

**FY 2022 COMMUNITY PROJECT FUNDING  
GRANT AGREEMENT NO. B-22-CP-AZ-0018**

**Grantee Name:** City of Flagstaff

**Grantee Address:** 211 West Aspen Avenue Flagstaff, AZ 86001

**Grantee's Unique Entity Identifier (UEI):** XMMUMPKTLVQ3

**Federal Award Identification Number (FAIN)** B-22-CP-AZ-0018

**Assistance Listing Number and Name** 14.251 Economic Development Initiative,  
Community Project Funding, and Miscellaneous Grants

**Period of Performance/Budget Period Start Date** Date of grant obligation

**Period of Performance/Budget Period End Date** August 31, 2030

This Grant Agreement between the Department of Housing and Urban Development (HUD) and City of Flagstaff (the Grantee) is made pursuant to the authority of the Consolidated Appropriations Act, 2022 (Public Law 117-103); and the Explanatory Statement for Division L of that Act, 2022, which was printed in the House section of the Congressional Record on March 9, 2022 (Explanatory Statement); This Grant Agreement includes and incorporates the Grantee's assurances and certifications, which are attached as Appendix 9.

In reliance upon and in consideration of the mutual representations and obligations under this Grant Agreement, HUD and the Grantee agree as follows:

**ARTICLE I. Definitions**

The definitions at 2 CFR 200.1 apply to this Grant Agreement, except where this Grant Agreement specifically states otherwise.

Grant obligation, for the purpose of this Grant Agreement, refers to the date the designated HUD official signs this Grant Agreement.

Grantee, for the purpose of this Grant Agreement, may also be referred to as “recipient.”

**ARTICLE II. Total Grant Amount**

Subject to the provisions of the Grant Agreement, HUD will make grant funds in the amount of \$750,000 available to the Grantee.

**ARTICLE III. Award-Specific Requirements**

A. Federal Award Description. The Federal funds provided under this Grant Agreement (Grant Funds) must be used for the Grantee’s “project” as identified in the table included in the Explanatory Statement and as further described in the project narrative in Appendix 1 to this Grant Agreement. The project narrative in Appendix 1 may be amended in accordance with conditions under 2 CFR 200.308, provided that the Grantee does not change its project in a manner that would conflict with the express language of the Explanatory Statement.

B. Approved Budget. The Grantee's approved budget in Appendix 2 to this Grant Agreement is the most recent line-item budget submitted by the Grantee and approved by HUD for this project. The Grantee may change the amounts budgeted for each activity only as provided by 2 CFR 200.308 and this Grant Agreement.

C. Changes to Project Narrative or Budget. To request HUD's approval for a change in the project narrative or budget, the Grantee must submit a formal letter to the Director of HUD's Office of Economic Development - Congressional Grants Division through the assigned Grant Officer. The letter, submitted by email to the assigned Grant Officer, must include both justification for the change and a revised line-item budget that includes the requested change. The Grantee is prohibited from changing its budget in a manner that would conflict with the express language of the Explanatory Statement or the cost limitations provided in Article III, paragraphs C and D of this Grant Agreement. The assigned Grant Officer for this grant is provided in the Award Letter for this grant and found on HUD's website.

The HUD Office of Economic Development – Congressional Grants Division will notify the Grantee in writing, by email, whether HUD approves or disapproves the change and revised budget. If approved, the Grantee must update its budget information in Disaster Recovery Grant Reporting (DRGR) before the Grantee expends Grant Funds in accordance with an approved change.

D. Unless explicitly stated in the Explanatory Statement and documented in the approved budget in Appendix 2, no more than 20 percent of the total grant amount may be used for planning and management development costs, as described under 24 CFR 570.205, or administrative costs, as described under 24 CFR 570.206. Program income and eligible activities identified in the description of the Grantee's "project" in the Explanatory Statement are not subject to this spending limit.

This Grant Agreement is not otherwise subject to the Community Development Block Grant regulations at 24 CFR part 570 or Title I of the Housing and Community Development Act of 1974.

