

Subgrant Contract Number: 23DB-H08

FLAIR Contract Number: H2534

CFDA Number: 14.228

## State of Florida Department of Commerce

### Federally-Funded Small Cities Community Development Block Grant (CDBG) Subgrant Agreement – FFY 2021 & FFY 2022 Funding Cycle

THIS AGREEMENT is entered into by the State of Florida, Department of Commerce, (hereinafter referred to as “Commerce”), and Hernando County, hereinafter referred to as the “Subrecipient” (each individually a “Party” and collectively “the Parties”).

THIS AGREEMENT IS ENTERED INTO BASED ON THE FOLLOWING REPRESENTATIONS:

WHEREAS, The U.S. Department of Housing and Urban Development (HUD) administers the Small Cities Community Development Block Grant (CDBG) Program at the Federal level and distributes CDBG grant funds to the states. The State of Florida has received these grant funds from HUD.

WHEREAS, Commerce is the CDBG grantee agency for the State of Florida, designated to receive funds annually for program purposes. Commerce is authorized to distribute CDBG funds to the Subrecipient so that the Subrecipient may develop and preserve affordable housing, provide services to communities, and create and retain jobs.

WHEREAS, Pursuant to the requirements of Title 2, Code of Federal Regulations (“C.F.R.”), part 200 and 24 C.F.R. § 570.500, the Subrecipient is a Sub-subrecipient of federal funds, and is qualified and eligible to receive these subgrant funds in order to provide the services identified herein.

NOW THEREFORE, Commerce and the Subrecipient agree to the following:

#### **(1) Scope of Work.**

The Scope of Work for this Agreement includes Attachment A, Project Narrative and Deliverables and Part 6 and Appendix A from Part 9 of the Subrecipient’s Florida Small Cities CDBG FFY 2021 and FFY 2022 Application for Funding submitted by the Subrecipient on July 20, 2022.

#### **(2) Incorporation of Laws, Rules, Regulations, and Policies.**

The Subrecipient agrees to abide by all applicable State and Federal laws, rules, and regulations, including but not necessarily limited to, the Federal laws and regulations set forth at 24 C.F.R. Part 570 Subpart I (except that the Subrecipient does not assume Commerce’s responsibilities described at § 570.604 and the Subrecipient does not assume Commerce’s responsibility for initiating the review process under the provisions of 24 CFR part 58); and chapter 73C-23, Florida Administrative Code (F.A.C.), Effective: May 27, 2018.

#### **(3) Period of Agreement.**

This Agreement begins on January 1, 2023, (the “Effective Date”) and ends on July 31, 2025, unless otherwise terminated as provided in this Agreement. Commerce shall not grant any extension of this Agreement unless the Subrecipient provides justification satisfactory to Commerce in its sole discretion, and Commerce’s Deputy Secretary of the Division of Community Development approves such extension. The justification must document that project delays are due to events beyond the Subrecipient’s control, and include a performance plan that demonstrates the Subrecipient’s capacity to perform and complete the remaining project tasks within the extension period. Commerce will also take into consideration the

Subrecipient's progress and verifiable achievements at Commerce's sole and absolute discretion. Upon expiration or termination of this Agreement, the Subrecipient shall follow the agreement closeout procedures set forth in Attachment H.

#### **(4) Modification of Agreement.**

(a) Modifications to this Agreement shall be valid only when executed in writing by the Parties. Any modification request by the Subrecipient constitutes a request to negotiate the terms of this Agreement and Commerce may accept or reject any proposed modification based on Commerce's determination, and in its sole discretion, that any such acceptance or rejection is in the State's best interest.

(b) When requesting a modification, the Subrecipient shall electronically submit a cover letter signed by the Subrecipient's Chief Elected Official or by a duly-authorized Subrecipient's employee, officer, or board member, as evidenced by a written resolution or similar document. The letter must describe the need for the proposed changes and the effect that they will have on the project. If the modification requests a time extension, the letter must provide the justification for the extension. Commerce shall not grant any extension of this Agreement unless the Subrecipient provides justification satisfactory to Commerce in its sole discretion, and Commerce's designee within the Division of Community Development approves such extension. The justification must document that project delays are due to events beyond the Subrecipient's control, and include a performance plan that demonstrates the Subrecipient's capacity to perform and complete the remaining project tasks within the extension period. Commerce may take into consideration the Subrecipient's progress and verifiable achievements at Commerce's sole and absolute discretion. Upon expiration or termination of this Agreement, the Subrecipient shall follow the Agreement Closeout Procedures set forth in Attachment H, Reports.

#### **(5) Records.**

(a) The Subrecipient's performance under this Agreement shall be subject to 2 C.F.R. part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

(b) Representatives of Commerce, the Chief Financial Officer of the State of Florida, the Auditor General of the State of Florida, the Florida Office of Program Policy Analysis and Government Accountability, or representatives of the Federal government and their duly authorized representatives shall have access to any of the Subrecipient's books, documents, papers, and records, including electronic storage media, as they may relate to this Agreement, for the purposes of conducting audits or examinations or making excerpts or transcriptions.

(c) The Subrecipient shall maintain books, records, and documents in accordance with generally accepted accounting procedures and practices which sufficiently and properly reflect all expenditures of funds provided by Commerce under this Agreement.

(d) The Subrecipient will provide a financial and compliance audit to Commerce, if applicable, and ensure that all related party transactions are disclosed to the auditor.

(e) The Subrecipient shall retain sufficient records on-site to show its compliance with the terms of this Agreement, and the compliance of all Sub-subrecipients, contractors, subcontractors, and consultants paid from funds under this Agreement, for a period of six years from the date Commerce issues the final closeout (as defined in rule 73C-23.0031(14), F.A.C.) for this award or for a period of three years from the date that Commerce closes out the CDBG program year(s) from which the funds were awarded by the U.S. Department of Housing and Urban Development, whichever is later. The Subrecipient shall ensure that audit working papers are available upon request for a period of six years from the date this Agreement is final closed, unless extended in writing by Commerce. The six-year period may be extended for the following circumstances:

1. If any litigation, claim or audit is started before the six-year period expires, and extends beyond the six-year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.
2. Records for the disposition of non-expendable personal property valued at \$5,000 or more at the time it is acquired shall be retained for six years after final disposition.

3. Records relating to real property acquired shall be retained for six years after the closing on the transfer of title.

(f) The Subrecipient shall maintain all records and supporting documentation for the Subrecipient and for all Sub-subrecipients, contractors, subcontractors, and consultants to be paid from funds provided under this Agreement, including documentation of all program costs, in a form sufficient to determine compliance with the requirements and objectives of the Scope of Work and all other applicable laws and regulations.

(g) The Subrecipient shall comply with the following procedures:

1. Funds that are advanced to a Subrecipient pursuant to this Agreement (“Advanced Funds”) shall be maintained in a bank account solely for Advanced Funds. No other funds, whether provided under this Agreement or otherwise, may be maintained in the Advanced Funds account, and Advanced Funds shall not be maintained in any other account.

2. For all other funds provided under this Agreement, the Subrecipient shall either (i) maintain all such funds in a separate bank account solely for such funds, or (ii) the Subrecipient’s accounting system shall have sufficient internal controls to separately track the expenditure of all such funds. Regardless of whether the Subrecipient is operating under subsection (i) or subsection (ii), any Advanced Funds under this agreement shall be maintained in a separate bank account specifically for Advanced Funds.

3. There shall be no commingling of any funds provided under this Agreement with any other funds, projects, or programs. “Commingling” of funds is distinguishable from “blending” of funds, which is specifically allowed by law. Commerce may, in its sole discretion, disallow costs made with commingled funds and require reimbursement for such costs as described herein, in Subparagraph (19)(e), Repayments of this Agreement.

(h) The Subrecipient, its employees or agents, including all Sub-subrecipients, contractors, subcontractors, and consultants to be paid from funds provided under this Agreement, shall allow access to its records at reasonable times to representatives of Commerce, the Chief Financial Officer of the State of Florida, the Auditor General of the State of Florida, the Florida Office of Program Policy Analysis and Government Accountability, or representatives of the Federal government and their duly authorized representatives. “Reasonable” shall ordinarily mean during normal business hours of 8:00 a.m. to 5:00 p.m., local time, on Monday through Friday.

(i) The Subrecipient shall include the aforementioned audit and record keeping requirements in all approved Sub-subrecipient subcontracts and assignments.

## **(6) Audit Requirements.**

(a) The Subrecipient shall conduct a single or program-specific audit in accordance with the provisions of 2 C.F.R.

part 200 if it expends \$750,000 or more in Federal awards from all sources during its fiscal year.

(b) The requirements listed in Attachment J, Part II: State Funded, are not applicable to this subgrant agreement, which is a Federal pass-through award.

(c) Within 60 calendar days of the close of the fiscal year, on an annual basis, the Subrecipient shall electronically submit a completed Audit Compliance Certification, a blank version of which is attached hereto as Attachment K, to [audit@commerce.fl.gov](mailto:audit@commerce.fl.gov). The Subrecipient’s timely submittal of one completed Audit Compliance Certification for each applicable fiscal year will fulfill this requirement within all agreements (e.g., contracts, grants, memorandums of understanding, memorandums of agreement, economic incentive award agreements, etc.) between Commerce and the Subrecipient. This form is in addition to the Audit Certification Memo, Form SC-47, that must be sent to Commerce if an audit is not required because the local government spent less than \$750,000 in Federal funds during the fiscal year.

(d) In addition to the submission requirements listed in Attachment J, the Subrecipient should send an electronic copy of its audit report or an Audit Certification Memo, Form SC-47, by June 30 following the end of each fiscal year in which it had an open CDBG subgrant to the grant manager listed in Paragraph (14) Notice and Contact. The forms

referenced in this Agreement are available online at [www.FloridaJobs.org/CDBGSubrecipientInfo](http://www.FloridaJobs.org/CDBGSubrecipientInfo) or upon request from the grant manager listed in Paragraph (14) Notice and Contact.

**(7) Reports.**

The Subrecipient shall provide Commerce with all reports and information as set forth in Attachment H. The quarterly and administrative closeout reports must include the current status and progress by the Subrecipient and all Sub-subrecipients and subcontractors in completing the work described in the Scope of Work and the expenditure of funds under this Agreement. The Subrecipient shall provide any additional program updates or information upon request by Commerce. If all required reports and copies are not sent to Commerce or are not completed in a manner acceptable to Commerce, payments may be withheld until the reports are properly completed, or Commerce may take other action as stated in Paragraph (11) Remedies or otherwise allowable by law.

**(8) Monitoring.**

(a) The Subrecipient shall monitor its performance under this Agreement, including the performance of any Sub-subrecipients, subcontractors and/or consultants who are paid from funds provided under this Agreement, to ensure that the project activities are being accomplished within the specified time periods included in Attachment C - Activity Work Plan and that other performance goals are being achieved. The Subrecipient shall perform a review for each function or activity in Attachment A - Project Narrative and Deliverables, Attachment B - Project Detail Budget, and Attachment C - Activity Work Plan, and shall include the results in the quarterly report.

(b) In addition to reviews of audits conducted in accordance with Paragraph (6) Audit Requirements, monitoring procedures may include, but are not limited to, on-site visits by Commerce staff and limited scope audits. The Subrecipient shall comply and cooperate with any monitoring deemed appropriate by Commerce. If Commerce determines a limited scope audit of the Subrecipient is appropriate, the Subrecipient shall comply with any additional instructions provided by Commerce to the Subrecipient regarding such audit. The Subrecipient shall comply and cooperate with any inspections, reviews, investigations, audits, or hearings deemed necessary by HUD, the Comptroller General of the United States, the Florida Chief Financial Officer, or Auditor General, in accordance with section 20.055(5), Florida Statutes (F.S.), or any Federal Office of the Inspector General.

(c) Commerce shall monitor the Subrecipient's performance through desk monitorings and on-site monitoring visits. The Subrecipient shall always and contemporaneously maintain at Subrecipient's work sites and make available to Commerce immediately upon Commerce's request all Subgrant's records and documentation, including but not limited to: all Subrecipient's consultants' work products produced in contemplation of this Agreement for Subrecipient's Application and pertinent to this Agreement and its implementation. The Subrecipient shall supply data and make records available as necessary for Commerce staff to complete an accurate evaluation of contracted activities. Commerce will issue a monitoring report to the Subrecipient after each monitoring event. The Subrecipient shall reply in writing to any monitoring findings or concerns that require a response within 45 days of its receipt of Commerce's monitoring report. Commerce will clear any findings or concerns in writing once the Subrecipient has successfully addressed them. Commerce will reject a Subrecipient's financial reimbursement request if a required response to a monitoring report is late.

**(9) Liability.**

(a) If the Subrecipient is a state agency or subdivision, as defined in section 768.28(2), F.S., pursuant to section 768.28(19), F.S., neither Party indemnifies nor insures or assumes any liability for the other Party for the other Party's negligence.

(b) The Subrecipient is solely responsible to the parties it deals with in carrying out the terms of this Agreement, and shall hold Commerce harmless against all claims of whatever nature by third parties arising from the work and services performed under this Agreement. For purposes of this Agreement, the Subrecipient agrees that it is not an employee or agent of Commerce, but is an independent contractor.

(c) If the Subrecipient is a state agency or subdivision, as defined in section 768.28, F.S., then the Subrecipient agrees to be fully responsible for its negligent or tortious acts or omissions which result in claims or suits against

Commerce, and agrees to be liable for any damages proximately caused by the acts or omissions to the extent set forth in section 768.28, F.S. Nothing herein is intended to serve as a waiver of sovereign immunity by the Subrecipient if sovereign immunity applies. Nothing herein shall be construed as consent by a state agency or subdivision of the State of Florida to be sued by third parties in any matter arising out of any agreement, Sub-subrecipient agreement, contract, or subcontract.

(d) The Subrecipient shall be fully liable for the actions of its agents, employees, partners, or subcontractors and shall fully indemnify, defend, and hold harmless the State and Commerce, and their officers, agents, and employees, from suits, actions, damages, and costs of every name and description, including attorneys' fees, arising from or relating to personal injury and damage to real or personal tangible property alleged to be caused in whole or in part by Subrecipient, its agents, employees, partners, or subcontractors; provided, however, that Subrecipient shall not indemnify, defend, and hold harmless the State and Commerce, and their officers, agents, and employees for that portion of any loss or damages the negligent act or omission of Commerce or the State proximately caused.

(e) Further, Subrecipient shall fully indemnify, defend, and hold harmless the State and Commerce from any suits, actions, damages, and costs of every name and description, including attorneys' fees, arising from or relating to violation or infringement of a trademark, copyright, patent, trade secret or intellectual property right; provided, however, that the foregoing obligation shall not apply to Commerce's misuse or modification of Subrecipient's products or Commerce's operation or use of Subrecipient's products in a manner not contemplated by this Agreement. If any product is the subject of an infringement suit, or in Subrecipient's opinion is likely to become the subject of such a suit, Subrecipient may, at Subrecipient's sole expense, procure for Commerce the right to continue using the product or to modify it to become non-infringing. If Subrecipient is not reasonably able to modify or otherwise secure for Commerce the right to continue using the product, Subrecipient shall remove the product and refund Commerce the amounts paid in excess of a reasonable fee, as determined by Commerce in its sole and absolute discretion, for past use. Commerce shall not be liable for any royalties.

