

SMALL BUSINESS GRANT AGREEMENT

THIS AGREEMENT is made and entered into this **14th** day of **February 2023**, by and between the **CITY OF FORT PIERCE**, a Municipal Corporation having its territorial limits within St. Lucie County, Florida, hereinafter referred to as **GRANTOR**, and Royal Palace Rentals, LLC, a Florida for-profit corporation, hereinafter referred to as the **SUBRECIPIENT**.

WITNESSETH

WHEREAS, the City of Fort Pierce has been awarded a Federal Community Development Block Grant (CDBG) under Title 1 of the Housing and Community Development Act of 1974, as amended (42 USC 5301 et seq.); and

WHEREAS, the Fort Pierce City Commission, on August 15, 2022, was presented the 2022-2023 Annual Action Plan; and

WHEREAS, the **City of Fort Pierce** has determined that a valid public purpose will be served, and it is in the best interest of Fort Pierce to support the purchases described in the **Subrecipient's** mini-grant application;

NOW, THEREFORE, the parties do hereby agree as follows:

1. **National Objectives**: All activities funded with CDGB funds must meet one of the CDBG program's National Objectives: benefit low- and moderate-income persons; aid in the prevention or elimination of slums or blight; or meet community development needs having a particular urgency, as defined in 24 CFR 570.208. The **Subrecipient** certifies that the activity (ies) carried out under this Agreement will meet **Economic Development – Small Business Grant**.
2. **Scope of Project**: The specific project(s) to be provided, including intended uses for the Grant funds by **Subrecipient**, is set forth in **Exhibit "A"** to this Agreement.
3. **Term of Contract**: This Agreement shall take effect on the day the **Grantor** executes the Agreement and terminate on **September 30, 2023**.
4. **Specific Conditions**:
 - A. **Grantor** agrees to pay invoices for approved expenditures, as specified in this Agreement and "**Exhibit A**" thereto, of **Subrecipient**, up to the agreed amount of **\$5,000.00**.
 - B. All funds from **Grantor** to **Subrecipient** being dispersed under the terms of this Agreement shall be used by **Subrecipient** solely for the purpose of those specified in **Exhibit "A."**
 - C. The project and any use of the Grant funds must comply with the City of Fort Pierce 2022-2023 Community Development Block Grant Action Plan. **Subrecipient** shall not use Grant funds provided herein for political activities, sectarian or religious activities, or lobbying activities.
 - D. In every case, payment will be made subject to receipt of a requisition for payment from the **Subrecipient** specifying and certifying that such expenses have been incurred and

expended in conformance with this Agreement and that the **Subrecipient** is entitled to receive the amount requisitioned under the terms of this Agreement.

- E. The **Subrecipient** shall not claim reimbursement from the **Grantor** for that portion of its obligations which have been paid by another source of revenue.
- F. The **Subrecipient** shall notify the **Grantor** in writing of all authorized personnel who shall be empowered to file requests for payment pursuant to this Agreement.
- G. Publications, press releases, media productions, and exhibit graphics produced by the **Subrecipient** shall include the following statement:

Sponsored in part by the City of Fort Pierce

- H. **Subrecipient** agrees to submit to **Grantor**, through the Grants Administration Division, a written Final Completion Report, with photographs of purchased items as well as other monthly Project Status Reports as may be reasonably requested by **Grantor**, including, but not limited to such reports which provide a detailed and itemized list of all expenditures for the project, including proofs of payment.
 - I. Public access to program records shall comply with 24 CFR 570.502, 24 CFR 570.508, and all applicable laws of the State of Florida.
5. **Alteration:** No alteration or variation in the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto.