E. The Grantee may not use any grant funds to reimburse costs incurred before the date HUD signed this Grant Agreement.

F. As authorized under 2 CFR 200.307(e)(2), program income must be used for the purposes and under the conditions of this Grant Agreement. In accordance with 2 CFR 200.307(b), costs incidental to the generation of program income may be deducted from gross income to determine program income, provided these costs have not been charged to the grant.

G. The Grantee must use the Grant Funds only for costs (including indirect costs) that meet the applicable requirements in 2 CFR part 200 (including appendices). The Grantee's indirect cost rate information is as provided in Appendix 3 to this Grant Agreement. Unless the Grantee is an Institution of Higher Education,

the Grantee must immediately notify HUD upon any change in the Grantee's indirect cost rate during the Period of Performance, so that HUD can amend the Grant Agreement to reflect the change if necessary. Consistent with 2 CFR Part 200,

Appendix III (C.7), if the Grantee is an Institution of Higher Education and has a negotiated rate in effect on the date this Grant Agreement is signed by HUD, the Grantee may use only that rate for its indirect costs during the Period of Performance.

H. The Grantee must comply with any specific award conditions that HUD may attach to this Grant Agreement as provided by 2 CFR 200.208. If applicable, these conditions will be listed or added as Appendix 5 to this Grant Agreement.

I. The Grantee is responsible for managing the project and ensuring the proper use of the Grant Funds. The Grantee is also responsible for ensuring the completion of the project, the grant closeout, and compliance with all applicable federal requirements.

The Grantee may subaward all or a portion of its funds to one or more subrecipients, as identified in the Project Narrative (Appendix 1) or as may be approved by HUD in accordance with 2 CFR 200.308. Subawards are subject to the requirements that apply to pass-through entities under 2 CFR Part 200, including 2 CFR 200.332, and other requirements provided by this Grant Agreement. The Grantee is responsible for ensuring each subrecipient complies with all requirements under this Grant Agreement, including the general federal requirements in Article IV.

#### **ARTICLE IV. General Federal Requirements**

A. If the Grantee is a unit of general local government, a State, an Indian Tribe, or an Alaskan Native Village, the Grantee is the Responsible Entity (as defined in 24 CFR part 58) and agrees to assume all of the responsibilities for environmental review and decision-making and action, as specified and required in regulations issued by the Secretary pursuant to the Multifamily Housing Property Disposition Reform Act of 1994 and published in 24 CFR Part 58.

B. If the Grantee is a housing authority, redevelopment agency, academic institution, hospital or other non-profit organization, the Grantee shall request the unit of general local government, Indian Tribe or Alaskan Native Village, within which the project is located and which exercises land use responsibility, to act as Responsible Entity and assume all of the responsibilities for environmental review and decision-making and action as specified in paragraph A above, and the Grantee shall carry out all of the responsibilities of a grantee under 24 CFR Part 58.

C. After Grantee's receipt of the Letter of Invitation for this grant, neither the Grantee nor any of its contractors, subrecipients and other funding and development partners may commit or expend grant funds or local funds for project activities (other than for planning, management, development and administration activities)

until one of the following occurs: (i) the Responsible Entity has completed the environmental review procedures required by 24 CFR part 58, and HUD has approved the environmental certification and given a release of funds; (ii) the Responsible Entity has determined that the activities are exempt under 24 CFR 58.34 or are categorically excluded and not subject to compliance with environmental laws under 24 CFR 58.35(b); or (iii) HUD has performed an environmental review under 24 CFR part 50 and has notified Grantee in writing of environmental approval of the activities.

D. Following completion of the environmental review process, the Grantee (recipient) shall exercise oversight, monitoring, and enforcement as necessary to assure that decisions and mitigation measures adopted through the environmental review process are carried out during project development and implementation.