(f) Subrecipient's obligations under the two immediately preceding paragraphs above, with respect to any legal action are contingent upon the State or Commerce giving Subrecipient (1) written notice of any action or threatened action, (2) the opportunity to take over and settle or defend any such action at Subrecipient's sole expense, and (3) assistance in defending the action at Subrecipient's sole expense. Subrecipient shall not be liable for any cost, expense, or compromise incurred or made by the State or Commerce in any legal action without Subrecipient's prior written consent, which shall not be unreasonably withheld.

(g) The State and Commerce may, in addition to other remedies available to them at law or equity and upon notice to Subrecipient, retain such monies from amounts due Subrecipient as may be necessary to satisfy any claim for damages, penalties, costs and the like asserted by or against them. The State may set off any liability or other obligation of Subrecipient or its affiliates to the State against any payments due Subrecipient under any Agreement with the State.

#### **(10) Events of Default.**

If any of the following events occur ("Events of Default"), Commerce may, in its sole discretion, elect to terminate any obligation to make any further payment of funds, exercise any of the remedies set forth in Paragraph (11) Remedies, or pursue any remedy at law or in equity, without limitation. Commerce may make payments or partial payments after any Events of Default without waiving the right to exercise such remedies, and without becoming liable to make any further payment:

(a) If any warranty or representation made by the Subrecipient in the Subrecipient's Application for Funding, this Agreement, or any previous agreement with Commerce is or becomes false or misleading in any respect, notwithstanding any knowledge on the part of Commerce of any untruth of any such representation or warranty, or if the Subrecipient fails to keep or perform any of the obligations, terms or covenants in this Agreement or any previous agreement with Commerce and has not cured them in timely fashion, or is unable or unwilling to meet its obligations under this Agreement;

(b) If any material adverse change occurs in the financial condition of the Subrecipient at any time during the term of this Agreement, and the Subrecipient fails to cure this adverse change within 30 calendar days from the date written notice is sent by Commerce;

(c) If the Subrecipient fails to submit any required report, or submits any required report with incorrect, incomplete, or insufficient information, or fails to submit additional information as requested by Commerce; or

(d) If the Subrecipient has failed to perform, or timely complete, any of its obligations under this Agreement, including attending Commerce's Implementation Workshop.

#### **(11) Remedies.**

If an Event of Default occurs, then Commerce shall, upon 30 calendar days written notice to the Subrecipient and upon the Subrecipient's failure to cure within those 30 calendar days, exercise any one or more of the following remedies, either concurrently or consecutively:

(a) Terminate this Agreement upon 24-hour written notice from the date notice is sent by Commerce, in conformity with Paragraph (14) Notice and Contact;

(b) Begin any appropriate legal or equitable action to enforce performance of this Agreement;

(c) Withhold or suspend payment of all or any part of a request for payment;

(d) Demand that the Subrecipient return to Commerce any funds used for ineligible activities or unallowable costs under this Agreement or any applicable law, rule, or regulation governing the use of the funds; or

(e) Exercise any corrective or remedial actions, including but not limited to:

1. Request additional information from the Subrecipient to determine the reasons for or the extent of non-compliance or lack of performance;

2. Issue a written warning to advise that more serious measures may be taken if the situation is not corrected; or

3. Advise the Subrecipient to suspend, discontinue, or refrain from incurring costs for any activities in question.

(f) Pursuing any of the above remedies does not preclude Commerce from pursuing any other remedies in this Agreement or provided at law or in equity. Failure to exercise any right or remedy in this Agreement, or failure to insist upon strict performance by Commerce will not affect, extend, or waive any other right or remedy available to Commerce, or affect the later exercise of the same right or remedy by Commerce for any other default by the Subrecipient.

#### **(12) Dispute Resolution.**

Disputes concerning the performance of the Agreement shall be decided by Commerce, which shall reduce the decision to writing and serve a copy on the Subrecipient. The decision will be final and conclusive unless within 21 days from the date of receipt, the Subrecipient files a petition for administrative hearing with Commerce. Commerce's decision on the petition shall be final, subject to the Subrecipient's right to review pursuant to chapter 120, F.S. Exhaustion of administrative remedies is an absolute condition precedent to the Subrecipient's ability to pursue any other form of dispute resolution; provided however, that the Parties may mutually agree to employ the alternative dispute resolution procedures outlined in chapter 120, F.S.

#### **(13) Termination.**

(a) Commerce may suspend or terminate this Agreement for cause upon 24-hour written notice, from the date notice is sent by Commerce. Cause includes, but is not limited to the Subrecipient's: improper or ineffective use of funds provided under this Agreement; fraud; lack of compliance with any applicable rules, regulations, statutes, executive orders, HUD guidelines, policies or directives, or laws; failure, for any reason, to timely and/or properly perform any of the Subrecipient's obligations under this Agreement; submission of reports that are incorrect or incomplete in any material respect; and refusal to permit public access to any document, paper, letter, or other material subject to disclosure under law, including chapter 119, F.S., as amended. The Subrecipient shall not be entitled to recover any cancellation charges or unreimbursed costs.

(b) Commerce may terminate this Agreement, in whole or in part, for convenience by providing the Subrecipient 14-days written notice from the date notice is sent by Commerce, 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 partial termination, Commerce determines that the remaining portion of the award will not accomplish the purpose for which the award was made, Commerce may terminate the portion of the award which will not accomplish the purpose for which the award was made. The Subrecipient shall continue to perform any work not terminated. The Subrecipient shall not be entitled to recover any cancellation charges or unreimbursed costs for the terminated portion of work.

(c) The Parties may terminate this Agreement for their mutual convenience in writing, agreed upon by the Parties. The termination must include the effective date of the termination.

(d) If this Agreement is terminated, the Subrecipient shall not incur new obligations for the terminated portion of the Agreement after the Subrecipient has received the notification of termination. The Subrecipient shall cancel as many outstanding obligations as possible. Commerce shall disallow all costs incurred after the Subrecipient's receipt of the termination notice. The Subrecipient shall not be relieved of liability to Commerce because of any breach of the Agreement by the Subrecipient. Commerce may, to the extent authorized by law, withhold payments to the Subrecipient for the purpose of set-off until the exact amount of damages due Commerce from the Subrecipient is determined.

(e) The rights and remedies under this clause are in addition to any other rights or remedies provided by law or under this Agreement.

#### **(14) Notice and Contact.**

(a) All notices provided under or pursuant to this Agreement shall be in writing, either by hand delivery, or first class, certified mail, return receipt requested, to the representative identified below at the address set forth below or said notification attached to the original of this Agreement. All notices sent to the grant manager via email shall copy the CDBG grants management inbox at [CDBGGrantsManagement@commerce.fl.gov](mailto:CDBGGrantsManagement@commerce.fl.gov).

(b) The name and address of the grant manager for this Agreement is:

Theresa Howard, Government Operations Consultant II  
Florida Small Cities CDBG Program  
Florida Department of Commerce  
107 East Madison Street – MSC 400  
Tallahassee, Florida 32399-6508

Telephone: (850) 717-8444 – Fax: (850) 922-5609

Email: [Theresa.Howard@commerce.fl.gov](mailto:Theresa.Howard@commerce.fl.gov); CC: [CDBGGrantsManagement@commerce.fl.gov](mailto:CDBGGrantsManagement@commerce.fl.gov)

(d) The name and address of the Local Government Project Contact for this Agreement is:

Veda A.L. Ramirez  
Hernando County  
621 West Jefferson Street  
Brooksville, Florida, 34601

Telephone: (352) 540-4338 - Fax: (352) 540-4339

Email: [vramirez@hernandocounty.us](mailto:vramirez@hernandocounty.us)

(e) If different representatives or addresses are designated by either Party after execution of this Agreement, notice of the name, title and address of the new representative will be provided as stated in Paragraph (14)(a) of this Agreement.

**(15) Contracts.**

(a) If the Subrecipient contracts any of the work required under this Agreement, a copy of the proposed contract, and any proposed amendments, extensions, revisions or other changes thereto, must be forwarded to Commerce for prior written approval. For each contract, the Subrecipient shall report to Commerce as to whether that contractor, or any subcontractors hired by the contractor, is a minority business enterprise, as defined in section 288.703, F.S. The Subrecipient shall comply with the procurement standards in 2 C.F.R. §200.318 - §200.327 and §200.330 when procuring property and services under this Agreement. Any contract shall include the applicable Appendix II to 2 C.F.R. part 200 contract provisions for non-federal entity contracts. Documentation must also be maintained on-site by the subgrant Subrecipient. The Subrecipient shall include the following conditions in any contract:

1. that the contractor is bound by the terms of this Agreement;
2. that the contractor is bound by all applicable State and Federal laws, rules, and regulations;
3. that the contractor shall hold Commerce and the Subrecipient harmless against all claims of whatever nature arising out of the contractor's performance of work under this Agreement;
4. provisions addressing bid, payment, and performance bonds, if applicable, and liquidated damages. The Subrecipient shall document in the quarterly report the contractor's progress in performing its work under this Agreement; and
5. the contractor shall include the foregoing provisions in any contract for the performance of any work contemplated by this Agreement.

(b) For any contract that the Subrecipient executes for administrative services with a consultant that produced work products in contemplation of this Agreement for Subrecipient's Application and pertinent to this Agreement and its implementation, the Subrecipient shall include the following conditions:

1. that all original income survey forms shall be turned over to the Subrecipient; and
2. that copies of any spreadsheets produced to compile survey results shall be given to the Subrecipient.

**(16) Terms and Conditions.**

This Agreement, and the attachments and exhibits hereto, contains all the terms and conditions agreed upon by the Parties with respect to the subject matter hereof. There are no provisions, terms, conditions, or obligations other than those contained in this Agreement; and this Agreement supersedes all previous communications, representations, or agreements, either verbal or written, between the Parties. If a court of competent jurisdiction voids or holds unenforceable any provision of this Agreement, then that provision shall be enforced only to the extent that it is not in violation of law or is not otherwise unenforceable, and all other provisions shall remain in full force and effect. This Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

**(17) Attachments.**

(a) If any inconsistencies or conflict between the language of this Agreement and the attachments arise, the language of the attachments shall control, but only to the extent of the conflict or inconsistency.

(b) This Agreement contains the following attachments:

- Attachment A – Project Narrative and Deliverables
- Attachment B – Project Detail Budget (Example)
- Attachment C – Activity Work Plan (Example)
- Attachment D – Program and Special Conditions
- Attachment E – Category Specific Conditions for Housing Rehabilitation
- Attachment F – State and Federal Statutes, Regulations, and Policies
- Attachment G – Civil Rights Requirements
- Attachment H – Reports
- Attachment I – Warranties and Representations

Attachment J – Audit Requirements

Exhibit 1 to Attachment J – Funding Sources

Attachment K – Audit Compliance Certification

**(18) Funding/Consideration.**

(a) The funding for this Agreement shall not exceed \$750,000 Seven Hundred and Fifty Thousand Dollars and Zero Cents, subject to the availability of funds. The State of Florida and Commerce's performance and obligation to pay under this Agreement is contingent upon an annual appropriation by the Legislature, and subject to any modification in accordance with chapter 216 F.S., or the Florida Constitution.

(b) Commerce will provide funds to the Subrecipient by issuing a Notice of Subgrant Award/Fund Availability ("NFA") through Commerce's financial management information system. Each NFA may contain specific terms, conditions, assurances, restrictions, or other instructions applicable to the funds provided by the NFA. By accepting funds made available through an NFA, the Subrecipient agrees to comply with all terms, conditions, assurances, restrictions, or other instructions listed in the NFA.

(c) The Subrecipient hereby certifies to Commerce that written administrative procedures, processes, and fiscal controls are in place for the operation of its CDBG program for which the Subrecipient receives funds from Commerce. The written administrative procedures, processes, and fiscal controls described in this paragraph must, at minimum, comply with applicable state and federal law, rules, regulations, guidance, and the terms of this Agreement. Commerce has included, and the Subrecipient shall perform, any necessary special conditions added to Attachment D by Commerce, where Commerce's grant manager determined at the site visit that any of the Subrecipient's procedures were deficient.

(d) The Subrecipient shall expend funds only for allowable costs and eligible activities, and in accordance with the Scope of Work.

(e) The Subrecipient shall request all funds in the manner prescribed by Commerce. The authorized signatory for the Subrecipient set forth on the SIRA Access Authorization Form, provided by Commerce, must approve the submission of payment requests on behalf of the Subrecipient.

(f) Except as set forth herein, or unless otherwise authorized in writing by Commerce, costs incurred for eligible activities or allowable costs prior to the effective date of this Agreement are ineligible for funding with CDBG funds.

(g) If the necessary funds are not available to fund this Agreement as a result of action by the United States Congress, the Federal Office of Management and Budget, the Florida Legislature, the State Chief Financial Officer, or under Subparagraph (20)(i), Mandated Conditions, of this Agreement, all obligations on the part of Commerce to make any further payment of funds will terminate, and the Subrecipient shall submit its administrative closeout report and subgrant agreement closeout package within 30 calendar days of receiving notice from Commerce.

(h) The Subrecipient is ultimately responsible for the administration of this Agreement, including monitoring and oversight of any person or entity retained or hired by the Subrecipient to complete any Project Implementation Deliverables listed in Attachment B. The Subrecipient shall send a representative, either an employee or an elected official, to Commerce's Implementation Workshop for the funding cycle so that it learns its responsibilities under the Agreement. Commerce shall reimburse the travel costs of the representative in accordance with section 112.061, F.S. Failure to send a representative to the Implementation Workshop is an Event of Default as set forth in Paragraph (10) of this Agreement, Events of Default.

**(19) Repayments.**

(a) The Subrecipient shall only expend funding under this Agreement for allowable costs resulting from obligations incurred during the Agreement period. The Subrecipient shall ensure that its Sub-subrecipients, contractors, subcontractors, and consultants only expend funding under this Agreement for allowable costs resulting from

obligations incurred during the Agreement period. Pursuant to 24 C.F.R. § 570.489(b), the Subrecipient may request reimbursement for eligible application preparation costs that were listed in the Subrecipient's Application for Funding.

(b) In accordance with section 215.971, F.S., the Subrecipient shall refund to Commerce any unobligated funds which have been advanced or paid to the Subrecipient.

(c) The Subrecipient shall refund to Commerce any funds paid in excess of the amount to which the Subrecipient or its contractors, subcontractors, or consultants are entitled under the terms and conditions of this Agreement.

(d) The Subrecipient shall refund to Commerce any funds received for an activity if the activity does not meet one of the three National Objectives listed in 24 C.F.R. § 570.483(b), (c) and (d); provided however, the Subrecipient is not required to repay funds for subgrant administration unless Commerce, in its sole discretion, determines the Subrecipient is at fault for the ineligibility of the activity in question.

