

Performance Grant Agreement for 2011 Renewal Grants

Grant Number: AZH110018

Official Contact: Anita Baca

Title: Executive Director

Mailing Address: 1415 Melody Lane, Bisbee, AZ 85603

Telephone: (520) 432-8883

FAX Number: (520) 432-8890

Tax ID No.: 86-6000398

Email Address: abaca@cochise.az.gov

DUNS No.:020126041

Project Location (City/Co. & State): Cochise County, Arizona

**HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS
PERFORMANCE GRANT AGREEMENT FOR FISCAL YEAR 2011**

This Performance Renewal Grant Agreement ("Agreement") is made between the United States Department of Housing and Urban Development ("HUD") and _____ **Cochise County, Arizona** _____ ("Grantee").

Definitions

The terms "Grant" and "Grant Funds" mean the funds provided under this Agreement.

The term "Application" means the application submissions on the basis of which a Grant was originally approved by HUD, including certifications and assurances and any information or documentation required to meet grant award conditions. The Application, AZH080002, is incorporated herein, as updated through the "Renewal Application" and, if applicable, through a HUD-approved grant amendment. However, in the event of conflict between a provision of the Application and a provision of this Agreement, the latter shall control.

The term "Renewal Application" means the application submission on the basis of which the 2011 Grant renewal was approved by HUD, including certifications and assurances, and any information or documentation required to meet renewal grant award conditions. The Renewal Application, AZH110018, is incorporated herein as part of this Agreement and attached hereto as Exhibit A. In the event of conflict between a provision of the Renewal Application and any provision of this Agreement, the latter shall control.

The term "Project Sponsor" means any private nonprofit organization or governmental housing agency that receives funds under a contract with the Grantee to carry out eligible activities identified in the Application.

Attachment 3, 2011 Renewal Grant Agreement

Background

This Agreement will be governed by the requirements of the AIDS Housing Opportunity Act, 42 U.S.C. 12901 *et seq.* (Act), the Housing Opportunities for Persons With AIDS ("HOPWA") program regulations, 24 C.F.R. part 574 ("Regulations"), and CPD Notice 09-07, Standards for Fiscal Year 2011 HOPWA Permanent Supportive Housing Renewal Grant Applications, issued January 25, 2011. The Regulations are attached hereto as Exhibit C and are incorporated into this Agreement.

Approved Grant Amount

Upon execution of this Agreement, HUD agrees to provide \$_611,582_ to the Grantee to carry out the project described in the Renewal Application (Exhibit A), and approved in the budget (Exhibit B), both of which are incorporated into this Agreement.

The term of this Agreement shall begin on _02/01/2012_ and end on _01/31/2015_ (mm/dd/yyyy), or three years from the beginning date of this agreement, whichever comes first. Notwithstanding the foregoing, the term of this Agreement may not begin until the original grant agreement _ AZH080002_ has expired.

Renewal Grant Purpose and Requirements for Providing Permanent Supportive Housing.

As a requirement for the receipt of these federal funds for permanent supportive housing, Grantee agrees to maintain project eligibility and related documentation on the following:

- (1) The project will continue to provide permanent supportive housing support to HOPWA eligible persons over the operating period of this grant. At least 51 percent of the HOPWA program activity funds awarded to the project must be used for this purpose. Any new funds, including commitments of other funds, must be utilized to provide permanent supportive housing to eligible persons for the planned annual outputs;
- (2) Exhibit A also provides for the list of the application commitments of other resources to be used in conjunction with HOPWA funds. If your project relies on other state, local, federal, or private resources to provide the permanent housing or supportive services portion of your project, as documented and approved by HUD in commitment letters for leveraging, you must ensure that the other resources will continue to be available for that purpose throughout the commitment period noted in the grant. Failure to use committed resources as documented and approved by HUD will constitute a grant default, which may result in grant sanctions, including reductions in amounts awarded for supportive services;
- (3) Grantee must maintain evidence that the client has a continuous legal right to remain in the unit or property and has access to ongoing supportive services provided through qualified providers. Grant files must include a copy of the standard lease form or occupancy agreement used for residents of the project. The lease or occupancy

Attachment 3, 2011 Renewal Grant Agreement

agreement must be for a term of at least one year. The lease or occupancy agreement must also be automatically renewable upon expiration, except on reasonable prior notice by either the tenant or the landlord. Failure to maintain this project documentation of the client's lease or occupancy agreement will constitute a grant default;