6. **General Conditions:**

A. **General Compliance:**

- i. The **Subrecipient** agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)) including subpart K of these regulations, except that (1) the **Subrecipient** does not assume the **Grantor's** environmental responsibilities described in 24 CFR 570.604 and (2) the **Subrecipient** does not assume the **Grantor's** responsibility for initiating the review process under the provisions of 24 CFR 52.
- ii. The **Subrecipient** agrees the use of funds received pursuant to this Agreement shall be in accordance with the requirements of the Housing and Community Development Act of 1974, as amended, 24 CFR Part 570, all other regulations governing the Community Development Block Grant program, and any amendments or policy revisions thereto which shall become effective during the term of this Agreement.
- iii. The **Subrecipient** agrees to comply with other applicable laws, including, but not limited to: the National Environmental Policy Act of 1969, as amended (and the implementing regulations at 24 CFR 58); the National Historic Preservation Act of 1966, as amended; Section 504 of the Rehabilitation Act of 1973, as amended (and the implementing regulations at 24 CFR Part 8); the Americans with Disabilities

Act of 1990, as amended; the Age Discrimination Act of 1975, as amended (and the implementing regulations at 24 CFR Part 146), the prohibition against using debarred, suspended, or ineligible contractors as set forth in 24 CFR Part 5, 24 CFR 570.609, and 24 CFR 24; and Executive Orders 11063, 11246, 11375, 12086, and 12259.

- iv. The **Subrecipient** agrees to comply with all applicable uniform administrative requirements including all attachments, amendments, and revisions thereto, specified at 2 CFR Part 200, 24 CFR 570.502, 24 CFR 570.610, 24 CFR Part 85, and all applicable OMB Circulars, to include, but not limited to: OMB Circular A-87, "Cost Principles for State, Local and Federally Recognized Indian Tribal Governments" (and the implementing at 2 CFR Part 225); OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations"; OMB Circular A-122, "Cost Principles for Non-Profit Organizations" (and the implementing regulations at 2 CFR Part 230); OMB Circular A-21, "Cost Principles for Educational Institutions" (and the implementing regulations at 2 CFR Part 220); and OMB Circular A-110, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations" (and the implementing regulations at 2 CFR Part 215).
 - v. The **Subrecipient** also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this contract. 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, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The **Subrecipient** shall at all times remain an "independent contractor" with respect to the services to be performed under this Agreement. The **Grantor** shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance, as the **Subrecipient** is an independent contractor.
- C. **Hold Harmless**: The **Subrecipient** shall hold harmless, defend and indemnify the **Grantor** from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the **Subrecipient's** performance or nonperformance of the services or subject matter called for in this Agreement.
- D. **Workers' Compensation**: The **Subrecipient** shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement.
- E. **Insurance & Bonding**: The **Subrecipient** shall carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to cash advances from the **Grantor**. The **Subrecipient** shall comply with the bonding and insurance requirements of 2 CFR 200, Bonding and Insurance.
- F. **Grantor Recognition**: The **Subrecipient** shall insure recognition of the role of the

Grantor 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 with funds made available under this Agreement.

G. **Amendments:** The **Grantor** or **Subrecipient** may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each organization, and approved by the **Grantor's** governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the **Grantor** or **Subrecipient** from its obligations under this Agreement. The **Grantor** may, in its discretion, amend this Agreement to conform with Federal, state or local governmental guidelines, policies 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 the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both **Grantor** and **Subrecipient**.

H. **Suspension or Termination:**

- i. In accordance with 2 CFR 200, the **Grantor** may suspend or terminate this Agreement if the **Subrecipient** materially fails to comply with any terms of this Agreement, which include (but are not limited to) the following:
 - a. Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;
 - b. Failure, for any reason, of the **Subrecipient** to fulfill in a timely and proper manner its obligations under this Agreement;
 - c. Ineffective or improper use of funds provided under this Agreement; or
 - d. Submission by the **Subrecipient** to the **Grantor** reports that are incorrect or incomplete in any material respect.
- ii. In accordance with 2 CFR 200, this Agreement may also be terminated for convenience by either the **Grantor** or the **Subrecipient**, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the **Grantor** determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the **Grantor** may terminate the award in its entirety.

7. **Administrative Requirements:**

A. **Financial Management:**

- i. **Accounting Standards:** The **Subrecipient** agrees to comply with 2 CFR 200 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.