E. The Grantee must comply with the generally applicable HUD and CPD requirements in 24 CFR Part 5, subpart A, including all applicable fair housing, and civil rights requirements. If the Grantee is a Tribe or a Tribally Designated Housing Entity (TDHE) as established under 24 CFR 1000.206, the Grantee must comply with the nondiscrimination requirements in 24 CFR 1000.12 in lieu of the nondiscrimination requirements in 24 CFR 5.105(a). The Grantee must report data on the race, color, religion, sex, national origin, age, disability, and family characteristics of persons and households who are applicants for, participants in, or beneficiaries or potential beneficiaries of the Grantee's project, consistent with the instructions and forms provided by HUD in order to carry out its responsibilities under the Fair Housing Act, Executive Order 11063, Title VI of the Civil Rights Act of 1964, and Section 562 of the Housing and Community Development Act of 1987 (e.g. HUD-27061).

F. The Grantee must comply with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements in 2 CFR part 200, as may be amended from time to time. If 2 CFR part 200 is amended to replace or renumber sections of part 200 that are cited specifically in this Grant Agreement, the part 200 requirements as renumbered or replaced by the amendments will govern the obligations of HUD and the Grantee after those amendment become effective.

G. The Grantee must comply with the Award Term in Appendix A to 2 CFR Part 25 ("System for Award Management and Universal Identifier Requirements") and the Award Term in Appendix A to 2 CFR Part 170 ("Reporting Subawards and Executive Compensation"), which are hereby incorporated into and made part of this Grant Agreement.

H. If the Total Grant Amount, as provided in Article II of this Grant Agreement, is greater than \$500,000, the Grantee must comply with the Award Term and Condition for Grantee Integrity and Performance Matters in Appendix 4 to this Grant Agreement.

I. Unless the Grantee is exempt from the Byrd Amendment as explained below, the Grantee must comply with the provisions of Section 319 of Public Law 101-121, 31 U.S.C. 1352, (the Byrd Amendment) and 24 CFR Part 87, which prohibit recipients of Federal contracts, grants, or loans from using appropriated funds for lobbying the executive or legislative branches of the Federal Government in connection with a specific contract, grant, loan, or cooperative agreement. The Grantee must include in its award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements), the requirements for the certification required by Appendix A to 24 CFR Part 87 and for disclosure using Standard Form- LLL (SF-LLL), “Disclosure of Lobbying Activities.” In addition, the Grantee must obtain the executed certification required by Appendix A and an SF-LLL from all covered persons. “Person” is as defined by 24 CFR Part 87. Consistent with these requirements, the Grantee must sign the certification that is included in Appendix 8 and return it to HUD with this signed agreement.

Federally recognized Indian tribes and TDHEs established by Federally recognized Indian tribes as a result of the exercise of the tribe’s sovereign power are excluded from coverage of the Byrd Amendment. State-recognized Indian tribes and TDHEs established only under state law must comply with this requirement.

J. The Grantee must comply with drug-free workplace requirements in Subpart B of 2 CFR Part 2429, which adopts the governmentwide implementation (2 CFR Part 182) of sections 5152-5158 of the Drug-Free Workplace Act of 1988, Pub. L. 100-690, Title V, Subtitle D (41 U.S.C. 701-707).

K. The Grantee must comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) as implemented by regulations at 49 CFR Part 24. The URA applies to acquisitions of real property and relocation occurring as a direct result of the acquisition, rehabilitation, or demolition of real property for Federal or Federally funded programs or projects. Real property acquisition that receives Federal financial assistance for a program or project, as defined in 49 CFR 24.2, must comply with the acquisition requirements contained in 49 CFR part 24, subpart B. Unless otherwise specified in law, the relocation requirements of the URA and its implementing regulations at 49 CFR part 24, cover any displaced person who moves from real property or moves personal property from real property as a direct result of acquisition, rehabilitation, or demolition for a program or project receiving HUD financial assistance

L. If grant funds are used for purchase, lease, support services, operation, or work that may disturb painted surfaces, of pre-1978 housing, you must comply with the lead-based paint evaluation and hazard reduction requirements of HUD's lead- based paint rules (Lead Disclosure; and Lead Safe Housing (24 CFR part 35)), and EPA's lead- based paint rules (e.g., Repair, Renovation and Painting; Pre-Renovation Education; and Lead Training and Certification (40 CFR part 745)).