(e) The Subrecipient shall refund to Commerce any funds not spent in accordance with the conditions of this Agreement or applicable law. Such reimbursement shall be sent to Commerce, by the Subrecipient, within 30 calendar days after Commerce has notified the Subrecipient of such non-compliance.

(f) In accordance with section 215.34(2), F.S., if a check or other draft is returned to Commerce for collection, the Subrecipient shall pay to Commerce a service fee of \$15.00 or five percent of the face amount of the returned check or draft, whichever is greater. All refunds or repayments to be made to Commerce under this Agreement are to be made payable to the order of "Florida Department of Commerce" and mailed directly to Commerce at the following address:

Florida Department of Commerce  
Community Development Block Grant Programs  
Cashier  
107 East Madison Street – MSC 400  
Tallahassee, Florida 32399-6508

**(20) Mandated Conditions.**

(a) The validity of this Agreement is subject to the truth and accuracy of all the information, representations, and materials submitted or provided by the Subrecipient in its Application for Funding, in this Agreement, in any later submission or response to a Commerce request, or in any submission or response to fulfill the requirements of this Agreement. All said information, representations, and materials are incorporated by reference. Commerce may terminate this Agreement upon 24-hours written notice if any information, representation, or material submitted by the Subrecipient is inaccurate or false.

(b) This Agreement shall be construed under the laws of the State of Florida, and venue for any actions arising out of this Agreement shall be in the Circuit Court of Leon County. The Parties explicitly waive any right to jury trial. If any provision of this Agreement conflicts with any applicable statute or rule, or is unenforceable, then that provision shall be null and void only to the extent of the conflict or unenforceability, and that provision shall be severable from, and shall not invalidate, any other provision of this Agreement.

(c) Any power of approval or disapproval granted to Commerce under the terms of this Agreement shall survive the term of this Agreement.

(d) This Agreement may be executed in any number of counterparts, any one of which may be taken as an original.

(e) The Subrecipient shall comply with the Americans With Disabilities Act (Public Law 101-336, 42 U.S.C. § 12101 *et seq.*) and the Florida Civil Rights and Fair Housing Acts (§§ 760.01 – 760.37, F.S.), which prohibit discrimination by public and private entities on the basis of disability in employment, public accommodations, transportation, state and local government services, and telecommunications.

(f) Pursuant to section 287.133(2)(a), F.S., a person or affiliate, as defined in section 287.133(1), F.S., who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids,

proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of \$35,000 for a period of 36 months following the date of being placed on the convicted vendor list. The Subrecipient warrants that neither it nor any of its affiliates is currently on the convicted vendor list. The Subrecipient shall disclose if it or any of its affiliates is placed on the convicted vendor list.

(g) Pursuant to section 287.134(2)(a), F.S., an entity or affiliate, as defined in section 287.134(1), who has been placed on the discriminatory vendor list may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity. The Subrecipient warrants that neither it nor any of its affiliates is currently on the discriminatory vendor list. The Subrecipient shall disclose if it or any of its affiliates is placed on the discriminatory vendor list.

(h) If the Subrecipient is not a local government or state agency and it receives funds under this Agreement from the Federal government, the Subrecipient certifies, to the best of its knowledge and belief, that it and its principals:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by a Federal department or agency;

2. Have not, within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

3. Are not presently indicted or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any offenses enumerated in Subparagraph (20)(h)2., Mandated Conditions, of this Agreement; and

4. Have not within a five-year period preceding this Agreement had one or more public transactions (Federal, State or local) terminated for cause or default.

5. If the Subrecipient is unable to certify to any of the statements in this certification, then the Subrecipient shall attach an explanation to this Agreement. In addition, the Subrecipient shall send a completed Form SC-37, Certification Regarding Debarment, Suspension, and Other Responsibility Matters (Primary Covered Transactions), to Commerce for each contractor, and a completed Form SC-38, Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion (Subcontractor), to Commerce for each subcontractor. A completed Form SC-37 must be received by Commerce before the Subrecipient enters into a contract with the respective contractor, and a completed Form SC-38 must be received by Commerce before a contractor enters into a subcontract with the respective subcontractor.

(i) All bills for fees or other compensation for services or expenses shall be submitted in detail sufficient for a proper preaudit and postaudit thereof.

(j) Any bills for travel expenses shall be submitted and reimbursed in accordance with section 112.061, F.S., the rules promulgated thereunder, and 2 C.F.R. § 200.474.

(k) If the Subrecipient is allowed to temporarily invest any advances of funds under this Agreement, any interest income shall either be returned to Commerce or be applied against Commerce's obligation to pay the Agreement award amount.

(l) The Subrecipient is subject to Florida's Government in the Sunshine Law (section 286.011, F.S.) with respect to the meetings of the Subrecipient's governing board or the meetings of any subcommittee making recommendations to the governing board. All of these meetings shall be publicly noticed, open to the public, and the minutes of all the meetings shall be public records, available to the public in accordance with chapter 119, F.S.

(m) The Subrecipient shall comply with section 519 of Public Law 101-144 and section 906 of Public Law 101-625 by having, or adopting within 90 days of execution of this Agreement, and enforcing, the following:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
  2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.
- (n) Upon expiration or termination of this Agreement the Subrecipient shall transfer to Commerce any CDBG funds on hand at the time of expiration or termination, and any accounts receivable attributable to the use of CDBG funds.
- (o) Any real property under Subrecipient's control that was acquired or improved in whole or in part with CDBG funds (including CDBG funds provided to the Sub-subrecipient in the form of a loan) in excess of \$25,000 must either:
1. Be used to meet a national objective until five years after expiration or termination of this Agreement, unless otherwise agreed upon by the Parties, or except as otherwise set forth herein; or
  2. If not used to meet a national objective, Subrecipient shall pay to Commerce an amount equal to the current market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for the acquisition or improvement of the property, for five years after expiration or termination of this Agreement.

## **(21) Lobbying Prohibition.**

- (a) No funds or other resources received from Commerce under this Agreement may be used directly or indirectly to influence legislation or any other official action by the Florida Legislature or any state agency.
- (b) The Subrecipient certifies, by its signature to this Agreement, that:
1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the Subrecipient, 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;
  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 Subrecipient shall complete and submit Standard Form-LJL, "Disclosure of Lobbying Activities," in accordance with its instructions; and
  3. The Subrecipient shall require that 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 Sub-subrecipients shall certify and disclose as described in this Paragraph (21), above.

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 31 U.S.C. § 1352. 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.

## **(22) Copyright, Patent, and Trademark.**

- (a) Any and all patent rights accruing under or in connection with the performance of this agreement are hereby reserved to the State of Florida. Any and all copyrights accruing under or in connection with the performance of this Agreement are hereby transferred by the Subrecipient to the State of Florida.
- (b) If the Subrecipient has a pre-existing patent or copyright, the Subrecipient shall retain all rights and entitlements to that pre-existing patent or copyright unless the Agreement provides otherwise.
- (c) If any discovery or invention is developed in the course of or as a result of work or services performed under this Agreement, or in any way connected with it, the Subrecipient shall refer the discovery or invention to Commerce

for a determination whether the State of Florida will seek patent protection in its name. Any patent rights accruing under or in connection with the performance of this Agreement are reserved to the State of Florida. If any books, manuals, films, or other copyrightable material are produced, the Subrecipient shall notify Commerce. Any copyrights accruing under or in connection with the performance under this Agreement are transferred by the Subrecipient to the State of Florida.

(d) Within 30 calendar days of execution of this Agreement, the Subrecipient shall disclose all intellectual properties relating to the performance of this Agreement which he or she knows or should know could give rise to a patent or copyright. The Subrecipient shall retain all rights and entitlements to any pre-existing intellectual property which is so disclosed. Failure to disclose will indicate that no such property exists, and Commerce shall have the right to all patents and copyrights which accrue during performance of the Agreement.

### **(23) Legal Authorization.**

(a) The Subrecipient certifies that it has the legal authority to receive the funds under this Agreement and that its governing body has authorized the execution and acceptance of this Agreement. The Subrecipient certifies that the undersigned person has the authority to legally execute and bind the Subrecipient to the terms of this Agreement. Commerce may, at its discretion, request documentation evidencing the undersigned has authority to bind the Subrecipient to this Agreement as of the date of execution; any such documentation is incorporated herein by reference.

(b) The Subrecipient warrants that, to the best of its knowledge, there is no pending or threatened action, proceeding, investigation, or any other legal or financial condition that would in any way prohibit, restrain, or diminish the Subrecipient's ability to satisfy its Agreement obligations. The Subrecipient shall immediately notify Commerce in writing if its ability to perform is compromised in any manner during the term of the Agreement.

### **(24) Public Record Responsibilities.**

(a) In addition to the Subrecipient's responsibility to directly respond to each request it receives for records made or received by the Subrecipient in conjunction with this Agreement and to provide the applicable public records in response to such request, the Subrecipient shall notify Commerce of the receipt and content of such request by sending an email to [PRRequest@commerce.fl.gov](mailto:PRRequest@commerce.fl.gov) within one business day from receipt of such request.

(b) The Subrecipient shall keep and maintain public records, on-site as required by Commerce, to perform the Subrecipient's responsibilities hereunder. The Subrecipient shall, upon request from Commerce's custodian of public records, provide Commerce with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided by chapter 119, F.S., or as otherwise provided by law. The Subrecipient shall allow public access to all documents, papers, letters or other materials made or received by the Subrecipient in conjunction with this Agreement, unless the records are exempt from section 24(a) of Article I of the State Constitution and section 119.07(1), F.S. For records made or received by the Subrecipient in conjunction with this Agreement, the Subrecipient shall respond to requests to inspect or copy such records in accordance with chapter 119, F.S. For all such requests for records that are public records, as public records are defined in section 119.011, F.S., the Subrecipient shall be responsible for providing such public records per the cost structure provided in chapter 119, F.S., and in accordance with all other requirements of chapter 119, F.S., or as otherwise provided by law.

(c) This Agreement may be terminated by Commerce for refusal by the Subrecipient to comply with Florida's public records laws or to allow public access to any public record made or received by the Subrecipient in conjunction with this Agreement.

(d) If, for purposes of this Agreement, the Subrecipient is a "contractor" as defined in section 119.0701(1)(a), F.S. ("Subrecipient"), the Subrecipient shall transfer to Commerce, at no cost to Commerce, all public records upon completion including termination, of this Agreement, or keep and maintain public records required by Commerce to perform the service. If the Subrecipient transfers all public records to the public agency upon completion of the Agreement, the Subrecipient shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Subrecipient keeps and maintains public records upon completion of the Agreement, the Subrecipient shall meet all applicable requirements for retaining public records. All records stored

electronically must be provided to Commerce, upon request from Commerce's custodian of public records, in a format that is compatible with the information technology systems of Commerce.

(e) If Commerce does not possess a record requested through a public records request, Commerce shall notify the Subrecipient-contractor of the request as soon as practicable, and the Subrecipient-contractor must provide the records to Commerce or allow the records to be inspected or copied within a reasonable time. If the Subrecipient-contractor does not comply with Commerce's request for records, Commerce shall enforce the provisions set forth in this Agreement. A Subrecipient-contractor who fails to provide public records to Commerce within a reasonable time may be subject to penalties under section 119.10, F.S.

(f) The Subrecipient shall notify Commerce verbally within 24 chronological hours and in writing within 72 chronological hours if any data in the Subrecipient's possession related to this Agreement is subpoenaed or improperly used, copied, or removed (except in the ordinary course of business) by anyone except an authorized representative of Commerce. The Subrecipient shall cooperate with Commerce, in taking all steps as Commerce deems advisable, to prevent misuse, regain possession, or otherwise protect the State's rights and the data subject's privacy.

(g) The Subrecipient acknowledges that Commerce is subject to the provisions of chapter 119, F.S., relating to public records and that reports, invoices, and other documents the Subrecipient submits to Commerce under this Agreement constitute public records under Florida Statutes. The Subrecipient shall cooperate with Commerce regarding Commerce's efforts to comply with the requirements of chapter 119, F.S.

(h) If the Subrecipient submits records to Commerce that are confidential and exempt from public disclosure as trade secrets or proprietary confidential business information, such records should be identified as such by the Subrecipient prior to submittal to Commerce. Failure to identify the legal basis for each exemption from the requirements of chapter 119, F.S., prior to submittal of the record to Commerce serves as the Subrecipient's waiver of a claim of exemption. The Subrecipient shall ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the Agreement term and following completion of the Agreement if the Subrecipient does not transfer the records to Commerce upon completion, including termination, of the Agreement.

**(i) IF THE SUBRECIPIENT-CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE SUBRECIPIENT-CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS by telephone at 850-245-7140, via email at [PRRequest@commerce.fl.gov](mailto:PRRequest@commerce.fl.gov), or by mail at Florida Department of Commerce, Public Records Coordinator, 107 East Madison Street, Caldwell Building, Tallahassee, Florida 32399-4128.**

(j) To the extent allowable by law, the Subrecipient shall be fully liable for the actions of its agents, employees, partners, Sub-subrecipients, contractors, and subcontractors and shall fully indemnify, defend, and hold harmless the State and Commerce, and their officers, agents, and employees, from suits, actions, damages, and costs of every name and description, including attorneys' fees, arising from or relating to public record requests or public record law violation(s), alleged to be caused in whole or in part by the Subrecipient, its agents, employees, partners, Sub-subrecipients, contractors, or subcontractors, provided, however, that the Subrecipient does not indemnify for that portion of any costs or damages proximately caused by the negligent act or omission of the State or Commerce. Commerce, in its sole discretion, has the right, but the not obligation, to enforce this indemnification provision.

(k) Commerce does not endorse any Subrecipient, commodity, or service. No public disclosure or news release pertaining to this Agreement shall be made without the prior written approval of Commerce. The Subrecipient is prohibited from using Agreement information, or Commerce customers in sales brochures or other promotions, including press releases, unless prior written approval is obtained from Commerce.

(l) The Subrecipient shall comply with the requirements set forth in section 119.0701, F.S., when entering into any public agency contract for services after the Effective Date of this Agreement. The Subrecipient shall amend each of the Subrecipient's public agency contracts for services already in effect as of the Effective Date of this Agreement and which contract will or may be funded in whole or in part with any public funds. Commerce may terminate this Agreement if the Subrecipient does not comply with this provision.

**(25) Employment Eligibility Verification.**

(a) E-Verify is an Internet-based system that allows an employer, using information reported on an employee's Form I-9, Employment Eligibility Verification, to determine the eligibility of all new employees hired to work in the United States. There is no charge to employers to use E-Verify. The Department of Homeland Security's E-Verify system can be found at: <https://www.e-verify.gov/>.

(b) Section 448.095, F.S. requires the following:

(1) Every public agency and its contractors and subcontractors shall register with and use the E-Verify system to verify the work authorization status of all newly hired employees. A public agency or a contractor or subcontractor thereof may not enter into a contract unless each party to the contract registers with and uses the E-Verify system.

