affirmative Action (EEO/AA) 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 or Affirmative Action Employer.

6. Subcontract Provisions

The SUBRECIPIENT will include the provisions of Paragraphs VIII A, Civil Rights, and B, Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding on each sub-SUBRECIPIENT or vendor.

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; sectarian or religious activities; lobbying, political patronage, and nepotism activities.

2. Labor Standards

The SUBRECIPIENT agrees to comply with the requirements of the U.S. Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours, the Safety Standards Act, the Copeland "Anti-Kickback" Act (40 U.S.C. 276, 327-333) 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 shall maintain documentation, which 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 Agreement, shall comply with federal requirements pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 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, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders issued hereunder prior to the execution of this Agreement, shall be a condition of the federal financial assistance provided under this Agreement and binding upon the CITY, the SUBRECIPIENT and any SUB-SUBRECIPIENTS. Failure to fulfill these requirements shall subject the CITY, the SUBRECIPIENT and any SUB-SUBRECIPIENTS, 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 which 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 contracts for work in connection with the project be awarded to business concerns that provide economic opportunity for low- and very low-income persons residing in the 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 are given 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 which provide economic opportunities to low- and very low-income resident 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 which would prevent compliance with the 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 union or worker's representative of its commitments under the 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 sub-SUBRECIPIENT is in violation of regulations issued by the Grantor Agency. The SUBRECIPIENT will not subcontract with any sub-SUBRECIPIENT where it has notice or knowledge that the latter has been found in violation of

regulations under 24 CFR Part 135 and will not let any subcontract unless the sub-SUBRECIPIENT has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

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 Agreement 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 Agreement 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 Agreement 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. 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 United States Code.

4. Conflict of Interest

The SUBRECIPIENT agrees to abide by the provisions of 24 CFR Part 570.611 with respect to conflicts of interest, and covenants that it presently has no financial interest and shall not acquire any financial interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Agreement. The SUBRECIPIENT further covenants that in the performance of this Agreement no person having such a financial interest shall be employed or retained by the SUBRECIPIENT hereunder. These conflict of interest provisions apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the CITY, or of any designated public

agencies or SUBRECIPIENTS which are receiving funds under the CDBG Entitlement program.

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;
- c. It will require that the language of paragraph (d) of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants, and contracts under grants, loans, and cooperative agreements) and that all SUBRECIPIENTS shall certify and disclose accordingly; and,
- d. 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. Code. 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 Agreement results in any copyrightable material, 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 for government purposes.

7. Religious Organization

The SUBRECIPIENT agrees that funds provided under this Agreement will not be utilized for religious activities, to promote religious interests, or for the benefit of a religious organization in accordance with the Federal regulations specified in 24 CFR Part 570.200(j).

VII. ENVIRONMENTAL CONDITIONS

A. Air and Water

The SUBRECIPIENT agrees to comply with the following regulations and any amendments thereto insofar as they apply to the performance of this Agreement:

- Clean Air Act, 42 U.S.C., 1857, 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 there under
- Environmental Protection Agency (EPA) regulations pursuant to 40 C.F.R., Part 50, as amended.

- National Environmental Policy Act of 1969.
- HUD Environmental Review Procedures (24 CFR Part 58).

B. Flood Disaster Protection

The SUBRECIPIENT agrees to comply with the requirements of the Flood Disaster Protection Act of 1973 (P.L.-2234) and any amendments thereto regarding the sale, lease or other transfer of land acquired, cleared or improved under the terms of this Agreement, as it may apply to the provisions of this Agreement.

C. Lead-Based Paint

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 Part 570.608, 24 CFR Part 35, and in particular Sub-Part B thereof and any amendments thereto. Such regulations pertain to all HUD-assisted housing and require that all owners, prospective owners, and tenants or 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.

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 Part 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 or older or that are included on a Federal, State, or local historic property list.

VIII. 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.

IX. 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.

X. 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 a right or provision shall not constitute a waiver of such right or provision.