M. The Grantee must comply with Section 3 of the Housing and Urban Development Act of 1968 (Section 3), 12 U.S.C. 1701u, and HUD's regulations at 24 CFR Part 75, as applicable, including the reporting requirements in 24 CFR 75.25. Grants made to Tribes and TDHEs are subject to Indian Preference requirements in Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5307(b)). As stated in 24 CFR 75.3(c), grants to Tribes and TDHEs are subject to Indian Preference requirements in lieu of Section 3. Grantees that are not exempt from Section 3 must submit annual reports of Section 3 accomplishment Performance Measures in DRGR in January of the calendar year. This report reflects Section 3 accomplishments for the previous calendar year.

N. The Grantee must not use any Grant Funds to support any Federal, state, or local project that seeks to use the power of eminent domain, unless eminent domain is employed only for a public use. Public use includes use of funds for mass transit, railroad, airport, seaport, or highway projects, and utility projects which benefit or serve the general public (including energy-related, communication-related, water-related, and waste water-related infrastructure), other structures designated for use by the general public or with other common-carrier or public-utility functions that serve the general public and are subject to regulation and oversight by the government, and projects for the removal of an immediate threat to public health and safety or brownfields, as defined in the Small Business Liability Relief and Brownfields Revitalization Act (Pub. L. 107-118). Public use does not include economic development that primarily benefits private entities.

O. The Grantee must not use any Grant Funds to maintain or establish a computer network that does not block the viewing, downloading, and exchanging of pornography. This requirement does not limit the use of funds necessary for any Federal, State, tribal, or local law enforcement agency or any other entity carrying out criminal investigations, prosecution, or adjudication activities.

P. The Grantee must comply with the requirements of the Build America, Buy America (BABA) Act, 41 USC 8301 note, if applicable to the Grantee's project. Pursuant to HUD's Notice, "General Applicability Waiver of Build America, Buy America Provisions as Applied to Recipients of HUD Federal Financial Assistance" (87 FR 26219), any funds obligated by HUD and the Grantee on or after November 14, 2022, are subject to BABA requirements, unless excepted by a waiver.

For Tribal recipients/Grantees, including Tribes and TDHEs, HUD's Notice, "General Applicability Waiver of Build America, Buy America Provisions as Applied to Tribal Recipients of HUD Federal Financial Assistance" (87 FR 26221), establishes that any funds obligated by HUD and the Grantee on or after May 14, 2023, are subject to BABA requirements, unless excepted by a waiver.

Additional information on BABA will be available at  
[https://www.hud.gov/program\\_offices/general\\_counsel/BABA](https://www.hud.gov/program_offices/general_counsel/BABA)

Q. The Grantee must administer its Grant Funds in accordance with the Conflict of Interest requirements set forth in Appendix 6 of this Grant Agreement.

R. The Grantee must comply with the governmentwide debarment and suspension requirements in 2 CFR part 180 as incorporated and supplemented by HUD's regulations at 2 CFR Part 2424.

S. The Grantee must comply with the award term and condition regarding trafficking in persons in Appendix 7 of this Grant Agreement.

#### **ARTICLE V. Drawdown Requirements**

A. The Grantee may not draw down grant funds until HUD has received and approved any certifications and disclosures required by 24 CFR 87.100 concerning lobbying, if applicable.

B. The Grantee must use HUD's Disaster Recovery Grant Reporting (DRGR) system to draw down grant funds and report to HUD on activities.

C. The Grantee must enter activity and budget information in DRGR that is consistent with the activities and budget HUD approved under this Grant Agreement and complies with HUD's instructions for entering information in DRGR found in the document titled "Grant Award Instructions" that accompanies the Grant Agreement.

D. The Grantee must only enter activities in DRGR that are described in the Approved Budget (Appendix 2).

E. The Grantee must expend all Grant funds in accordance with the activity and budget information in DRGR.

F. Each drawdown of grant funds constitutes a representation by the Grantee that the funds will be used in accordance with this Grant Agreement.

G. The Grantee must use DRGR to track the use of program income and must report the receipt and use of program income in the reports the Grantee submits to HUD under Article IV of this Grant Agreement. The Grantee must expend program income before drawing down grant funds through DRGR.