- ii. **Cost Principles:** The **Subrecipient** shall administer its program in conformance with 2 CFR 200 as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

B. Documentation and Record Keeping:

- i. **Records to be Maintained:** The **Subrecipient** shall maintain all records required by the Federal regulations specified in 24 CFR 570.506, that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be 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 required to determine the eligibility of activities;
 - d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
 - e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
 - f. Financial records as required by 24 CFR 570.502, and 2 CFR 200; and
 - g. Other records necessary to document compliance with Subpart K of 24 CFR 570.
- ii. **Retention:** The **Subrecipient** shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of four (4) years. The retention period begins on the date of the submission of the **Grantor's** annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations, or other actions that involve any of the records cited and that have started before the expiration of the four-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.
- iii. **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 **Grantor** monitors or their designees for review upon request.
- iv. **Close-outs:** The **Subrecipient's** obligation to the **Grantor** shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets

(including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the **Grantor**), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the **Subrecipient** has control over CDBG funds, including program income.

- v. **Audits and Inspections:** All **Subrecipient** records with respect to any matters covered by this Agreement shall be made available to the **Grantor**, HUD, and the Comptroller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed 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 **Grantor** policy concerning subrecipient audits and 2 CFR 200.

C. **Reporting and Payment Procedures:**

- i. **Program Income:** The **Subrecipient** shall report monthly program income (as defined at 24 CFR 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 570.504. By way of further limitations, the **Subrecipient** may use such income during the contract period for activities permitted under this Agreement and shall reduce requests for additional funds by the amount of any such program income balances on hand. All unexpended program income shall be returned to the **Grantor** at the end of the Agreement period. Any interest earned on cash advances from the U.S. Treasury and from funds held in a revolving fund account is not program income and shall be remitted promptly to the **Grantor**.
- ii. **Indirect Costs:** If indirect costs are charged, the **Subrecipient** will develop an indirect cost allocation plan for determining the appropriate **Subrecipient's** share of administrative costs and shall submit such plan to the **Grantor** for approval, in a form specified by the **Grantor**.
- iii. **Payment Procedures:** The **Grantor** will pay to the **Subrecipient** funds available under this Agreement based upon information submitted by the **Subrecipient** and consistent with any approved budget and **Grantor** 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 **Grantor** in accordance with advance fund and program income balances available in **Subrecipient** accounts. In addition, the **Grantor** reserves the right to liquidate funds available under this Agreement for costs incurred by the **Grantor** on behalf of the **Subrecipient**.
- iv. **Progress Reports:** The **Subrecipient** shall submit regular Progress Reports to the **Grantor** in the form, content, and frequency as required by the **Grantor**.

D. **Procurement:**

- i. **Compliance:** The **Subrecipient** shall comply with current **Grantor** policy concerning the purchase of equipment and shall maintain inventory records 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 **Grantor** upon termination of this Agreement.
- ii. **OMB Standards:** Unless specified otherwise within this agreement, the **Subrecipient** shall procure all materials, property, or services in accordance with the requirements of 2 CFR 200.
- iii. **Travel:** The **Subrecipient** shall obtain written approval from the **Grantor** for any travel outside the metropolitan area with funds provided under this Agreement.

E. **Use and Reversion of Assets:** The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 2 CFR 200 and 24 CFR 570.502, 570.503, and 570.504, as applicable, which include but are not limited to the following:

- i. The **Subrecipient** shall transfer to the **Grantor** any CDBG funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination.
- ii. Real property under the **Subrecipient's** control that was acquired or improved, in whole or in part, with funds under this Agreement in excess of \$25,000 shall be used to meet one of the CDBG National Objectives pursuant to 24 CFR 570.208 until five (5) years after expiration of this Agreement. If the **Subrecipient** fails to use CDBG-assisted real property in a manner that meets a CDBG National Objective for the prescribed period of time, the **Subrecipient** shall pay the **Grantor** an amount equal to the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such payment shall constitute program income to the **Grantor**. The **Subrecipient** may retain real property acquired or improved under this Agreement after the expiration of the five (5) year period.
- iii. In all cases in which equipment acquired, in whole or in part, with funds under this Agreement is sold, the proceeds shall be program income (prorated to reflect the extent to that funds received under this Agreement were used to acquire the equipment). Equipment not needed by the **Subrecipient** for activities under this Agreement shall be (a) transferred to the **Grantor** for the CDBG program or (b) retained after compensating the **Grantor** an amount equal to the current fair market value of the equipment less the percentage of non-CDBG funds used to acquire the equipment.