- (4) If the application proposes to provide security deposits, such costs are to be reasonable and limited to not more than two months rent and classified as part of the BLI shown as Permanent Housing Placement Costs. Grantees should quantify this effort and establish their plan for undertaking and reporting on this activity under this BLI;
- (5) The Grantee agrees to comply with the Drug-Free workplace standard requirement listed in the 2011 NOFA General Section, located in Section III.C. 5. ; and
- (6) The Grantee agrees to comply with environmental review requirements, as set forth at 24 C.F.R. part 58. Where applicable, Grantee also agrees to provide HUD with information necessary for HUD to perform any required environmental review under 24 C.F.R. part 50. Grantee shall carry out mitigating measures required by HUD or select alternate eligible property resulting from such review. Grantee shall not acquire, rehabilitate, convert, lease, repair or construct property, or commit HUD or local funds to such program activities with respect to any such property, until it has received notice from HUD that the environmental review is complete.

Amendments

This constitutes the entire agreement between HUD and the Grantee. This Agreement may not be amended except in a writing executed by authorized officials of HUD and the Grantee. When requesting an amendment to this Agreement, including a transfer of contractual rights via an assignment, the Grantee shall submit a letter of request to the address to the appropriate field office and attach the proposed amendment(s) to the applicable page(s) of this Agreement. The effective date of any amendment to this Agreement shall be the date of execution by HUD.

Pre-award costs

In cases where the original agreement has now expired and all funds expended, eligible costs under the new renewal award may include pre-award costs to support continuation of the approved renewal activities. Pre-award costs are authorized by OMB Circulars A-87 and A-122, which are applicable to the HOPWA program under 24 C.F.R. § 574.605. Pre-award costs are those costs incurred prior to the effective date of the award directly pursuant to the execution of this Agreement where such costs are necessary to comply with the proposed delivery schedule or period of performance for continued activities. Such costs are allowable only to the extent that they would have been allowable if incurred after the date of the award and only with the written approval of HUD. Renewal Grantees are required to obtain approval of pre-award costs via a written request to the field office prior to incurring costs.

Performance

Grantee agrees to, and will ensure that each Project Sponsor agrees to:

- (1) Comply with requirements established by the Office of Management and Budget (OMB) concerning the Dun and Bradstreet Data Universal Numbering System (DUNS), the Central Contractor Registration (CCR) database, and the Federal Funding Accountability and Transparency Act, including Appendix A to part 25 of the Financial Assistance Use of Universal Identifier and Central Contractor Registration, 75 Fed. Reg. 55671 (Sept. 14, 2010) (to be codified at 2 C.F.R. part 25) and Appendix A to part 170 of the Requirements for Federal Funding Accountability and Transparency Act Implementation, 75 Fed. Reg. 55663 (Sept. 14, 2010) (to be codified at 2 C.F.R. part 170).
- (2) Provide housing support to HOPWA eligible persons over the operating period of this grant consistent with the services described in the renewal application and attached as Exhibit A, and applicable HUD regulations;
- (3) Comply with and meet the performance measure benchmark outputs and outcomes established in the Renewal Application HOPWA Budget form HUD 40110-B found in Exhibit B for the implementation and operation of this award;
- (4) Conduct an ongoing assessment of the permanent supportive housing assistance required by the participants in the program, including annual assessments of their housing situations, and report on the annual achievement of HOPWA client outcome goals in achieving stable housing, reducing risks of homelessness and improving access to care for beneficiaries;
- (5) Assure the adequate provision of supportive services to the participants in the program, including support to access health-care, HIV treatment and benefits or other support available under mainstream health and human welfare programs and other public and private resources, as needed. Further, the Grantee shall ensure that grant funds will not be used to make payments for health services for any item or service to the extent that payment has been made, or can reasonably be expected to be made with respect to that item or service: (i) under any State compensation program, under an insurance policy, or under any Federal or State health benefits program; or (ii) by an entity that provides health services on a prepaid basis;
- (6) The following applies to an application that involves the use of HOPWA funds for supportive service activities aimed at assisting HOPWA clients with substance abuse treatment. Note that, in operating this project, the Grantee and any project sponsor must comply with federal, state and other applicable laws pertaining to the illegal use of a controlled substance. The Grantee and sponsor must undertake reasonable steps to ensure that beneficiaries receive appropriate access to substance abuse treatment and counseling. Admission should be denied, or eviction initiated, for persons engaging in illegal drug activities, where such activities threaten the health, safety, or right to peaceful

Attachment 3, 2011 Renewal Grant Agreement

enjoyment of the premises by other residents. Grantees and project sponsors must establish procedures for project ineligibility and evictions related to illegal drug activities;

- (7) Agree that any program income resulting under this grant be added to the funds committed to the project or other HOPWA program activities under this agreement, to be used to further eligible project or program objectives;
- (8) Agree to maintain records of beneficiary and program activity eligibility, including documentation that evidences compliance with agreements noted above. In the case of participant eligibility records, the Grantee shall update records no less than annually.