(2) An employer shall verify each new employee's employment eligibility within three (3) business days after the first day that the new employee begins working for pay as required under 8 C.F.R. 274a. Beginning July 1, 2023, a private employer with 25 or more employees shall use the E-Verify system to verify a new employee's employment eligibility.

(b) If the Recipient does not use E-Verify, the Recipient shall enroll in the E-Verify system prior to hiring any new employee or retaining any contract employee after the effective date of this Agreement.

**(26) Program Income.**

(a) The Subrecipient shall report to Commerce all program income (as defined at 24 C.F.R. § 570.489(e)) generated by activities carried out with CDBG funds made available under this Agreement as part of the Subrecipient's Quarterly Progress Report, Form SC-65. The Subrecipient shall use program income in accordance with the applicable requirements of 2 C.F.R. part 200; 24 C.F.R. part 570; sections 290.046-290.048, F.S.; chapter 73C-23.0051, F.A.C., and the terms of this Agreement.

(b) The Subrecipient shall return all program income generated after closeout to Commerce. The Subrecipient shall return all program income generated prior to closeout to Commerce unless the program income is used to fund additional units of CDBG activities, specified in a modification to this Agreement, and duly executed prior to administrative closeout. Commerce or the State may require remittance of all or a portion of any balance of a Subrecipient's program income at the end of a program year.

**(27) Independent Contractor.**

(a) In the Subrecipient's performance of its duties and responsibilities under this Agreement, it is mutually understood and agreed that the Subrecipient is always acting and performing as an independent contractor. Nothing in

this Agreement is intended to or shall be deemed to constitute an employer/employee relationship, partnership or joint venture between the Parties. The Subrecipient shall always remain an independent contractor with respect to the services to be performed under this Agreement.

(b) The Subrecipient, its officers, agents, employees, subcontractors, or assignees, in performance of this Agreement shall act in the capacity of an independent contractor and not as an officer, employee, agent, joint venturer, or partner of the State of Florida. Nor shall the Subrecipient represent to others that, as the Subrecipient, it has the authority to bind Commerce unless specifically authorized to do so.

(c) Neither the Subrecipient, nor its officers, agents, employees, subcontractors, or assignees are entitled to State retirement or State leave benefits, or to any other compensation of State employment as a result of performing the duties and obligations of this Agreement.

(d) The Subrecipient agrees to take such actions as may be necessary to ensure that each subcontractor will be deemed to be an independent contractor and will not be considered or permitted to be an agent, employee, servant, joint venturer, or partner of the State of Florida.

(e) Unless justified by the Subrecipient, and agreed to by Commerce in the Scope of Work, Commerce will not furnish services of support (*e.g.*, office space, office supplies, telephone service, secretarial, or clerical support) to the Subrecipient or its subcontractor or assignee.

(f) Commerce shall not be responsible for withholding taxes with respect to the Subrecipient's use of funds under this Agreement. The Subrecipient shall have no claim against Commerce for vacation pay, sick leave, retirement benefits, social security, workers' compensation, health or disability benefits, reemployment assistance benefits, or employee benefits of any kind. The Subrecipient shall ensure that its employees, subcontractors, and other agents, receive benefits and necessary insurance (health, workers' compensation, reemployment assistance benefits) from an employer other than the State of Florida.

(g) The Subrecipient, at all times during the Agreement, must comply with the reporting and Reemployment Assistance contribution payment requirements of chapter 443, F.S.

#### **(28) Executive Order 21-223**

Pursuant to State of Florida Executive Order Number 21-223, Subrecipient shall utilize the U.S. Citizenship and Immigration Services' Systematic Alien Verification for Entitlements program (known as "SAVE"), or any successor or similar applicable verification program, to confirm the eligibility of beneficiaries before providing any funds, resources, benefits, or any other thing of value during the Agreement term. Further, Subrecipient shall include in related subcontracts a requirement that subcontractors performing work or providing services pursuant to the Agreement utilize SAVI, or any successor or similar applicable verification program, to confirm the eligibility of beneficiaries before providing any funds, resources, benefits, or any other thing of value during the Agreement term.

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**State of Florida**  
**Department of Commerce**  
**Federally Funded Subgrant Agreement**  
**Signature Page**

Subgrant Contract Number: 23DB-H08

FLAIR Contract Number: H2534

IN WITNESS WHEREOF, and in consideration of the mutual covenants set forth above and in all Attachments and Exhibits hereto, the Parties, through their duly-authorized representatives, sign this Agreement and represent and warrant that they have read and understand the Agreement and Attachments and Exhibits' terms and conditions on the day, month, and year set forth below.

**Hernando County**

**Florida Department of Commerce**

By:  Date: 11-28-2023 By: J. Alex Kelly Date: 1/12/2024  
(Authorized Signature) (Authorized Signature)

Name: Elizabeth Narverud Name: J. Alex Kelly

Title: Chairman Title: Secretary

Federal Tax ID#: 59-1155275

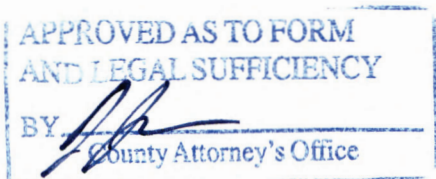
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Approved as to form and legal sufficiency,  
subject only to the full and proper execution  
by the Parties

**Office of the General Counsel**  
**Florida Department of Commerce**

By: Ashanti Breden

Approved Date: 1/12/2024



## Attachment A – Project Narrative and Deliverables

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1. **PROJECT NARRATIVE:** The Hernando County (“Subrecipient”) has been selected to participate in the Small Cities Community Development Block Grant (“CDBG”) Program. The Subrecipient will use \$750,000 awarded under the housing rehabilitation category of the FFY 2021 and FFY 2022 Small Cities CDBG Program to assist residents throughout the unincorporated area of the County. Necessary repairs may be provided in the form of renovation or demolition and replacement of existing housing units. At a minimum, 11 housing units whose occupants qualify as low-to moderate-income (LMI) households will be rehabilitated and brought into compliance with the local housing code and the U.S. Department of Housing and Urban Development’s (“HUD”) Section 8 requirements. Three (3) of the eleven (11) households served will be occupied by persons who qualify as “low-income;” another two (2) of the eleven (11) households served will be occupied by persons who qualify as “very low-income.” Additional LMI housing units may be served if adequate funds remain in the budget after the eleven 11 contracted housing units are completed.

Temporary relocation assistance will be provided to residents that are unable to remain in the home during construction, as needed.

The \$50,000.00 of State Housing Initiatives Partnership (“SHIP”), committed as leverage, will be expended after the CDBG site visit and before administrative closeout of this CDBG grant.

### Project Implementation Deliverable

Tasks that are eligible for reimbursement under the Project Implementation Deliverable are as follows:

- Paid application preparation costs,
- Develop policies for the Subrecipient to adopt related to special conditions listed in this subgrant agreement,
- Prepared list of minority and women business enterprise (MBE/WBE) firms that operate in the Subrecipient’s area,
- Conducted activities related to the HUD-required environmental review,
- Prepared public notices for publication,
- Submitted public notices for publication,
- Maintained financial records related to project activities on-site,
- Conducted a Fair Housing activity,
- Attended pre-bid conference, bid opening or preconstruction meeting,
- Reviewed Household Income Certification Forms for households being hooked up to new utility services,
- Maintained client files,
- Attended meetings of the Subrecipient’s local governing body to provide progress reports on subgrant activities,
- Prepared documentation for and attend on-site monitoring visits by Commerce,
- Prepared requests for funds for submission by the Subrecipient’s authorized employee,
- Prepared subgrant modification documents for the Subrecipient to submit to Commerce,
- Prepared the Administrative Closeout Report for submission by the Subrecipient,
- Prepare and submit detailed quarterly progress report, Section 3 or MBE/WBE report to Commerce,
- Responded to citizen complaints,
- Prepared responses to monitoring findings and concerns for Subrecipient to submit to Commerce or HUD,
- Paid advertising costs of public notices and invitations to bid,
- Paid permit fees,
- Paid legal fees,
- Paid invoices for environmental review activities other than advertising,
- Paid CDBG portion of required audit, and
- Submitted requests for funds to Commerce.

## Attachment A – Project Narrative and Deliverables

### Temporary Relocation Assistance Deliverable

- Paid temporary relocation expenses for households that are eligible under the Subrecipient's Housing Assistance Plan.

### Housing Rehabilitation Deliverable

The following items are eligible for reimbursement under Task 2:

- Title searches,
  - Property surveys,
  - Site-specific environmental review costs,
  - Work write-up costs,
  - Lead-based paint testing or abatement,
  - Asbestos inspection or abatement,
  - Termite inspection or treatment,
  - Purchase of house plans for a demolition/rebuild,
  - Filing fees for deferred payment loans and other required documents,
  - Septic tank inspection(s) performed by a licensed septic tank contractor (see Florida Department of Health for list of qualified contractors), and
  - Other environmental studies, such as Phase I and/or Phase II.
2. **SUBRECIPIENT RESPONSIBILITIES:** The Subrecipient shall timely perform the Deliverables and Tasks described in Attachment A – Project Narrative and Deliverables, and in doing so, the Subrecipient shall comply with all the terms and conditions of this Agreement. The Subrecipient shall agree to a written budget ("Project Detail Budget"), subject to the approval of Commerce and in conformity with the current example attached hereto as Attachment B. The Project Detail Budget must identify the maximum reimbursement allowed for the Deliverables and Tasks described in Attachment A. The Subrecipient shall also agree to and shall timely perform the activities as specified within an Activity Work Plan, subject to the approval of Commerce and in conformity with the current example attached hereto as Attachment C. The Project Budget Detail and the Activity Work Plan may be modified by the unilateral determination of Commerce or by mutual consent of the Parties.
3. **COMMERCE RESPONSIBILITIES:** Commerce shall receive and review the Deliverables and, upon Commerce's acceptance of the Deliverables and receipt of the Subrecipient's pertinent invoices in compliance with the invoice procedures of this Agreement, Commerce shall process payment to the Subrecipient in accordance with the terms and conditions of this Agreement.
4. **DELIVERABLES:** Subrecipient agrees to provide the following services as specified:

| Deliverable                                                                                                                                                                                            | Minimum Level of Service<br>(to submit for request for payment)                                                                                                                                                                                                                          | Financial<br>Consequences                                                                                                 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|
| <b>Project Implementation</b><br>The Subrecipient shall complete eligible project implementation tasks as detailed in Attachment A, Section 1 – Project Narrative, Project Implementation Deliverable. | The Subrecipient shall be reimbursed upon completion of a minimum of one (1) project implementation task on a per completed task basis as detailed in Attachment A, Section 1 – Project Narrative, Project Implementation Deliverable; evidenced by invoice(s) noting completed tasks as | Failure to perform the minimum level of service shall result in nonpayment for this deliverable for each payment request. |

## Attachment A – Project Narrative and Deliverables

|                                                                                                                                                                                                                                                                                                                                                                           | well as payroll and other supporting documentation, as applicable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|
| <b>Deliverable</b>                                                                                                                                                                                                                                                                                                                                                        | <b>Minimum Level of Service<br/>(to submit for request for payment)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>Financial<br/>Consequences</b>                                                                                         |
| <b>Temporary Relocation Assistance</b><br>The Subrecipient shall provide temporary relocation assistance as detailed in Attachment A, Section 1 – Project Narrative, Temporary Relocation Assistance Deliverable.                                                                                                                                                         | The Subrecipient shall be reimbursed for temporary relocation assistance provided for a minimum of one (1) home as detailed in Attachment A, Section 1 – Project Narrative, Temporary Relocation Assistance Deliverable; evidenced by invoice(s) noting expense(s).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Failure to perform the minimum level of service shall result in nonpayment for this deliverable for each payment request. |
| <b>Deliverable</b>                                                                                                                                                                                                                                                                                                                                                        | <b>Minimum Level of Service<br/>(to submit for request for payment)</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>Financial<br/>Consequences</b>                                                                                         |
| <b>Housing Rehabilitation</b><br>The Subrecipient shall complete rehabilitation services to at least the minimum number of number low- to moderate-income homes listed in Attachment A, Section 1 – Project Narrative, Housing Rehabilitation Deliverable.<br><br>Task 1: Construction to rehabilitate or demolish/rebuild home(s)<br><br>Task 2: Rehabilitation Services | Task 1: The Subrecipient shall be reimbursed upon completion of a minimum of 20 percent (20%) of the rehabilitation activities for one (1) home. As evidence of percent completion, the Subrecipient shall provide completed Commerce-approved forms, documenting the percent completion for the home and the associated costs, signed by the contractor and certified by the housing specialist or building inspector for the project.<br><br>Task 2: The Subrecipient shall be reimbursed upon completion of a minimum of one (1) rehabilitation services task on a per completed task basis as detailed in Attachment A, Section 1 – Project Narrative, Housing Rehabilitation Assistance Deliverable; evidenced by invoice(s) noting completed tasks. | Failure to perform the minimum level of service shall result in nonpayment for this deliverable for each payment request. |
| <b>TOTAL AWARD NOT TO EXCEED: \$750,000.00</b>                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                           |

**COST SHIFTING:** The deliverable amounts specified within Section 4 of this Scope of Work are established based on the Parties' estimation of sufficient delivery of services fulfilling grant purposes under the Agreement in order to designate payment points during the Agreement Period; however, this is not intended to restrict Commerce's ability to approve and reimburse allowable costs Grantee incurred providing the deliverables herein. Prior written approval from Commerce's Agreement Manager is required for changes to the above Deliverable amounts that do not exceed **10%** of each deliverable total funding amount. Changes that exceed **10%** of each deliverable total funding amount will require a formal written amendment request from Grantee, as described in **MODIFICATION** section of the Agreement. Regardless, in no event shall Commerce reimburse costs of more than the total amount of this Agreement.