XI. 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 Agreement as of the date first written above.

THE CITY OF FREDERICK

BY: _____
MICHAEL O'CONNOR
Mayor

ATTEST: _____
Name:

HOUSING AUTHORITY OF THE CITY OF FREDERICK

BY: _____
Name: _____
Position: _____

ATTEST: _____
Name:

Reviewed and Approved for Legal Sufficiency:

Legal Department

APPENDICES (Public Service Projects)

Appendix A: Scope of Services

Appendix B: Performance Based Measurements

Appendix C: Request for Payment

Appendix D: Activity Budget Summary

APPENDIX A: SCOPE OF SERVICES

The SUBRECIPIENT is a _____ that seeks to _____ by _____.
The SUBRECIPIENT offers _____.
The mission of the SUBRECIPIENT is to _____.

The Project will partially fund _____ . These outcomes will be achieved by _____ .

The SUBRECIPIENT will administer all tasks as public services in compliance with all applicable Federal, state, and local rules and regulations governing these funds, and in a manner satisfactory to the CITY. Changes in the scope of services, budget, or method of compensation contained in this Agreement unless otherwise noted, may only be made through a written amendment to this Agreement, executed by the SUBRECIPIENT and CITY.

The major tasks that the SUBRECIPIENT will perform to provide the Services include, but are not limited to, the following:

1. _____ .
2. _____ .
3. _____ .
4. _____ .

APPENDIX B: PERFORMANCE BASED MEASUREMENTS

The performance measurement system is based on an outcomes-based approach to funding projects. The implementation of an outcomes funding framework intends to improve results, accountability, and cost-effectiveness of funded programs. This system will help to quantify the effectiveness of programs and establish clearly defined outcomes. Outcomes-based measurement focuses on results rather than processes and provides an assessment tool for the CITY and its Subrecipients.

SUBRECIPIENT performance measurement reports shall focus on establishing clearly articulated objectives, performance measures, and program outcomes (desired end results).

SUBRECIPIENT’S Performance Based Outcomes and Measures are as follows:

1. _____ shall be measured by:
 - a. _____
2. _____ shall be measured by:
 - a. _____
3. The outcome will be measured by:
 - a. _____
 - b. _____

APPENDIX C: REQUEST FOR PAYMENT

SUBRECIPIENT shall submit, at minimum, quarterly bills, payroll records, and approved expenses with supporting documentation for the services described in Section A of this Agreement. Reimbursement will be made on a minimum quarterly basis. The Request for payment should be submitted to the CITY in the form: **City of Frederick Community Development Block Grant Request for Payment**, a copy of which is attached.

APPENDIX D: ACTIVITY BUDGET SUMMARY

FUNDED _____	TOTAL		TOTAL CDBG FUNDS	OTHER FUNDS	TOTAL	PERCENT OF CDBG FUNDING
	Total					

APPENDICES (Capital Improvement Projects)

Appendix A: Scope of Services

Appendix B: Activity Budget Summary

Appendix C: Request for Payment form (AIA form and backup documentation)

APPENDIX A: SCOPE OF SERVICES

The SUBRECIPIENT will be responsible for administering the Project as described herein in a manner satisfactory to the City and consistent with any standards required as a condition of providing these funds. The Project will include:

1. _____
2. _____
3. _____
4. _____
5. _____

MONTH	YEAR	DESCRIPTION OF WORK
-------	------	---------------------

APPENDIX B: BUDGET SUMMARY

Table B.1: Budget Summary

USE OF FUNDS (BUDGET)

TOTAL

Table B.2: Preliminary Sources of Funds

SOURCE OF FUNDS

FY 2024 CDBG Funds

Other Funds

TOTAL

APPENDIX C: REQUEST FOR PAYMENT

SUBRECIPIENT shall submit monthly bills, payroll records, and approved expenses with supporting documentation for the services described in Section A of this Agreement. Reimbursement will be made on a monthly basis or as the City deems appropriate. The Request for Payment shall be submitted to the City in the form provided by the City.