8. **Relocation, Real Property Acquisition and One-for-One Replacement:** The **Subrecipient**

agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR 24 and 24 CFR 570.606(b); (b) the requirements of 24 CFR 570.606(c) governing the Residential Anti-displacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and (c) the requirements in 24 CFR 570.606(d) governing optional relocation policies. The **Subrecipient** shall provide relocation assistance to displaced persons as defined by 24 CFR 570.606(b)(2) that are displaced as a direct result of acquisition, rehabilitation, demolition, or conversion for a CDBG-assisted project. The **Subrecipient** also agrees to comply with applicable **Grantor** ordinances, resolutions, and policies concerning the displacement of persons from their residences.

9. **Personnel and Participant Conditions:**

A. **Civil Rights:**

- i. **Compliance:** The **Subrecipient** agrees to comply with the Florida Civil Rights Act of 1992 as amended, Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.
- ii. **Nondiscrimination:** The **Subrecipient** agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCDA are still applicable.
- iii. **Land Covenants:** This contract is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352) and 24 CFR 570.601 and 570.602. In regard to the sale, lease, or other transfer of land acquired, cleared, or improved with assistance provided under this contract, 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 **Grantor** and the United States 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.
- iv. **Section 504:** The **Subrecipient** agrees to comply with all Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against individuals with disabilities or handicaps in any Federally assisted program. The **Grantor** 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:

- i. **Approved Plan:** The **Subrecipient** agrees that it shall be committed to carry out pursuant to the **Grantor's** specifications an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1966. The **Grantor** shall provide Affirmative Action guidelines to the **Subrecipient** to assist in the formulation of such program. The **Subrecipient** shall submit a plan for an Affirmative Action Program for approval prior to the award of funds.
- ii. **Women- and Minority-Owned Businesses (W/MBE):** The **Subrecipient** will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. The **Subrecipient** may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.
- iii. **Access to Records:** The **Subrecipient** shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the **Grantor**, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations, and provisions stated herein.
- iv. **Notifications:** The **Subrecipient** will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency 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.
- v. **Equal Employment Opportunity and 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.
- vi. **Subcontract Provisions:** The **Subrecipient** will include the provisions of Paragraphs 9.A., Civil Rights, and 9.B., Affirmative Action, above, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own subrecipients or subcontractors.

C. **Employment Restrictions:**

i. **Prohibited Activity:** The **Subrecipient** is prohibited from using funds provided herein or personnel employed in the administration of the program for political activities, inherently religious activities, lobbying, political patronage, and nepotism activities.

ii. **Land Standards:**

a. The **Subrecipient** agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et seq.) 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** agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874 et seq.) and its implementing regulations of the U.S. Department of Labor at 29 CFR 5. The **Subrecipient** shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the **Grantor** for review upon request.

b. 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 contract, shall comply with Federal requirements adopted by the **Grantor** pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR 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.

iii. **"Section 3" Clause:**

a. **Compliance:**

1. Compliance with the provisions of Section 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 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 **Grantor**, the **Subrecipient**, and any of the **Subrecipient's** subrecipients and subcontractors. Failure to fulfill these requirements shall subject the **Grantor**, the **Subrecipient**, and any of the **Subrecipient's** subrecipients and subcontractors, 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 that would prevent compliance with these requirements.

2. 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 that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located."

3. 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 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 that provide economic opportunities to low- and very low-income residents 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.

4. The **Subrecipient** certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these 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 organization or worker's representative of its commitments under this 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 subcontractor is in violation of regulations issued by HUD. The **Subrecipient** will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR 135 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. **Conduct:**

- i. **Assignability:** The **Subrecipient** shall not assign or transfer any interest in this Agreement without the prior written consent of the **Grantor** thereto.
- ii. **Subcontracts:**
 - a. **Approvals:** The **Subrecipient** shall not enter into any subcontracts with any agency or individual in the performance of this contract without the written consent of the **Grantor** 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 in accordance with applicable procurement requirements. Executed copies of all subcontracts shall be

forwarded to the **Grantor** along with documentation concerning the selection process.