H. Notwithstanding any other provision of this grant agreement, HUD will not be responsible for payment of any grant funds after the date Treasury closes the account in accordance with 31 U.S.C. § 1552. Because Treasury may close the account up to one week before the September 30 date specified by 31 U.S.C. § 1552, the grantee is advised to make its final request for payment under the grant no later than September 15, 2030.

## **ARTICLE VI. Program-Specific Reporting Requirements.**

In addition to the general reporting requirements that apply under other provisions of this Agreement, the following program-specific reporting requirements apply to the Grantee:

A. The Grantee must submit a performance report in DRGR on a semi-annual basis and must include a completed Federal financial report as an attachment to each performance report in DRGR. Performance reports shall consist of a narrative of work accomplished during the reporting period. During the Period of Performance, the Grantee must submit these reports in DRGR no later than 30 calendar days after the end of the 6-month reporting period. The first of these reporting periods begins on the January or June after the date this Grant Agreement is signed by HUD.

B. The performance report must contain the information required for reporting program performance under 2 CFR 200.329(c)(2) and (d), including a comparison of actual accomplishments to the objectives indicated in the Grantee's project narrative, the reasons why established goals were not met, if appropriate, and additional pertinent information including, when appropriate, analysis and explanation of cost overruns or high unit costs.

C. The performance reports must contain the information required for reporting program performance under 2 CFR 200.329(c)(2) and (d), including a comparison of actual accomplishments to the objectives indicated in the Grantee's Project Narrative (Appendix 1), the reasons for slippage if established objectives were not overruns.

D. Financial reports must be submitted using DRGR or such future collections HUD may require and as approved by OMB and listed on the Grants.gov website <https://www.grants.gov/web/grants/forms/post-award-reporting-forms.html>

E. The performance and financial reports will undergo review and approval by HUD. If a report submission is insufficient, HUD will reject the report in DRGR and identify the corrections the Grantee must make.

F. No drawdown of funds will be allowed through DRGR while the Grantee has an overdue performance or financial report.

G. The Grantee must report and account for all property acquired or improved with Grant Funds as provided by 2 CFR part 200 using the applicable common forms approved by OMB and provided on the Grants.gov website <https://www.grants.gov/web/grants/forms/post-award-reporting-forms.html>

This reporting obligation includes submitting status reports on real property at least annually as provided by 2 CFR 200.330, accounting for real and personal property acquired or improved with Grant Funds as part of Project Closeout, and promptly submitting requests for disposition instructions as provided by 2 CFR 200.311(c), 200.313(e), and 200.314(a).

## **ARTICLE VII. Project Closeout.**

A. The grant will be closed out in accordance with 2 CFR part 200, as may be amended from time to time, except as otherwise specified in this Grant Agreement.

B. The Grantee must submit to HUD a written request to closeout the grant no later than 30 calendar days after the Grantee has drawn down all Grant funds and completed the activities described in the Project Narrative (Appendix 1). HUD will then send the Closeout Agreement and Closeout Certification to the Grantee.

C. At HUD's option, the Grantee may delay initiation of project closeout until the resolution of any findings as a result of the review of semi-annual activity reports in DRGR. If HUD exercises this option, the Grantee must promptly resolve the findings.

D. The Grantee recognizes that the closeout process may entail a review by HUD to determine compliance with the Grant Agreement by the Grantee and all participating parties. The Grantee agrees to cooperate with any HUD review, including reasonable requests for on-site inspection of property acquired or improved with Grant Funds. E. No later than 120 calendar days after the Period of Performance, Grantee shall provide to HUD the following documentation:

1. A Certification of Project Completion.
2. A Grant Closeout Agreement.
3. A final financial report giving the amount and types of project costs charged to the grant (that meet the allowability and allocability requirements of 2 CFR part 200, subpart E); a certification of the costs; and the amounts and sources of other project funds.
4. A final performance report providing a comparison of actual accomplishments with each of the project commitments and objectives in the approved application, the reasons for slippage if established objectives were not met and additional pertinent information including explanation of significant cost overruns.
5. A final property report, if specifically requested by HUD at the time of closeout.