## Attachment B – Project Detail Budget (Example)

Subrecipient: \_\_\_\_\_ Modification Number: N/A Contract Number: \_\_\_\_\_

| Activity                           |             | Accomplishments |        | Beneficiaries |    |    |     | Budget      |             |         |             |
|------------------------------------|-------------|-----------------|--------|---------------|----|----|-----|-------------|-------------|---------|-------------|
| Activity #                         | Description | Unit            | Number | VLI           | LI | MI | All | CDBG Amount | Other Funds | Source* | Total Funds |
| 1. Project Implementation          |             |                 |        |               |    |    |     |             |             |         |             |
|                                    |             |                 |        |               |    |    |     |             |             |         |             |
| 2. Temporary Relocation Assistance |             |                 |        |               |    |    |     |             |             |         |             |
|                                    |             |                 |        |               |    |    |     |             |             |         |             |
| 3. Housing Rehabilitation          |             |                 |        |               |    |    |     |             |             |         |             |
|                                    |             |                 |        |               |    |    |     |             |             |         |             |
|                                    |             |                 |        |               |    |    |     |             |             |         |             |
|                                    |             |                 |        |               |    |    |     |             |             |         |             |
|                                    |             |                 |        |               |    |    |     |             |             |         |             |
|                                    |             |                 |        |               |    |    |     |             |             |         |             |
|                                    |             |                 |        |               |    |    |     |             |             |         |             |
|                                    |             |                 |        |               |    |    |     |             |             |         |             |
|                                    |             |                 |        |               |    |    |     |             |             |         |             |
| Totals:                            |             |                 |        |               |    |    |     |             |             |         |             |

\* Show the sources and amounts of "Other Funds" needed to complete the project below, including local funds, grants from other agencies and program income.

| Source | Other Funds Counted as Leverage | Other Funds Not Counted as Leverage |
|--------|---------------------------------|-------------------------------------|
| 1.     |                                 |                                     |
| 2.     |                                 |                                     |
| 3.     |                                 |                                     |
| 4.     |                                 |                                     |
| 5.     |                                 |                                     |

## Attachment C – Activity Work Plan (Example)

Subrecipient \_\_\_\_\_ Activity: \_\_\_\_\_ Project Budget: \_\_\_\_\_  
Contract Number: \_\_\_\_\_ Date Prepared: \_\_\_\_\_ Modification Number: N/A

| Start Date<br>(month/year) | End Date<br>(month/year) | Describe Proposed Action to be Completed by the “End Date.”<br><i>Examples of Actions: Procure Administrator or Engineer, Complete Environmental Review and Obtain Release of Funds, Request Wage Decision, Complete and Submit Design and Specifications, Advertise for and Open Bids, Issue Notice to Proceed, Construction Completion (20, 40, 60, 80, and 100 percent or 25, 50, 75, and 100 percent), Complete Construction Procurement Process, Advertise Availability of Housing Rehabilitation Funds, Complete Rankings of Homes per HAP, Number of Houses Rehabilitated, and Submit Closeout Package to Commerce.</i> | Estimated<br>Units to be<br>Completed by<br>the<br>“End Date” | Estimated<br>Funds to be<br>Requested by<br>the<br>“End Date” |
|----------------------------|--------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|---------------------------------------------------------------|
|                            |                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                               |                                                               |
|                            |                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                               |                                                               |
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|                            |                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                               |                                                               |
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|                            |                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                               |                                                               |

## Attachment D – Program and Special Conditions

### Program Conditions

1. The Subrecipient shall demonstrate that progress is being made in completing project activities in a timely fashion.
  - a. Within 120 calendar days of the subgrant award, the Subrecipient shall complete the following activities:
    - Request approval for all professional service contracts; and
    - Submit an initial payment request for administrative services, if applicable.
  - b. Within 180 calendar days of the subgrant award, the Subrecipient shall complete the following activities:
    - Complete the environmental review and submit the Request for Release of Funds and Certification (form HUD-7015.15) to Commerce for review; and
    - Request a wage decision(s) using Commerce form SC-56 for applicable construction activities if points were received on the application for “Readiness to Proceed;”
  - c. The Subrecipient shall advertise for its construction procurement within 30 calendar days after receiving its Authority to Use Grant Funds (form HUD-7015.16) and Commerce’s written acceptance of the plans and specifications if Subrecipient received points for “Readiness to Proceed” on its Application for Funding.
  - d. If the Subrecipient did not receive points for “Readiness to Proceed,” it must request a wage decision(s) using Commerce form SC-56 at least 30 days before advertising for its construction procurement.
2. The Subrecipient shall maintain records of expenditure of funds from all sources that will allow accurate and ready comparison between the expenditures and the budget/activity line items as defined in Attachment B -Project Detailed Budget, Attachment A- Project Narrative and Deliverables, Subrecipient Responsibilities, and Attachment C - Activity Work Plan.
3. No costs may be incurred prior to the effective date of this Agreement, except for those eligible application preparation costs outlined in the original Small Cities CDBG Application for Funding submitted to Commerce, unless pre-agreement costs were approved in writing by Commerce.
4. The Subrecipient shall not exclude any firm from submitting a bid or proposal for any work funded partially or wholly with CDBG funds based on a minimum experience requirement. However, a firm’s experience can be considered as an evaluation factor in the ranking for professional services and taken into account in evaluating the “responsibility” of a firm when determining the “low, responsive, responsible bidder” for services procured through bids, as required by 2 C.F.R. § 200.319(a).
5. CDBG procurement for consultant services and construction activities requires public notice in a newspaper of general circulation in the county where the Subrecipient is located. The public notice shall include the following criteria for the procurement process to meet legal requirements and be approved:
  - a. If the notice is published in a newspaper that is located in an Office of Management and Budget (OMB) designated metropolitan statistical area (MSA), only one responsible and responsive bid or proposal is needed to complete the procurement process. If the notice is not published in a newspaper that is located in an MSA, at least three responsible and responsive bids or proposals must be received by the Subrecipient to complete the procurement process;
  - b. A Subrecipient, whose newspaper of general circulation is not located in a MSA, may advertise in both a local newspaper and a newspaper in a nearby MSA. In this case, only one responsible and responsive bid or proposal would be needed to complete the procurement process;
  - c. The public notice must be published at least 12 days before the deadline for receipt of the proposals or bids. For construction activities, the public notice period shall conform to section 255.0525, F.S. regarding the numbers of days between publishing the notice and bid opening;

## Attachment D – Program and Special Conditions

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- d. Nothing in subparagraphs a., b., or c., above shall preclude the Subrecipient from using additional media to solicit bids related to procurement of professional services and construction activities;
- e. Each public notice for procurement of CDBG professional services, except for application preparation, must identify either the CDBG funding cycle or the CDBG contract number. In the absence of any identifier, the procurement will be presumed to be for the CDBG funding cycle closest to the publication date of the notice;
- f. In procuring services for subgrant administration, the public notice or the Request for Proposals must include all the criteria that will be used to evaluate and score the proposals. Any firm that assists the Subrecipient in developing or drafting criteria used in the Request for Proposals (RFP) shall be excluded from competing for the procurement as required by 2 C.F.R. § 200.319(a); and
- g. Any RFP which includes more than one service shall provide the following:
  - Proposals may be submitted for one or more of the services;
  - Qualifications and proposals shall be separately stated for each service; and
  - Separate evaluations shall be done on the proposals for each service.

If separate procurements result in one firm being selected for both application and administration services, those services may be combined into one contract provided there are separate scopes of work and a separate fee for each service.
6. A written evaluation, such as a ranking sheet or narrative, shall be prepared for each proposal, ranking or comparing each proposal to the criteria in the published RFP.
7. The Subrecipient is not required to publish a RFP for subgrant administration if it decides to contract with its Regional Planning Council to administer the subgrant.
8. A Subrecipient whose application received “Readiness to Proceed” points may use the design engineer for services during construction if Commerce determines that the procurement for design services is compliant with 2 C.F.R. part 200 and the RFP specifically included services during construction in the scope of work.
9. For construction procurement, if other funding sources will be included in the bid documents, the activities to be paid for with CDBG funds must be shown separately so that the bid proposal identifies the CDBG activities and the amount of the contract to be reimbursed with CDBG funding.
10. Construction contracts shall be awarded to the low, responsive and responsible bidder. If all bids exceed the available funds, the Subrecipient can apply one or more deductive bid alternates to determine the low, responsive and responsible bidder. The Subrecipient can reject all bids if they exceed the available funds and republish the notice.
11. The Subrecipient shall request approval of all professional services contracts and/or agreements that will be reimbursed with CDBG funds. Copies of the following procurement documents must be provided to Commerce for review:
  - a. A copy of the Request for Proposals (RFP);
  - b. A copy of the RFP advertisement, including an affidavit of publication from the newspaper;
  - c. A list of entities to whom a notification of the RFP was provided by mail or fax (if applicable);
  - d. Documentation of all efforts to get MBE/WBE firms to submit proposals;
  - e. For engineering/architecture contracts, a list of firms that submitted a proposal (only if short-listing procedure was used);

## Attachment D – Program and Special Conditions

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- f. Completed and signed final evaluation/ranking forms for all firms submitting a proposal and a scoring summary sheet;
- g. A copy of the cost analysis for administrative services procurements, or if multiple responses to the RFP were received, a copy of the price analysis;
- h. A copy of a cost analysis for all procurements of engineering services;
- i. A copy of the minutes from the commission/council meeting approving contract award;
- j. A copy of the proposed contract;
- k. Truth-in-Negotiation certification (if not in the contract) for engineering contracts over \$150,000;
- l. If a protest was filed, a copy of the protest and documentation of resolution;
- m. The Subrecipient shall request Commerce's approval of a single source procurement if only one firm was considered and the contract exceeds \$35,000. The Subrecipient shall not enter into a contract to be paid with CDBG funds based on a sole source or single proposal procurement without prior written approval from Commerce. Failure to secure prior written approval shall relieve Commerce of any obligation to fund the said procurement contract or agreement. Commerce shall disallow any payments to the Subrecipient to fund any contract or agreement based on a sole source or single proposal procurement for which the Subrecipient has not obtained Commerce's approval; and
- n. If a regional planning council or another local government is selected to administer subgrant activities, the Subrecipient shall submit only a copy of the contract or agreement and cost analysis information.

Commerce will either approve the procurement or notify the Subrecipient that the procurement cannot be approved because it violates State, Federal, or local procurement guidelines.

The Subrecipient shall notify Commerce in writing no later than 90 calendar days from the effective date of this agreement if it will not be procuring any professional services or if it will be using non-CDBG funds to pay for professional services.

- 12. Prior to the obligation or disbursement of any funds, except for administrative expenses for all subgrants other than Economic Development subgrants, not to exceed \$5,000, and for Economic Development Grants, not to exceed \$8,000, the Subrecipient shall complete the following:
  - a. Submit for Commerce's approval the documentation required in paragraph 11 above for any professional services contract. The Subrecipient proceeds at its own risk if more than the specified amount is incurred before Commerce approves the procurement. If Commerce does not approve the procurement of a professional services contract, the local government will not be able to use CDBG funds for that contract beyond \$5,000 [\$8,000 for Economic Development].
  - b. Comply with 24 C.F.R. part 58, and the regulations implementing the National Environmental Policy Act, 40 C.F.R. §§ 1500-1508. When the Subrecipient has completed the environmental review process, it shall submit a Request for Release of Funds and Certification. Commerce will issue an Authority to Use Grant Funds (form HUD-7015.16) when this condition has been fulfilled to the satisfaction of Commerce. **The Subrecipient shall not commit funds or begin construction before Commerce has issued the "Authority to Use Grant Funds."**
  - c. The Subrecipient shall obtain approval from Commerce prior to requesting CDBG funds for engineering activities and costs which are additional engineering services as defined in rules 73C-23.0031(1)(a)-(l), F.A.C.
- 13. The Subrecipient agrees to comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. §§ 4601-4655; hereinafter, the "URA"), implementing regulations at 24 C.F.R. part 42, 49 C.F.R. part 24 and 24 C.F.R. § 570.606(b), the requirements of 24 C.F.R. § 42.325 – 42.350 governing the Residential Anti-displacement and Relocation Assistance Plan under section 104(d) of the Housing and Community Development Act of 1974 (42 U.S.C. § 5304(d)), and the requirements in 24 C.F.R. § 570.606(d), governing optional relocation assistance policies.

## **Attachment D – Program and Special Conditions**

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If the Subrecipient undertakes any activity subject to the URA, the Subrecipient shall document completion of the acquisition by submitting all documentation required for a desk monitoring of the acquisition, including a notice to property owners of his or her rights under the URA, an invitation to accompany the appraiser, all appraisals, offer to the owner, acceptance, contract for sale, statement of settlement costs, copy of deed, waiver of rights (for donations), as applicable. The documentation shall be submitted prior to completing the acquisition (closing) so that Commerce can determine whether remedial action may be needed. The Subrecipient shall provide relocation assistance to displaced persons as defined by 24 C.F.R. § 570.606(b)(2), that are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for a CDBG-assisted project.

14. For Neighborhood Revitalization, Commercial Revitalization and Economic Development projects, the Subrecipient shall, prior to being reimbursed for more than \$15,000 for administrative services, provide to Commerce a copy of all engineering specifications and construction plans, if required, for the activities described in the Agreement. The Subrecipient shall also furnish Commerce, prior to soliciting bids or proposals, a copy of bid documents for services and/or materials to provide those services and/or materials for construction activities when the bids are expected to exceed \$35,000. Additionally, the Subrecipient shall not publish any request for bids for construction purposes or distribute bid packages until Commerce has provided its written acceptance of the engineering specifications, construction plans, and bid documents.
  
15. For each procured construction contract or agreement in the Neighborhood Revitalization, Commercial Revitalization and Economic Development categories for which CDBG funding will be requested, the Subrecipient shall submit the following procurement documents:
  - a. A copy of the bid advertisement, including an affidavit of publication;
  - b. Documentation of the Subrecipient's efforts made to inform minority- and woman-owned businesses of the opportunity to bid on the construction contract;
  - c. A copy of the bid tabulation sheet;
  - d. A copy of the engineer's recommendation to award;
  - e. A letter requesting sole source approval, if applicable;
  - f. A copy of the bid bond (five percent of the bid price) for the prime contractor(s) selected to do the work, and;
  - g. Completed copies of the following forms for all prime contractors and subcontractors:
    - Form SC-51 – Bidding Information and Contractor Eligibility;
    - Form SC-37 – Certification Regarding Debarment, Suspension, and Other Responsibility Matters (Primary Covered Transactions);
    - Form SC-52 – Section 3 Participation Report (Construction Prime Contractor);
    - Form SC-38 (if applicable) – Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion (Subcontractor);
    - Form SC-53 (if applicable) – Section 3 Participation Report (Construction Subcontractor), and;
    - Form SC-54 (if applicable) – Documentation for Business Claiming Section 3 Status

For each procured construction contract or agreement in Housing Rehabilitation projects for which CDBG funding will be requested, the Subrecipient shall submit the following procurement documents for all prime contractors and subcontractors:

- a. Form SC-37 – Certification Regarding Debarment, Suspension, and Other Responsibility Matters (Primary Covered Transactions);
- b. Form SC-52 – Section 3 Participation Report (Construction Prime Contractor);
- c. Form SC-38 (if applicable) – Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion (Subcontractor); and

## Attachment D – Program and Special Conditions

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- d. Form SC-53 (if applicable) – Section 3 Participation Report (Construction Subcontractor).
16. For each procured construction contract or agreement in the Neighborhood Revitalization, Commercial Revitalization and Economic Development categories, if a job classification needed to complete a construction activity is not included in the Davis-Bacon Act wage decision that was previously obtained from Commerce, the Subrecipient shall request an additional classification using Form SC-57 - Employee/Employer Wage-Scale Agreement after the construction contract has been awarded.
  17. For each Commercial Revitalization, Economic Development and Neighborhood Revitalization projects, when the Subrecipient issues the Notice to Proceed to the contractor(s), copies of the following documents shall be sent to Commerce:
    - a. Notice to Proceed;
    - b. The contractor's performance bond (100 percent of the contract price) if the contract exceeds the Simplified Acquisition Threshold as listed in 2 C.F.R. § 200.1; and
    - c. The contractor's payment bond (100 percent of the contract price) if the contract exceeds the Simplified Acquisition Threshold as listed in 2 C.F.R. § 200.1.
  18. The Subrecipient shall undertake an activity each quarter to affirmatively further fair housing pursuant to 24 C.F.R. § 570.487(b).
  19. All leveraged funds shall be expended concurrently and, to the extent feasible, proportionately with the expenditure of CDBG funds for the same activity. The Subrecipient shall document the expenditure of leveraged funds required for the points claimed in the application as it may have been amended through the completeness process and as reflected on the Project Detail Budget. All funds claimed for leverage shall be expended after the date that the Authority to Use Grant Funds is issued and prior to Subrecipient's submission of the administrative closeout package for this Agreement, except for the following costs:
    - Eligible administrative, engineering and environmental review costs expended after the site visit but prior to the date when the Authority to Use Grant Funds is issued, and
    - The CDBG portion of the cost of post-administrative closeout audits.
  20. The resulting product of any activity funded under this Agreement as amended shall be ineligible for rehabilitation or replacement with CDBG funds for a period of five years.
  21. The Subrecipient shall ensure that a deed restriction is recorded on any real property or facility, excluding easements, acquired with CDBG funds. This restriction shall limit the use of that real property or facility to the use stated in the subgrant application and that title shall remain in the name of the Subrecipient. Such deed restriction shall be made a part of the public records in the Clerk of Court of the county in which the real property is located. Any future disposition of that real property shall be in accordance with 24 C.F.R. § 570.505. Any future change of use of real property shall be in accordance with 24 C.F.R. § 570.489(j).