Disbursement of Funds

Agree to record the expenditure of funds in a timely manner and implement financial procedures to ensure disbursements for reimbursement of the HOPWA renewal grant award expenses through the LOCCS system on at least a quarterly basis, beginning three months after the program commencement date established in this Agreement. The Grantee agrees, and will ensure that any Project Sponsor agrees, to make timely payments to each subrecipient upon request, provided the requesting subrecipient is in compliance with program requirements. A request by the Grantee to draw down Grant Funds under the Voice Response Access system or any other payment system constitutes a representation by the Grantee that it and all participating parties are in compliance with the terms of this Agreement.

Performance Reporting

- (1) In accordance with 24 C.F.R. part 91, the Grantee shall submit an Annual Progress Report (APR) that demonstrates its progress in carrying out its strategic plan and its action plan within 90 days after the close of each program year. The performance report must include the number of individuals assisted, the types of assistance provided, a description of the resources made available, the investment of available resources, the geographic distribution and location of investments, the families and persons assisted (including racial and ethnic status of persons assisted), actions taken to further fair housing. Comply with such other terms and conditions, including record keeping and reports (which must include racial and ethnic data on participants, annual housing outputs and client housing outcomes) for program monitoring and evaluation purposes, as HUD has established for purposes of carrying out the program in an effective and efficient manner;
- (2) Comply with such other terms and conditions, including record keeping and reports (which must include racial and ethnic data on participants, annual housing outputs and client housing outcomes) for program monitoring and evaluation purposes, as HUD has established for purposes of carrying out the program in an effective and efficient manner;

Attachment 3, 2011 Renewal Grant Agreement

Project Sponsors

The Grantee shall ensure that Project Sponsors are aware of requirements imposed upon them by federal statutes and implementing regulations. Project Sponsor contracts should include any clauses required by this Agreement and any other applicable federal requirements, including those set forth in Executive Orders and Office of Management and Budget Circulars.

Defaults and Remedies

A default shall occur when the Grantee materially fails to comply with program requirements. A default may consist of using Grant Funds other than as authorized by this Agreement, noncompliance with statutory, regulatory, NOFA, or other requirements applicable to this HOPWA award, any other material breach of this Agreement, or any material misrepresentation, which, if known to HUD, would have resulted in the Grant Funds not being provided. If the Grantee fails to comply with any term of this award, HUD may:

- (1) Temporarily withhold further payments pending corrective action by the Grantee or Project Sponsor;
- (2) Disallow all or part of the cost of an activity or action not in compliance;
- (3) Wholly or partly suspend or terminate the current award for the Grantee's or Project Sponsor's program;
- (4) Withhold further awards for the HOPWA program;
- (5) Reduce or recapture Grant Funds;
- (6) Require the Grantee to reimburse program accounts with non-Federal funds for the amount of ineligible costs; or
- (7) Take other appropriate action, including, but not limited to, any remedial action legally available, such as affirmative litigation seeking declaratory judgment, specific performance, damages, temporary or permanent injunctions and any other available remedies.

Attachment 3, 2011 Renewal Grant Agreement

Nothing in this paragraph shall limit any remedies otherwise available to HUD in the case of a default by the Grantee. No delay or omissions by HUD in exercising any right or remedy available to it under this Agreement shall impair any such right or remedy or constitute a waiver or acquiescence in any Grantee default. The Grant may be terminated for convenience when both parties agree that the continuation of the award would not produce beneficial results.

This Agreement is hereby executed by the Parties on the dates set forth below their respective signatures, as follows:

UNITED STATES OF AMERICA

Department of Housing and Urban Development

By: The Secretary or HUD designated signatory

By: _____
(Signature)

(Title)

(Date)

GRANTEE

By: _____
(Authorized signatory)

(Type in name of authorized signatory)

(Title of authorized signatory)

(Date)