

STATE OF TEXAS §

COUNTY OF HIDALGO §

**FIRST AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING
TO DIRECT AMERICAN RESCUE PLAN ACT FUNDS TO AMERICAN LEGION
VERMUND G. HANSEN POST 101**

This First Amendment to the Memorandum of Understanding (“MOU”) is made effective as of the date of the last to execute the MOU by the parties hereto being the COUNTY OF HIDALGO, TEXAS (“COUNTY”), and the AMERICAN LEGION VERMUND G. HANSEN POST 101, (“POST 101”) “Grantee”, with its principal office located at 417 S. Cage Blvd., Pharr, Texas 78577.

WHEREAS, pursuant to Texas Government Code Section 418.108, Hidalgo County Judge Richard Cortez issued a Declaration of Local Disaster for Public Health Emergency on March 17, 2020, due to the imminent threat arising from the Coronavirus (COVID-19); and

WHEREAS, on March 22, 2020, the Commissioners Court of Hidalgo County issued an Order of Continuance of Declaration of Local Disaster for Public Health Emergency; and

WHEREAS, the safety, health and general welfare of the citizens of Hidalgo County is a common objective of both parties. Further, it is the objective of both parties to collaborate with each other to ensure the citizens of Hidalgo County have access to quality affordable housing for low and very low-income residents and families, and other vulnerable populations in response to the negative economic impacts of COVID-19, and respond to disproportionately impacted communities; and

WHEREAS, on or about March 11, 2021, the Federal Government passed the American Rescue Plan Act (“ARPA”), including the Coronavirus State and Local Fiscal Recovery Fund (the “SLFRF”) which provides for direct payments of SLFRF funds to respond to the COVID-19 public health emergency and its economic impacts through eligible uses; and

WHEREAS, the County received a direct distribution of the SLFRF to be used for expenditures that were directly related to and incurred as a result of the ongoing COVID-19 public health emergency and the negative economic impacts of the ongoing emergency; and

WHEREAS, pursuant to guidance provided by the United States Department of Treasury: (Coronavirus Relief Fund Guidance for State, Territorial, Local and Tribal Governments) (the “Guidance”), version 6.0 issued March 28, 2024, The Interim Final Rule dated May 17, 2021, The Final Rule dated January 6, 2022, and The Coronavirus Local Fiscal Recovery Fund Award Terms and Conditions, (which are attached hereto and incorporated by reference herein as **Exhibit “A”**), the SLFRF allows a recipient to transfer funds to a non-profit organization, **provided that the funds transferred are used for an eligible use as outlined in section 603 (c)(1) of the Social Security Act, and the Guidance**; and

WHEREAS, as allowed under the Guidance, the County desires to grant a portion of the funds received to be designated for the continued operations for expanding need-based services to veterans, as part of the Hidalgo County American Rescue Plan Act Nonprofit Negative Economic Impacts Program and hereby designates a portion of the funds received to be transferred to POST 101 for expenses related to the COVID-19 public health emergency to address continued operations for vital services to veterans and the community residents, in a qualified census tract low income area, including education programs, health and mental support, and assistance with disability benefits in compliance with the terms and criteria of the SLFRF and as more fully described below; and

WHEREAS, amounts paid from the SLFRF are subject to restrictions outlined in the Guidance and as set forth in section 603(c) of the Social Security Act, as added by section 9901 of the American Rescue Plan Act; and

WHEREAS, the SLFRF further requires that all recipients and beneficiaries comply with certain terms and conditions more particularly described below and in the Guidance attached as **Exhibit “A”** as well as any future guidance provided by the U.S. Department of Treasury; and

WHEREAS, the purposes of this agreement is to memorialize the understanding between the parties that the COUNTY will transfer to POST 101 a specified amount of the SLFRF in order to directly address continued operations for vital services to veterans and the community residents, in a qualified census tract low income area, including education programs, health and mental support, and assistance with disability benefits and provide for necessary expenses for actions taken to respond to the ongoing COVID-19 public health emergency and the negative economic impacts of the ongoing emergency in the community. In exchange, POST 101 shall construct a new veteran facility in order to provide a quality atmosphere and environment that is safe and nurturing for veterans and community residents in low-income areas of Hidalgo County when they receive needs-based services and support in addressing the negative impacts of pandemic related stress, poor family relationships, lack of social support, financial problems and preexisting mental health challenges as authorized in the Guidance and as more fully described below; and

WHEREAS, the COUNTY finds that this agreement, as it relates to the provision of services and the negative economic impacts of the ongoing emergency in the community to nonprofit organizations, individuals, and families that have been directly impacted by the COVID-19 public health emergency, serves a public purpose as it is for the health, safety, and wellbeing of the residents of the County of Hidalgo.

NOW, THEREFORE, in consideration of the mutual promises, conditions and covenants expressed between the parties hereto, it is understood and agreed by and between COUNTY and POST 101, shall be amended by agreement of the parties:

1. The “**RESPONSIBILITIES OF THE PARTIES**”, paragraph “7.” is amended, modified and/or replaced as follows:
 7. COUNTY has designated funds from the SLFRF in the total amount of **\$450,000.00** to be allocated to POST 101 to afford necessary expenses of actions to assist with the ongoing COVID-19 related public health measures, negative economic impacts, and

to construct a new veteran facility in order to provide a quality atmosphere and environment to provided needs-based services for veterans and the community residents in a low-income area of Hidalgo County. Upon execution of the Agreement by all parties, the COUNTY will disburse funds in one lump sum payment from the SLFRF upon presentation of an appropriate Cost Reimbursement/Payment Request Form attached as **Exhibit “C”**, and related documentation pursuant to the requirements of paragraph (10.) of this Agreement.”

8. This Agreement is effective upon execution and ends on December 31, 2026. The term of this agreement may be extended by mutual agreement of the parties. The Agreement may be terminated by either party without cause, upon thirty (30) days prior written notice to the other party.

2. Except as modified herein, all terms and conditions of the Agreement, as amended, remain in full and all other provisions in the original Memorandum of Understanding shall remain in effect.

WITNESS THE HANDS OF THE PARTIES effective as of the day and year first written above.

AMERICAN LEGION POST 101

HIDALGO COUNTY

Lucio Gaitan, Finance Officer

Richard F. Cortes, County Judge

ATTEST:

Arturo Guajardo Jr., County Clerk

Approved as to form for Hidalgo County:
Office of Criminal District Attorney, Toribio “Terry” Palacios.

By: _____
Victor M. Garza, Chief Administrative Attorney