## Attachment D – Program and Special Conditions

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22. The Subrecipient shall comply with the historic preservation requirements of the National Historic Preservation Act of 1966, as amended, the procedures set forth in 36 C.F.R. part 800, and the Secretary of the Interior's Standards for Rehabilitation, codified at 36 C.F.R. 67, and Guidelines for Rehabilitating Historic Buildings.
23. Pursuant to section 102(b), Public Law 101-235, 42 U.S.C. § 3545, the Subrecipient shall update and submit Form HUD 2880 to Commerce within 30 calendar days of the Subrecipient's knowledge of changes in situations which would require that updates be prepared. The Subrecipient must disclose:
  - a. All developers, contractors, consultants, and engineers involved in the application or in the planning, development, or implementation of the project or CDBG-funded activity; and
  - b. Any person or entity that has a financial interest in the project or activity that exceeds \$50,000 or 10 percent of the grant, whichever is less.
24. If required, the Subrecipient shall submit a final Form HUD 2880, to Commerce with the Subrecipient's request for administrative closeout, and its absence or incompleteness shall be cause for rejection of the administrative closeout.
25. Conflicts of interest relating to procurement shall be addressed pursuant to 24 C.F.R. § 570.489(g). Title 24 C.F.R. § 570.489(h) shall apply in all conflicts of interest not governed by 24 C.F.R. § 570.489(g), such as those relating to the acquisition or disposition of real property; CDBG financial assistance to beneficiaries, businesses, or other third parties; or any other financial interest, whether real or perceived. Additionally, the Subrecipient agrees to comply with, and this Agreement is subject to, chapter 112 F.S., and rule 73C-23.0051(7), F.A.C.
26. Any payment by the Subrecipient using CDBG funds for acquisition of any property, right-of-way, or easement that exceeds fair market value as determined through the appraisal process established in HUD Handbook 1378 shall be approved in writing by Commerce prior to distribution of the funds. Should the Subrecipient fail to obtain Commerce pre-approval, any portion of the cost of the acquisition exceeding Fair Market Value shall not be paid or reimbursed with CDBG funds.
27. The Subrecipient shall take photographs of all activity locations from multiple angles prior to initiating any construction. As the construction progresses, additional photography shall document the ongoing improvements. Upon completion of construction, final documentation of the activity locations will be provided to Commerce with the administrative closeout package for this Agreement.
28. If an activity is designed by an engineer, architect, or other licensed professional, it shall be certified upon completion by a licensed professional as meeting the specifications of the design, as may have been amended by change orders. The date of completion of construction shall be noted as part of the certification. This certification shall be accomplished prior to submission of an administrative closeout package and a copy of the certification shall be submitted with the administrative closeout package.

## **Attachment E – Category Specific Conditions for Commercial Revitalization**

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29. If necessary, the Subrecipient shall retain sufficient administration funds to ensure internet access, including email, for the duration of the Agreement, including any time extensions. If the Subrecipient does not already have a computer designated to the person responsible for grant oversight, which is located in the program office and capable of internet access, administrative funds may be used as needed to obtain, at reasonable cost, a computer to allow internet access.

### **Special Conditions**

Not Applicable

(The remainder of this page left blank intentionally.)

## Attachment E – Category Specific Conditions Housing Rehabilitation

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1. The Subrecipient shall only provide assistance for the rehabilitation of and/or for the hookup of utilities to housing units that are occupied by very low-, low- and moderate-income persons to meet the “National Objective” of providing assistance to low- and moderate-income persons. If a National Objective is not met for an activity, all CDBG funds received for the activity must be repaid.
2. The Subrecipient shall ensure that no rehabilitation contract between a very low-, low- or moderate-income homeowner and a contractor is signed before the Authority to Use Grant Funds has been issued and the site specific environmental review for the home has been approved by Commerce.
3. For a county Subrecipient, all housing units that are rehabilitated shall be located in the unincorporated portion of the county. For a municipal Subrecipient, all housing units that are rehabilitated shall be located within the jurisdictional limits of the Subrecipient.
4. The Subrecipient must comply with its Housing Assistance Plan (HAP) that was provided to Commerce as part of the application process. Commerce approval is required for HAP revisions made after the application deadline. The Subrecipient agrees that the HAP will be followed unless waived by the governing body.
5. Bids for rehabilitation or reconstruction of housing units shall only be accepted from contractors licensed by the Florida Department of Business & Professional Regulation. All work performed on a septic tank or an issue related to a septic tank shall be performed by a licensed septic tank contractor certified by the Florida Department of Health.
6. Rehabilitation of all housing units funded in part or in full with CDBG funds must be in compliance with the current Florida Building Code – Existing Buildings, as well as local building codes and local maintenance codes. If housing units must be replaced, construction of new units must be in full compliance with current Florida Building Code.
7. The Subrecipient shall provide assistance for the rehabilitation of housing in a floodplain only after documenting in the rehabilitation case file for that structure that the Subrecipient and the beneficiary are in compliance with the Flood Disaster Protection Act of 1973, as amended. This documentation must address such things as elevation requirements, erosion, and water, sewage, or septic tank requirements. Each structure located within a 100-year floodplain that is rehabilitated to any extent with CDBG funds shall be insured under the National Flood Insurance Program. The flood insurance must be at least equal to the amount spent on the rehabilitation. Homeowners in a 100-year floodplain that do not maintain flood insurance will be exempt from receiving future federal disaster related funds per section 582 of the National Flood Insurance Reform Act of 1994, 42 U.S.C. 5154a.
8. When CDBG funds are expended to acquire property through a voluntary process for the purpose of assisting low- and moderate-income households to relocate out of a 100-year floodplain, the following shall apply:
  - a. Future development of the property acquired shall be prohibited, unless the use does not increase the property's impervious surface;
  - b. The local government may retain title to the property or transfer the title to a land conservancy agency or program, subject to Commerce approval, at Commerce sole and absolute discretion;
  - c. The beneficiaries shall agree in writing to relocate permanently outside the 100-year floodplain;
  - d. Any beneficiaries who subsequently relocate into a 100-year floodplain shall not be provided any direct benefit with CDBG funds at any future point in time, and this restriction shall be noted in the relocation document signed by the beneficiaries in subparagraph 8.c., above; and
  - e. All structures on the property shall be demolished or relocated out of the floodplain.

## **Attachment E – Category Specific Conditions Housing Rehabilitation**

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9. The Subrecipient shall adopt and implement procedures to fulfill regulatory and statutory requirements relating to Lead-Based Paint pursuant to 24 C.F.R. 570.487 and 24 C.F.R. 35, Subparts B, J, and R, as incorporated in Rule 73C-23.0030, F.A.C. A Subrecipient can request reimbursement from the housing rehabilitation line item of its budget for the cost of a lead-based paint inspection prior to the home's site specific environmental review being approved because it is part of the environmental review process. The Subrecipient is required to:
  - a. Prohibit the use of lead-based paint;
  - b. Notify potential beneficiaries of the hazards of lead-based paint;
  - c. inspect properties built before 1978 prior to initiating rehabilitation to determine if lead-based paint is present;
  - d. If lead-based paint is found, undertake appropriate protection of workers and occupants during the abatement process;
  - e. Ensure proper lead-based paint clean up and disposal procedures are used; and,
  - f. Retain records of enforcement and monitoring for at least six years after final closeout of the subgrant.
10. The Subrecipient shall also adopt and implement procedures to fulfill regulatory and statutory asbestos related requirements per 40 CFR Part 61, Subpart M (61.145 and 61.150) established by the U.S. Environmental Protection Agency Clean Air Act Section 112 under the National Emissions Standards for Hazardous Air Pollutant (NESHAP). A Subrecipient can request reimbursement from the housing rehabilitation line item of its budget for the cost of asbestos inspection prior to the home's site specific environmental review being approved because it is part of the environmental review process. The Florida Department of Environmental Protection (FDEP) administers the asbestos removal program under Chapter 62-257, F.A.C. and requires:
  - a. Inspection of properties by a licensed inspector for the rehabilitation or demolition of homes in close proximity to one another or as part of a larger project;
  - b. Notification provided to the appropriate FDEP office of asbestos removal with a notice of demolition or asbestos renovation within 10 working days before activities begin; and
  - c. Removal of asbestos by a licensed asbestos contractor.
11. Mobile homes constructed before 1993 shall not be rehabilitated. If a homeowner of a mobile home constructed before 1993 is selected for assistance, the Subrecipient shall replace the mobile home with either a new site-built home or a new mobile home.
12. Change orders for housing rehabilitation or reconstruction shall be approved by the housing unit owner or his or her representative, the contractor, and a representative of the Subrecipient prior to initiation of work based on that change order.
13. To document completion of construction, each housing unit case file shall contain the following information:
  - a. A statement from the licensed contractor certifying that all items on the initial work write-up and those modified through change orders are complete;
  - b. An acknowledgment that the housing unit meets the applicable local building code and Section 8 Housing Quality Standards, signed and dated by the local building inspector and the local government's housing rehabilitation specialist;
  - c. A copy of the contractor's license;

## **Attachment E – Category Specific Conditions Housing Rehabilitation**

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- d. A signed statement by the housing unit owner or his or her representative that the work has been completed based on the work write-up and change orders. Should all requirements be fulfilled and the homeowner or his or her representative refuses to acknowledge completion of the work, the housing unit case file shall be documented with a statement detailing the stated reason for said refusal; and
  - e. A 12-month warranty of work and materials from the contractor to the homeowner that begins when the Certificate of Occupancy or the Certificate of Completion are issued.
- 14. If homes to be rehabilitated with CDBG grant funds will be selected from an existing list of State Housing Initiatives Partnership (SHIP) applicants rather than a public notice soliciting applications, the homes from the SHIP applicants list shall be prioritized using the ranking procedure established in the CDBG HAP. The ranking procedure will be reviewed during monitoring and compared to the list of homes rehabilitated.
- 15. The following data will be provided, by housing unit, as part of the administrative closeout for each activity providing direct benefit (e.g., housing rehabilitation, temporary relocation, hookups, etc.), summarized by activity and submitted with the administrative closeout package:
  - a. Name of each head of household and address of each housing unit rehabilitated with CDBG funds, the date the construction was completed on the housing unit, and the amount of CDBG and non-CDBG funds spent on that housing unit;
  - b. Whether the head of household is female, if the household includes someone who is handicapped or elderly, the number of handicapped persons in the household, the number of elderly persons in the household, and the moderate-income, low-income or very low-income status of the household;
  - c. The number of occupants in the household, categorized by gender; and
  - d. The racial demographics and ethnicity of the head of each household using the following descriptions:
    - 1) White,
    - 2) African American,
    - 3) Asian,
    - 4) American Indian or Alaskan Native,
    - 5) Native Hawaiian/Pacific Islander,
    - 6) American Indian or Alaskan Native and White
    - 7) Asian and White,
    - 8) African American and White,
    - 9) American Indian/Alaskan Native and African American, or
    - 10) Other Multi-Racial; and
    - 11) If the head of household is Hispanic

## **Attachment F – State and Federal Statutes, Regulations, and Policies**

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The Subrecipient agrees to, and, by signing this Agreement, certifies that, it will comply with the requirements of 24 C.F.R. part 570, subpart I, and § 570.200(j) and § 570.606 (HUD regulations concerning State Community Development Block Grant Programs). The Subrecipient also agrees to use funds available under this Agreement to supplement rather than supplant funds otherwise available. The Subrecipient further agrees to comply with all other applicable Federal, State and local laws, regulations, and policies governing the funds provided under this Agreement, including, but not limited to the following:

1. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 C.F.R. part 200);
2. Florida Small Cities Community Development Block Grant Program Act (§§ 290.0401-290.048, F.S.);
3. Florida Small Cities Community Development Block Grant Program rules (chapter 73C-23, F.A.C.);
4. Title I of the Housing and Community Development Act of 1974, as amended (42 U.S.C. §§ 5301-5321);
5. Rules and Procedures for Efficient Federal-State Funds Transfers (31 C.F.R. part 205);
6. Community Planning Act (§ 163.3164, F.S.);
7. Florida Small and Minority Business Assistance Act (§§ 288.703-288.706, F.S.);
8. CDBG Technical Memoranda (<https://www.hudexchange.info/community-development/cdbg-memoranda/>);
9. Applicable HUD Community Planning and Development Notices (<https://www.hudexchange.info/manage-a-program/cpd-notices>);
10. Single Audit Act Amendments of 1996 (31 U.S.C. §§ 7501-7507);
11. Environmental Review Procedures for Entities Assuming HUD Responsibilities (24 C.F.R. part 58);
12. Environmental Criteria and Standards (24 C.F.R. part 51);
13. Flood Disaster Protection Act of 1973, as amended (42 U.S.C. §§ 4001-4129), Floodplain Management and Protection of Wetlands (24 C.F.R. part 55), and Executive Orders 11988 (Floodplain Management) and 11990 (Protection of Wetlands);
14. National Environmental Policy Act of 1969, as amended (42 U.S.C. §§ 4321-4370h) and other provisions of law which further the purpose of this act;
15. National Historic Preservation Act of 1966, as amended (54 U.S.C. §§ 300301-320303), Protection of Historic Properties (36 C.F.R. part 800), and other provisions of law which further the purpose of this act;
16. Archaeological and Historic Preservation Act of 1974 and Reservoir Salvage Act of 1960, as amended (54 U.S.C. §§ 312501-312508);
17. Coastal Zone Protection Act of 1985 (§§ 161.52-161.58, F.S.);
18. Safe Drinking Water Act of 1974, as amended (42 U.S.C. § 300f, et seq.);
19. Federal Water Pollution Control Act of 1972, as amended (33 U.S.C. §§ 1251-1387);
20. Davis–Bacon Act of 1931, as amended (40 U.S.C. §§ 3141-3148) and Labor Standards Provisions of 29 C.F.R. part 5;
21. Contract Work Hours and Safety Standards Act of 1962, as amended (40 U.S.C. §§ 3701-3708);
22. Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1975 (42 U.S.C. §§ 6901-6992k);
23. Architectural Barriers Act of 1968 (42 U.S.C. §§ 4151-4157) and the Uniform Accessibility Standards, as applicable;
24. Federal Fair Labor Standards Act of 1938, as amended (29 U.S.C. §§ 201-219);
25. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. §§ 4601-4655), and the applicable rules for Federal and Federally-Assisted Programs at 49 C.F.R. part 24;
26. Copeland “Anti-Kickback” Act (18 U.S.C. § 874);
27. Hatch Act of 1939, as amended (5 U.S.C. §§ 1501-1508);
28. Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§ 4821-4846); the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. §§ 4851–4856); and the applicable implementing regulations at 24 C.F.R. part 35 and 24 C.F.R. part 570, subparts A, B, J, K, and R;
29. Section 102 of HUD Reform Act of 1989 (42 U.S.C. § 3545) and HUD Reform Act regulations at 24 C.F.R. part 4;
30. False Claims Act (31 U.S.C. §§ 3729-3733);
31. Comprehensive Procurement Guideline for Products Containing Recovered Materials (40 C.F.R. part 247);
32. Clean Air Act (42 U.S.C. §§ 7401-7671q.), and National Primary and Secondary Ambient Air Quality Standards (40 C.F.R. part 50); and
33. Whistleblower Protection enacted by Section 828 of P.L. 112-239 and permanently extended under P.L. 114-261.