**ARTICLE VIII. Default.**

A default under this Grant Agreement shall consist of any use of grant funds for a purpose other than as authorized by this Grant Agreement, any noncompliance with statutory, regulatory, or other requirements applicable to the Grant Funds, any other material breach of this Grant Agreement, or any material misrepresentation in the Grantee's submissions to HUD in anticipation of this award. If the Grantee fails to comply with the terms and conditions of the Grant Agreement, HUD may adjust specific conditions of this Grant Agreement as described in 2 CFR part 200, as may be amended from time to time. If HUD determines that noncompliance cannot be remedied by imposing additional conditions, HUD may take one or more of the remedies for noncompliance described in 2 CFR part 200, as may be amended from time to time. HUD may also terminate all or a part of this award as provided by 2 CFR 200.340 and other applicable provisions of 2 CFR part 200, as may be amended from time to time. Nothing in this Grant Agreement shall be construed as creating or justifying any claim against the federal government or the Grantee by any third party.

**ARTICLE IX. HUD Contact Information.**

Except where this Grant Agreement specifically states otherwise, all requests, submissions, and reports the Grantee is required to make to HUD under this Grant Agreement must be made in writing via email [CPFGrants@hud.gov](mailto:CPFGrants@hud.gov)

**This agreement is hereby executed on behalf of the parties as follows:**

**GRANTEE**

\_\_\_\_\_

(Name of Organization)

BY: \_\_\_\_\_  
(Signature of Authorized Official)

\_\_\_\_\_  
(Typed Name and Title of Authorized Official)

\_\_\_\_\_  
(Date)

**HUD**

BY: \_\_\_\_\_  
Robin J. Keegan,  
Deputy Assistant Secretary for Economic Development

\_\_\_\_\_  
(Date)

**APPENDIX 1 – Project Narrative**

**APPENDIX 2 – Approved Budget**

**APPENDIX 3 – Grantee’s Indirect Cost Rate Information**

**OPTION 1:** The Grantee will not use an indirect cost rate to charge its indirect costs to the grant. [This option must be checked if the Grantee has not provided its indirect cost rate information to HUD as specified in the Community Project Funding Grant Guide.]

**OPTION 2:** The Grantee is authorized to use the indirect cost rate(s) identified in the table below to charge its indirect costs to the grant, provided that each rate identified meets the applicable requirements under 2 CFR part 200 (including appendices).

Agency/Dept./Major Function	Indirect cost rate	Direct Cost Base
_____	%	_____
_____	%	_____

[This schedule must include each indirect cost rate that will be used to calculate the Grantee’s indirect costs under the grant. The schedule must also specify the type of direct cost base to which each included rate applies (for example, Modified Total Direct Costs (MTDC)). Do not include indirect cost rate information for subrecipients.

For government entities, enter each agency or department that will carry out activities under the grant, the indirect cost rate applicable to each department/agency (including if the de minimis rate is used per 2 CFR 200.414), and the type of direct cost base to which the rate will be applied.

For nonprofit organizations that use the Simplified Allocation Method for indirect costs or elects to use the de minimis rate of 10% of Modified Total Direct Costs in accordance with 2 CFR 200.414, enter the applicable indirect cost rate and type of direct cost base in the first row of the table.

For nonprofit organizations that use the Multiple Allocation Base Method, enter each major function of the organization for which a rate was developed and will be used under the grant, the indirect cost rate applicable to that major function, and the type of direct cost base to which the rate will be applied.]

## **APPENDIX 4 – Award Term and Condition for Grantee Integrity and Performance Matters**

### Reporting of Matters Related to Grantee Integrity and Performance

#### *1. General Reporting Requirement*

If the total value of the Grantee's currently active grants, cooperative agreements, and procurement contracts from all Federal awarding agencies exceeds \$10,000,000 for any period of time during the period of performance of this Federal award, then during that period of time the Grantee must maintain the currency of information reported to the System for Award Management (SAM) that is made available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)) about civil, criminal, or administrative proceedings described in paragraph 2 of this award term and condition. This is a statutory requirement under section 872 of Public Law 110-417, as amended (41 U.S.C. 2313). As required by section 3010 of Public Law 111-212, all information posted in the designated integrity and performance system on or after April 15, 2011, except past performance reviews required for Federal procurement contracts, will be publicly available.