- iii. **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 U.S.C.
- iv. **Conflict of Interest:** The **Subrecipient** agrees to abide by the provisions of 2 CFR 200 and 570.611, which include (but are not limited to) the following:
 - a. The **Subrecipient** shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees, or agents engaged in the award and administration of contracts supported by Federal funds.
 - b. No employee, officer, or agent of the **Subrecipient** shall participate in the selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.
 - c. No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-assisted activity, or with respect to the proceeds from the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the **Grantor**, the **Subrecipient**, or any designated public agency.
- v. **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; and

- c. It will require that the language of paragraph (d) 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:
- d. **Lobbying Certification:** 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.C. 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.
- vi. **Copyright:** If this Agreement results in any copyrightable material or inventions, the **Grantor** and/or HUD 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 or materials for governmental purposes.
- vii. **Religious Activities:** The **Subrecipient** agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

10. **Environmental Conditions:**

- A. **Air and Water:** The **Subrecipient** agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:
 - i. Clean Air Act, 42 U.S.C., 7401, et seq.;
 - ii. 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 thereunder;
 - iii. Environmental Protection Agency (EPA) regulations pursuant to 40 CFR 50, as amended.
- B. **Flood Disaster Protection:** In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the **Subrecipient** shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as

having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

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 570.608, and 24 CFR 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of 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 and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment, and/or abatement may be conducted.

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 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 old or older or that are included on a Federal, state, or local historic property list.

11. **Provisions Required by Law Deemed Inserted:** Each and every provision of law and clause required by law to be inserted in this Agreement shall be deemed to be inserted herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party this Agreement shall forthwith be physically amended to make such insertion or correction.

12. **Notices:** All notices, requests, consents, and other communications required or permitted under this Agreement shall be in writing and shall be (as elected by the party giving such notice) delivered by overnight courier by a nationally recognized courier, or by registered or certified mail (postage prepaid, return receipt requested), or by electronic mail, addressed to the below, unless otherwise modified by subsequent written notice:

Grantor:

City of Fort Pierce
100 N. US Highway 1
Fort Pierce, FL 34950
Attn: _____
Email: _____

With a copy to:

Subrecipient:

Abdias Labranche
Name: Kristy Walker
Address: 1018 N 13th Street
City, State, Zip: Fort Pierce, FL 34950
Attn: Royal Palace Rentals LLC
Email: royalpalace.772@
yahoo.com

City Attorney's Office
100 N. US Highway 1
Fort Pierce, FL 34950
Attn: Tanya Earley, City Attorney
Email: tearley@cityoffortpierce.com

13. **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.
14. **No Waiver:** The **Grantor'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 **Grantor** to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.
15. **Severability:** If any term provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, 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.
16. **Jurisdiction; Venue; and Waiver of Jury Trial:** EACH OF THE PARTIES IRREVOCABLY AND UNCONDITIONALLY: (A) AGREES THAT ANY SUIT, ACTION, OR OTHER LEGAL PROCEEDING ARISING FROM OR RELATING TO THIS AGREEMENT SHALL BE BROUGHT IN THE STATE COURT SITUATED IN ST. LUCIE COUNTY, FLORIDA; AND (B) WAIVES ANY OBJECTION WHICH IT MAY HAVE TO THE LAYING OF VENUE OF ANY SUCH SUIT, ACTION, OR PROCEEDING IN ANY OF SUCH COURTS. EACH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ALL RIGHTS TO A TRIAL BY JURY IN ALL LITIGATION RELATING TO OR ARISING FROM THIS AGREEMENT.
17. **Entire Agreement:** This Agreement constitutes the entire agreement between the **Grantor** 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 **Grantor** and the **Subrecipient** with respect to this Agreement.

IN WITNESS THEREOF, the **Grantor** and the **Subrecipient** have executed this Agreement as of the date first above written.

ATTEST:

GRANTOR:
CITY OF FORT PIERCE

Linda Cox, City Clerk


Linda Hudson, Mayor

APPROVED AS TO FORM CORRECTNESS:

By: _____
Tanya Earley, City Attorney

Royal Palau Rentals, LLC

SUBRECIPIENT:

Abdias Labranche 

By: Abdias Labranche and
(Name)

Print: Kristy Walker

Title: **Owner**

Today's Date: 2/14/2023