## Attachment G – Civil Rights Requirements

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### Fair Housing

As a condition for the receipt of CDBG funds, each Subrecipient must certify that it will “affirmatively further fair housing” in its community. The Subrecipient shall demonstrate its commitment to affirmatively further fair housing by implementing the actions listed below.

Each Subrecipient shall do the following:

- 1) Have in place a fair housing resolution or ordinance that covers all Federally protected classes (race, color, familial status, handicap, national origin, religion, and sex);
- 2) Designate an employee as the Fair Housing Coordinator who is available during regular business hours to receive fair housing calls;
- 3) Publish the Fair Housing Coordinator’s contact information quarterly in a newspaper of general circulation in the Subrecipient’s jurisdiction so that people know who to call to ask fair housing questions or register a complaint. Alternatively, the Subrecipient can post the coordinator’s contact information throughout the quarter on the home page of its website;
- 4) Establish a system to record the following for each fair housing call:
  - a) The nature of the call,
  - b) The actions taken in response to the call,
  - c) The results of the actions taken, and
  - d) If the caller was referred to another agency, the results obtained by the referral agency;
- 5) Conduct at least one fair housing activity each year; and
- 6) Display a fair housing poster in the CDBG Office. (This does not count as a fair housing activity.)

The Subrecipient shall ensure that the fair housing contact person has received training so that he/she can handle fair housing phone inquiries or refer the inquiries to the appropriate people/agencies. Records maintained by the contact will help the community do the following:

- Define where discriminatory practices are occurring,
- Help the community measure the effectiveness of its outreach efforts, and
- Provide the community with a means to gain information that can be used to design and implement strategies that will eliminate fair housing impediments.

Examples of fair housing activities include the following:

- Making fair housing presentations at schools, civic clubs, and neighborhood association meetings;
- Conducting a fair housing poster contest or an essay contest;
- Manning a booth and distributing fair housing materials at libraries, health fairs, community events, yard sales, and church festivals; and
- Conducting fair housing workshops for city/county employees, realtors, bank and mortgage company employees, insurance agents, and apartment complex owners.

Printing a fair housing notice on a utility bill is no longer accepted as a fair housing activity; however, mailing a Commerce-approved fair housing brochure as an insert with utility bills will be accepted as an activity. Placing posters in public buildings does not meet the requirement for a fair housing activity.

The Subrecipient shall document its fair housing activities by keeping photographs, newspaper articles, sign-in sheets and copies of handouts in their CDBG project file and include information about the activities in the comment section of each quarterly report.

## Attachment G – Civil Rights Requirements

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### Equal Employment Opportunity

As a condition for the receipt of CDBG funds, each Subrecipient must certify that it and the contractors, subcontractors, Sub-subrecipients and consultants that it hires with CDBG funds will abide by the Equal Employment Opportunity (EEO) Laws of the United States. The Subrecipient shall demonstrate its commitment to abide by the laws through the actions listed below.

Each Subrecipient shall do the following:

- 1) Have in place an equal employment opportunity resolution or ordinance that protects its applicants and employees and the applicants and employees of its contractors, subcontractors, Sub-subrecipients and consultants from discrimination in hiring, promotion, discharge, pay, fringe benefits, job training, classification, referral, and other aspects of employment, on the basis of race, color, religion, sex, national origin, disability, age, or genetics;
- 2) Designate an employee as the EEO Coordinator who is available during regular business hours to receive EEO calls;
- 3) Publish the EEO Coordinator's contact information quarterly in a newspaper of general circulation in the Subrecipient's jurisdiction so that people know who to call to ask EEO questions or register a complaint. Alternatively, the Subrecipient can post the coordinator's contact information throughout the quarter on the home page of its website; and
- 4) Establish a system to record the following for each EEO call:
  - a) The nature of the call,
  - b) The actions taken in response to the call, and
  - c) The results of the actions taken;

Each Subrecipient shall maintain a list of certified minority-owned business enterprises (MBE) and women-owned business enterprises (WBE) that operate in its region. The Subrecipient shall use this list to solicit companies to bid on CDBG-funded construction activities and shall provide a copy of the list to the prime contractor(s) to use when it hires subcontractors and consultants. The Department of Management Services maintains a list of certified minority and women-owned businesses that can be used to develop a local MBE/WBE list at the following website: <https://osd.dms.myflorida.com/directories>.

### Section 504 and the Americans with Disabilities Act (ADA)

As a condition for the receipt of CDBG funds, the Subrecipient must certify that it provides access to all federally funded activities to all individuals, regardless of handicap. The Subrecipient shall demonstrate its commitment to abide by the laws through the actions listed below.

The Subrecipient shall do the following:

- 1) Have in place a resolution or ordinance that is designed to eliminate discrimination against any person who:
  - a) Has a physical or mental impairment which substantially limits one or more major life activities;
  - b) Has a record of such an impairment; or
  - c) Is regarded as having such an impairment.
- 2) Designate an employee as the Section 504/ADA Coordinator who is available during regular business hours to receive Section 504/ADA calls;
- 3) Publish the Section 504/ADA Coordinator's contact information quarterly in a newspaper of general circulation in the Subrecipient's jurisdiction so that people know who to call to ask Section 504/ADA questions or register a complaint. Alternatively, the Subrecipient can post the coordinator's contact information throughout the quarter on the home page of its website; and

## Attachment G – Civil Rights Requirements

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- 4) Establish a system to record the following for each Section 504/ADA call:
  - a) The nature of the call,
  - b) The actions taken in response to the call, and
  - c) The results of the actions taken.

Section 504 prohibitions against discrimination (see 45 C.F.R. part 84) apply to service availability, accessibility, delivery, employment, and the administrative activities and responsibilities of organizations receiving Federal financial assistance. A Subrecipient of Federal financial assistance may not, on the basis of disability:

- Deny qualified individuals the opportunity to participate in or benefit from Federally funded programs, services, or other benefits,
- Deny access to programs, services, benefits or opportunities to participate as a result of physical barriers, or
- Deny employment opportunities, including hiring, promotion, training, and fringe benefits, for which they are otherwise entitled or qualified.

The ADA regulations (Title II, 28 C.F.R. part 35, and Title III, 28 C.F.R. part 36) prohibit discrimination on the basis of disability in employment, State and local government, public accommodations, commercial facilities, transportation, and telecommunications. To be protected by the ADA, one must have a disability or have a relationship or association with an individual with a disability.

Title II covers all activities of state and local governments regardless of the government entity's size or receipt of Federal funding. Title II requires that State and local governments give people with disabilities an equal opportunity to benefit from all their programs, services, and activities (e.g. public education, employment, transportation, recreation, health care, social services, courts, voting, and town meetings). State and local governments are required to follow specific architectural standards in the new construction and alteration of their buildings. They also must relocate programs or otherwise provide access in inaccessible older buildings, and communicate effectively with people who have hearing, vision, or speech disabilities.

Title III covers businesses and nonprofit service providers that are public accommodations, privately operated entities offering certain types of courses and examinations, privately operated transportation, and commercial facilities. Public accommodations are private entities who own, lease, lease to, or operate facilities such as restaurants, retail stores, hotels, movie theaters, private schools, convention centers, doctors' offices, homeless shelters, transportation depots, zoos, funeral homes, day care centers, and recreation facilities including sports stadiums and fitness clubs. Transportation services provided by private entities are also covered by Title III.

### Section 3 - Economic Opportunities for Low- and Very Low-Income Persons

Each Subrecipient shall encourage its contractors to hire qualified low- and moderate-income residents for any job openings that exist on CDBG-funded projects in the community. The Subrecipient and its contractors shall keep records to document the number of low- and moderate-income people who are hired to work on CDBG-funded projects. The number of low- and moderate-income residents who are hired to work of the project shall be reported in the comment section of the quarterly report.

The following clause is required to be included in all CDBG-funded contracts.

## Attachment G – Civil Rights Requirements

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### *Section 3 Required Language*

- A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. § 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are Subrecipients of HUD assistance for housing.
- B. The Parties to this contract agree to comply with HUD's regulations in 24 C.F.R. part 75, which implements section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 75 regulations.
- C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- D. The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. part 75, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. part 75. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. part 75.
- E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. part 75 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 C.F.R. part 75.
- F. Noncompliance with HUD's regulations in 24 C.F.R. part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
- G. Contracts and subcontracts subject to Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5307(b)) or subject to tribal preference requirements as authorized under 101(k) of the Native American Housing Assistance and Self-Determination Act (25 U.S.C. 4111(k)) must provide preferences in employment, training, and business opportunities to Indians and Indian organizations, and are therefore not subject to the requirements of Section 3.

### **Whistleblower Protection**

The following clause, is required to be included in all federally funded subawards and contracts over the simplified acquisition threshold:

Pursuant to Section 828 of Pub. L 112-239, "National Defense Authorization Act for Fiscal Year 2013" and permanently extended through the enactment of Pub. L 114-261 (December 14, 2016), this award, related subawards, and related contracts over the simplified acquisition threshold and all employees working on this award, related subawards, and related contracts over the simplified acquisition threshold are subject to the whistleblower right and remedies established at 41 U.S.C. § 4712. Subrecipients, their Sub-subrecipients, and their contractors awarded contracts over the simplified acquisition threshold related to this award, shall inform their employees, in writing, in the predominant language of the workforce, of the employee whistleblower rights and protections under 41 U.S.C. § 4712. This clause shall be inserted in all subawards and in contracts over the simplified acquisition threshold related to this award; best efforts should be made to include this clause in any subawards and contracts awarded prior to the effective date of this provision.

## Attachment G – Civil Rights Requirements

### Civil Rights Regulations

As a condition for the receipt of CDBG funds, each Subrecipient must certify that it will abide by the following Federal laws and regulations:

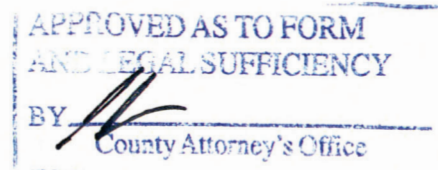
1. Title VI of the Civil Rights Act of 1964 – Prohibits discrimination by government agencies that receive Federal funding;
2. Title VII of the Civil Rights Act of 1964 – prohibits employment discrimination on the basis of race, color, religion, sex, or national origin;
3. Title VIII of the Civil Rights Act of 1968 – as amended (the Fair Housing Act of 1988);
4. 24 C.F.R. § 570.487(b) – Affirmatively Furthering Fair Housing;
5. 24 C.F.R. § 570.490(b) – Unit of general local government's record;
6. 24 C.F.R. § 570.606(b) – Relocation assistance for displaced persons at URA levels;
7. Age Discrimination Act of 1975;
8. Executive Order 12892 – Leadership and Coordination of Fair Housing in Federal Programs: Affirmatively Furthering Fair Housing;
9. Section 109 of the Housing and Community Development Act of 1974 – No person shall be excluded from participation in, denied benefits of, or subjected to discrimination under any program or activity receiving CDBG funds because of race, color, religion, sex or national origin;
10. Section 504 of the Rehabilitation Act of 1973 and 24 C.F.R. part 8, which prohibits discrimination against people with disabilities;
11. Executive Order 11063 – Equal Opportunity in Housing;
12. Executive Order 11246 – Equal Employment Opportunity; and
13. Section 3 of the Housing and Urban Development Act of 1968, as amended –Economic Opportunities for low- and very low-income persons.

I hereby certify that Hernando County, Florida, shall comply with all the provisions and Federal regulations listed in this attachment.

By: Elizabeth Narverud Date: 11-28-2023

Name: Elizabeth Narverud

Title: Chairman



## Attachment H – Reports

**The following reports must be completed and submitted to Commerce in the time frame indicated. Failure to timely file these reports constitutes an Event of Default, as defined in Paragraph (10) Default, of this Agreement.**

1. A **Quarterly Progress Report**, Form SC-65, must be submitted to Commerce 15 calendar days after the end of each quarter. The reports are due by the following dates: April 15, July 15, October 15 and January 15. The quarterly report shall include: a summary of work performed during the reporting period; photographs taken to date; a percent of work completed for each task; a summary of expenditures since the effective date; and a summary of any issues or events occurring which affect the ability of the Subrecipient to meet the terms of this Agreement.
2. A **Contract and Subcontract Activity** form, Form HUD-2516, currently available at <http://www.flrules.org/Gateway/reference.asp?No=Ref-05360>; which is incorporated herein by reference, must be submitted by April 15 and October 15 each year through the Commerce's SFRA reporting system at <https://deosera.my.salesforce.com/>. The form must reflect all contractual activity for the period, including Minority Business Enterprise and Woman Business Enterprise participation. If no activity has taken place during the reporting period, the form must indicate "no activity".
3. The **Administrative Closeout Report**, Form SC-62, must be submitted to Commerce within 45 calendar days of the Agreement end date or within 45 days of the completion of all activities. The Subrecipient must provide all applicable information requested on the closeout report form. The Administrative Closeout Report cannot be submitted to Commerce before the Subrecipient has submitted its Final Request for Funds.