#### *2. Proceedings About Which Grantee Must Report*

During any period of time when the Grantee is subject to the requirement in paragraph 1 of this award term and condition, the Grantee must submit the information required about each proceeding that:

- a. Is in connection with the award or performance of a grant, cooperative agreement, or procurement contract from the Federal Government;
- b. Reached its final disposition during the most recent five-year period; and
- c. Is one of the following:
  - (1) A criminal proceeding that resulted in a conviction, as defined in paragraph 5 of this award term and condition;
  - (2) A civil proceeding that resulted in a finding of fault and liability and payment of a monetary fine, penalty, reimbursement, restitution, or damages of \$5,000 or more;
  - (3) An administrative proceeding, as defined in paragraph 5. of this award term and condition, that resulted in a finding of fault and liability and the Grantee's payment of either a monetary fine or penalty of \$5,000 or more or reimbursement, restitution, or damages in excess of \$100,000; or
  - (4) Any other criminal, civil, or administrative proceeding if:
    - (i) It could have led to an outcome described in paragraph 2.c.(1), (2), or (3) of this award term and condition;

(ii) It had a different disposition arrived at by consent or compromise with an acknowledgment of fault on the Grantee's part; and

(iii) The requirement in this award term and condition to disclose information about the proceeding does not conflict with applicable laws and regulations.

### *3. Reporting Procedures*

During any period of time when the Grantee is subject to the requirement in paragraph 1 of this award term and condition, the Grantee must enter in the SAM Entity Management area the information that SAM requires about each proceeding described in paragraph 2 of this award term and condition. The Grantee does not need to submit the information a second time under assistance awards that the Grantee received if the Grantee already provided the information through SAM because the Grantee was required to do so under Federal procurement contracts that the Grantee was awarded.

### *4. Reporting Frequency*

During any period of time when the Grantee is subject to the requirement in paragraph 1 of this award term and condition, the Grantee must report proceedings information through SAM for the most recent five-year period, either to report new information about any proceeding(s) that the Grantee has not reported previously or affirm that there is no new information to report. If the Grantee has Federal contract, grant, and cooperative agreement awards with a cumulative total value greater than \$10,000,000, the Grantee must disclose semiannually any information about the criminal, civil, and administrative proceedings.

### *5. Definitions*

For purposes of this award term and condition:

a. Administrative proceeding means a non-judicial process that is adjudicatory in nature in order to make a determination of fault or liability (e.g., Securities and Exchange Commission Administrative proceedings, Civilian Board of Contract Appeals proceedings, and Armed Services Board of Contract Appeals proceedings). This includes proceedings at the Federal and State level but only in connection with performance of a Federal contract or grant. It does not include audits, site visits, corrective plans, or inspection of deliverables.

b. Conviction, for purposes of this award term and condition, means a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of nolo contendere.

c. Total value of currently active grants, cooperative agreements, and procurement contracts includes—

(1) Only the Federal share of the funding under any Federal award with a cost share or match requirement; and

(2) The value of all expected funding increments under a Federal award and options, even if not yet exercised.

**APPENDIX 5 – Specific Award Conditions**  
[NONE]

## APPENDIX 6 – Conflict of Interest Requirements

1. *Conflicts Subject to Procurement Regulations.* When procuring property or services, the grantee and its subrecipients shall comply with the applicable conflict-of-interest rules in 2 CFR 200.317 and 2 CFR 200.318(c). In all cases not governed by 2 CFR 200.317 and 2 CFR 200.318(c), the Grantee and its subrecipients must follow the requirements contained in paragraphs 2-5 below.

2. *General prohibition.* No person who is an employee, agent, consultant, officer, or elected or appointed official of the Grantee or subrecipient and who exercises or has exercised any functions or responsibilities with respect to assisted activities, or who is 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 the activity, or have a financial interest in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder, either for himself or herself or for those with whom he or she has immediate family or business ties, during his or her tenure or for one year thereafter. Immediate family ties include (whether by blood, marriage or adoption) the spouse, parent (including a stepparent), child (including a stepchild), sibling (including a stepsibling), grandparent, grandchild, and in-laws of a covered person.

3. *Exceptions.* HUD may grant an exception to the general prohibition in paragraph (ii) upon the Grantee's written request and satisfaction of the threshold requirements in paragraph (iv), if HUD determines the exception will further the Federal purpose of the award and the effective and efficient administration of the Grantee's project, taking into account the cumulative effects of the factors in paragraph (v).

4. *Threshold requirements for exceptions.* HUD will consider an exception only after the Grantee has provided the following documentation:

- a. 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 that disclosure was made; and
- b. An opinion of the Grantee's attorney that the interest for which the exception is sought would not violate state or local law.

5. *Factors to be considered for exceptions.* In determining whether to grant a requested exception after the Grantee has satisfactorily met the threshold requirements in paragraph (iii), HUD will consider the cumulative effect of the following factors, where applicable:

- a. Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project that would otherwise not be available;
- b. Whether an opportunity was provided for open competitive bidding or negotiation;
- c. Whether the person affected is a member of a group or class of low- or moderate-income persons intended to be the beneficiaries of the assisted activity, and the exception

will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;

*d.* Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision-making process regarding the assisted activity in question;

*e.* Whether the interest or benefit was present before the affected person was in a position as described in paragraph (ii);

*f.* Whether undue hardship will result either to the Grantee or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and

*g.* Any other relevant considerations.

6. *Disclosure of potential conflicts of interest.* The Grantee must disclose in writing to HUD any potential conflict of interest.

## APPENDIX 7 – Award Term and Condition Regarding Trafficking in Persons

The following award term and condition, which is required by 2 CFR part 175, applies as written:

*a. Provisions applicable to a grantee that is a private entity.*

1. You as the grantee, your employees, subrecipients under this award, and subrecipients' employees may not—

- i. Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
- ii. Procure a commercial sex act during the period of time that the award is in effect; or
- iii. Use forced labor in the performance of the award or subawards under the award.

2. We as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a subrecipient that is a private entity:

- i. Is determined to have violated a prohibition in paragraph a.1 of this award term; or
- ii. Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a.1 of this award term through conduct that is either—

A. Associated with performance under this award; or

B. Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR Part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by HUD at 2 CFR 2424.

*b. Provision applicable to a grantee other than a private entity.*

We as the Federal awarding agency may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity—

1. Is determined to have violated an applicable prohibition in paragraph a.1 of this award term; or

2. Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a.1 of this award term through conduct that is either:

- i. Associated with performance under this award; or
- ii. Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by HUD at 2 CFR 2424.

*c. Provisions applicable to any grantee.*

1. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.1 of this award term.
2. Our right to terminate unilaterally that is described in paragraph a.2 or b of this section:
  - i. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and
  - ii. Is in addition to all other remedies for noncompliance that are available to us under this award.
3. You must include the requirements of paragraph a.1 of this award term in any subaward you make to a private entity.

*d. Definitions. For purposes of this award term:*

1. “Employee” means either:
  - i. An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this award; or
  - ii. Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.
2. “Forced labor” means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

3. “Private entity”:

i. Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR 175.25.

ii. Includes:

A. A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b).

B. A for-profit organization.

4. “Severe forms of trafficking in persons,” “commercial sex act,” and “coercion” have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).

## **APPENDIX 8 – Grantee's Assurances and Certifications**

Included under this Appendix 9 are:

- Grantee's Certification Regarding Lobbying
- Grantee's Standard Form SF 424 B, Assurances for Nonconstruction Programs
- Grantee's Standard Form SF 424 D, Assurances for Construction Programs.
- Grantee's Standard Form SF- LLL Disclosure of Lobbying Activities
- Grantee's Request for Release of Funds Form 7015.15 and Certification

### Certification Regarding Lobbying

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an 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.

(2) 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, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

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.

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(Signature of Authorized Official)

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(Typed Name and Title of Authorized Official)

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(Date)