Subrecipients of an Economic Development agreement shall not submit an administrative closeout package until the cost per job is less than \$10,000 or until one year after the date that all CDBG-funded activities were completed, whichever comes first.

The following documentation shall be provided with the Administrative Closeout Report:

- a. Certification that all project activities have been completed, inspected and approved by all parties prior to the subgrant end date and submission of the closeout report;
  - b. Documentation of any leverage expended after the last on-site monitoring visit;
  - c. Documentation of fair housing activities conducted after the last on-site monitoring visit;
  - d. Documentation that all citizen complaints related to the project have been resolved;
  - e. A list of the homes receiving direct benefit, if applicable; and,
  - f. Certification that each housing unit assisted was located within the Subrecipient's jurisdictional boundaries for Housing Rehabilitation subgrants.
  - g. For housing rehabilitation projects, documentation that all homeowners have signed forms stating that they have accepted the improvements.
  - h. Copies of all remaining pre-construction, construction and post-construction photographs of all CDBG-funded activities submitted as .jpeg or .tiff files not previously submitted with quarterly reports.
4. In accordance with 2 C.F.R. part 200, should the Subrecipient meet the threshold for submission of a single or program specific audit, the audit must be conducted in accordance with 2 C.F.R. part 200, and submitted to Commerce no later than nine months from the end of the Subrecipient's fiscal year. If the Subrecipient did not

## Attachment H – Reports

meet the audit threshold, an **Audit Certification Memo**, Form SC-47, must be provided to Commerce no later than nine months from the end of the Subrecipient's fiscal year.

5. A copy of the **Audit Compliance Certification** form, Attachment K, must be emailed to [audit@commerce.fl.gov](mailto:audit@commerce.fl.gov) within 60 calendar days of the end of each fiscal year in which this subgrant was open.
6. **Section 3 Reporting Requirements.** Reporting of labor hours for Section 3 projects must comply with 24 C.F.R. § 75.25(a). Sub-recipients must report the following: (i) the total number of labor hours worked; (ii) the total number of labor hours worked by Section 3 workers; and (iii) the total number of labor hours worked by Targeted Section 3 workers. If Section 3 benchmarks are not met, the Sub-subrecipient's qualitative efforts must be reported in a manner required by 24 C.F.R. § 75.25(b).

Section 3 compliance efforts must be reported through Commerce's SERA reporting system by July 31, annually. Commerce maintains a Section 3 Summary Report form which must be used to report annual accomplishments regarding employment, labor hours worked, and other economic opportunities provided to persons and businesses that meet "Section 3" requirements.

7. **Requests for Funds** payment requests must be submitted in accordance with the timelines included on Attachment C - Activity Work Plan. Commerce will not reimburse a payment request for less than \$5,000 unless it is the final payment request. Each payment request must include an invoice from the Subrecipient to Commerce and copies of all invoices that the Subrecipient received from its consultants for services rendered and the documentation listed below. The invoices must document that the Subrecipient and each consultant/contractor met the Minimum Level of Service listed on the Deliverables page of Attachment A.

For each Commercial Revitalization, Economic Development and Neighborhood Revitalization payment request that includes reimbursement of construction costs, the Subrecipient shall provide a copy of the American Institute of Architects (AIA) form G702, Application and Certification for Payment, or a comparable form approved by Commerce, signed by the contractor and inspection engineer, and a copy of form G703, Continuation Sheet, or a comparable form approved by Commerce. The Subrecipient shall, at a minimum, submit reimbursement requests upon completing 20, 40, 60, 80 and 100 percent of the project (or 25, 50, 75 and 100 percent of the project if so listed on Attachment C – Activity Work Plan).

For each Housing Rehabilitation payment request that includes construction costs, the Subrecipient shall provide a copy of AIA form G702, or a comparable form approved by Commerce, if applicable, signed by the contractor and the local building inspector or housing specialist and a copy of form G703, or a comparable form approved by Commerce, if applicable. For homes being rehabilitated and site-built demolition/replacement houses, the Subrecipient shall, at a minimum, request reimbursement upon completion of each 20 percent of the work. For demo/replacement involving a new mobile home, the Subrecipient shall request reimbursement as soon as the mobile home is installed and the invoice received.

If the Subrecipient needs to remit funds to Commerce, including reimbursement of subgrant funds, program income or interest income paid with CDBG funds (collectively "reimbursements"), Subrecipient shall submit such reimbursements concurrently with a copy of the Return of Funds Form, SC-68.

If the Grantee is a county or municipality that is a rural community or rural area of opportunity as those terms are defined in section 288.0656(2), F.S., the payment of submitted invoices may be issued for verified and eligible performance that has been completed in accordance with the terms and conditions set forth in this Agreement to the extent that federal or state law, rule, or other regulation allows such payments. Upon meeting either of the criteria set forth below, the Grantee may elect in writing to exercise this provision.

## **Attachment H – Reports**

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- a. A county or municipality that is a rural community or rural area of opportunity as those terms are defined in section 288.0656(2), F.S., that demonstrates financial hardship; or
  - b. A county or municipality that is a rural community or rural area of opportunity as those terms are defined in section 288.0656(2), F.S., and which is located in a fiscally constrained county, as defined in section 218.67(1), F.S. If the Grantee meets the criteria set forth in this paragraph, then the Grantee is deemed to have demonstrated a financial hardship.
8. All forms referenced herein are available online at [www.FloridaJobs.org/CDBGSubrecipientInfo](http://www.FloridaJobs.org/CDBGSubrecipientInfo) or upon request from the Commerce grant manager for this Agreement.

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## **Attachment I – Warranties and Representations**

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### **Financial Management**

The Subrecipient's financial management system must comply with the provisions of 2 C.F.R. part 200, section 218.33, F.S., and the rules promulgated thereunder. Subrecipient's financial management system shall include the following:

- (1) Accurate, current and complete disclosure of the financial results of this project or program.
- (2) Records that identify the source and use of funds for all activities. These records shall contain information pertaining to grant awards, authorizations, obligations, unobligated balances, assets, outlays, income and interest.
- (3) Effective control over and accountability for all funds, property and other assets. The Subrecipient shall safeguard all assets and assure that they are used solely for authorized purposes.
- (4) Comparison of expenditures with budget amounts for each payment request. Whenever appropriate, financial information should be related to performance and unit cost data.
- (5) Written procedures to determine whether costs are allowed and reasonable under the provisions of the 2 C.F.R. part 200 and the terms and conditions of this Agreement.
- (6) Cost accounting records that are supported by backup documentation.

### **Competition**

All procurement transactions must follow the provisions of 2 C.F.R. §§ 200.318-200.326 and be conducted in a manner providing full and open competition. The Subrecipient shall be alert to conflicts of interest as well as noncompetitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals shall be excluded from competing for such procurements. Awards must be made to the responsible and responsive bidder or offeror whose proposal is most advantageous to the program, considering the price, quality and other factors. Solicitations shall clearly set forth all requirements that the bidder or offeror must fulfill in order for the bid or offer to be evaluated by the Subrecipient. All bids or offers may be rejected if there is a sound, documented reason.

### **Codes of Conduct**

The Subrecipient shall maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts. No employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the Subrecipient shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. The standards of conduct must provide for disciplinary actions to be applied for violations of the standards by officers, employees, or agents of the Subrecipient. (*See* 2 C.F.R. § 200.318(c)(1).)

### **Business Hours**

The Subrecipient shall have its offices open for business, with the entrance door open to the public, and at least one employee on site at all reasonable times for business. "Reasonable" shall be construed according to circumstances, but ordinarily shall mean normal business hours of 8:00 a.m. to 5:00 p.m., local time, Monday through Friday.

### **Licensing and Permitting**

All contractors or employees hired by the Subrecipient shall have all current licenses and permits required for all the particular work for which they are hired by the Subrecipient.

## Attachment J – Audit Requirements

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The administration of resources awarded by Commerce to the Subrecipient may be subject to audits and/or monitoring by Commerce as described in this section.

### **MONITORING**

In addition to reviews of audits conducted in accordance with 2 C.F.R. 200 Subpart F (Audit Requirements) and section 215.97, F.S., as revised (see “AUDITS” below), monitoring procedures may include, but not be limited to, on-site visits by Commerce staff, limited scope audits as defined by 2 C.F.R. part 200, as revised, and/or other procedures. By entering into this Agreement, the Subrecipient agrees to comply and cooperate with any monitoring procedures/processes deemed appropriate by Commerce. In the event Commerce determines that a limited scope audit of the Subrecipient is appropriate, the Subrecipient agrees to comply with any additional instructions provided by Commerce staff to the Subrecipient regarding such audit. The Subrecipient further agrees to comply and cooperate with any inspections, reviews, investigations, or audits deemed necessary by the Chief Financial Officer (CFO) or Auditor General.

### **AUDITS**

#### **PART I: FEDERALLY FUNDED**

This part is applicable if the Subrecipient is a State or local government or a non-profit organization as defined in 2 C.F.R. part 200, as revised.

1. In the event that the Subrecipient expends \$750,000 or more in federal awards in its fiscal year, the Subrecipient must have a single or program-specific audit conducted in accordance with the provisions of 2 CFR 200 Subpart F (Audit Requirements), as revised. In determining the federal awards expended in its fiscal year, the Subrecipient shall consider all sources of federal awards, including federal resources received from Commerce. The determination of amounts of federal awards expended should be in accordance with the guidelines established by 2 C.F.R. 200 Subpart F (Audit Requirements), as revised. An audit of the Subrecipient conducted by the Auditor General in accordance with the provisions of 2 C.F.R. 200 Subpart F (Audit Requirements), as revised, will meet the requirements of this part.
2. In connection with the audit requirements addressed in Part I, paragraph 1, the Subrecipient shall fulfill the requirements relative to auditee responsibilities as provided in 2 C.F.R. 200 Subpart F (Audit Requirements), as revised.
3. If the Subrecipient expends less than \$750,000 in federal awards in its fiscal year, an audit conducted in accordance with the provisions of 2 C.F.R. 200 Subpart F (Audit Requirements), as revised, is not required. In the event that the Subrecipient expends less than \$750,000 in federal awards in its fiscal year and elects to have an audit conducted in accordance with the provisions of 2 C.F.R. 200 Subpart F (Audit Requirements), as revised, the cost of the audit must be paid from non-federal resources (i.e., the cost of such an audit must be paid from Subrecipient resources obtained from other than federal entities).
4. Although 2 C.F.R. 200 Subpart F (Audit Requirements) does not apply to commercial (for-profit) organizations, the pass-through entity has an obligation to ensure that for-profit Sub-subrecipients that expend \$750,000 or more in federal awards must comply with federal awards guidelines (see 2 C.F.R. 200.501(h)). Additionally, for-profit entities may be subject to certain specific audit requirements of individual federal grantor agencies.

Additional Federal Single Audit Act resources can be found at:

<https://harvester.census.gov/facweb/Resources.aspx>

## Attachment J – Audit Requirements

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### PART II: STATE FUNDED

This part is applicable if the Subrecipient is a non-state entity as defined by section 215.97(2), F.S.

1. In the event that the Subrecipient expends a total amount of state financial assistance equal to or in excess of \$750,000 in any fiscal year of such Subrecipient, the Subrecipient must have a State single or project-specific audit for such fiscal year in accordance with section 215.97, F.S.; applicable rules of the Department of Financial Services; and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General. In determining the state financial assistance expended in its fiscal year, the Subrecipient shall consider all sources of state financial assistance, including state financial assistance received from Commerce, other state agencies, and other non-state entities. State financial assistance does not include Federal direct or pass-through awards and resources received by a non-state entity for federal program matching requirements.
2. In connection with the audit requirements addressed in Part II, paragraph 1, the Subrecipient shall ensure that the audit complies with the requirements of section 215.97(8), F.S. This includes submission of a financial reporting package as defined by section 215.97(2), F.S., and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General.
3. If the Subrecipient expends less than \$750,000 in state financial assistance in its fiscal year, an audit conducted in accordance with the provisions of section 215.97, F.S., is not required. In the event that the Subrecipient expends less than \$750,000 in state financial assistance in its fiscal year and elects to have an audit conducted in accordance with the provisions of section 215.97, F.S., the cost of the audit must be paid from the non-state entity's resources (i.e., the cost of such an audit must be paid from the Subrecipient's resources obtained from other than State entities).

Additional information regarding the Florida Single Audit Act can be found at:

<https://apps.fldfs.com/fsaa/>

### PART III: OTHER AUDIT REQUIREMENTS

(NOTE: This part would be used to specify any additional audit requirements imposed by the State awarding entity that are solely a matter of that State awarding entity's policy (i.e., the audit is not required by Federal or State laws and is not in conflict with other Federal or State audit requirements). Pursuant to section 215.97(8), F.S., State agencies may conduct or arrange for audits of state financial assistance that are in addition to audits conducted in accordance with section 215.97, F.S. In such an event, the State awarding agency must arrange for funding the full cost of such additional audits.)

N/A

### PART IV: REPORT SUBMISSION

1. Copies of reporting packages, to include any management letter issued by the auditor, for audits conducted in accordance with 2 C.F.R. 200 Subpart F (Audit Requirements), as revised, and required by PART I of this Exhibit Agreement shall be submitted by or on behalf of the Subrecipient directly to each of the following at the address indicated:
  - A. Florida Department of Commerce  
Financial Monitoring and Accountability (FMA)  
The copy submitted to the FMA section should be sent via email to: [FMA-RWB@commerce.fl.gov](mailto:FMA-RWB@commerce.fl.gov)
  - B. The Federal Audit Clearinghouse designated in 2 C.F.R. 200 Subpart F (Audit Requirements), as revised, electronically at: <https://harvester.census.gov/facweb/>

## Attachment J – Audit Requirements

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2. Copies of audit reports for audits conducted in accordance with 2 C.F.R. 200 Subpart F (Audit Requirements), as revised, and required by Part I (in correspondence accompanying the audit report, indicate the date that the Subrecipient received the audit report); copies of the reporting package described in Section .512(c), 2 C.F.R. 200 Subpart F (Audit Requirements), as revised, and any management letters issued by the auditor; copies of reports required by Part II of this Exhibit must be sent to Commerce at the addresses listed in paragraph three (3) below.
3. Copies of financial reporting packages required by PART II of this Agreement shall be submitted by or on behalf of the Subrecipient directly to each of the following:
  - A. Commerce at the following address:  
  
Electronic copies: [Audit@commerce.fl.gov](mailto:Audit@commerce.fl.gov)
  - B. The Auditor General's Office at the following address:  
  
Auditor General  
Local Government Audits/342  
Claude Pepper Building, Room 401  
111 West Madison Street  
Tallahassee, FL 32399-1450  
  
Email Address: [flaudgen\\_localgovt@aud.state.fl.us](mailto:flaudgen_localgovt@aud.state.fl.us)
4. Any reports, management letter, or other information required to be submitted to Commerce pursuant to this Agreement shall be submitted timely in accordance with 2 C.F.R. part 200 subpart F, section 215.97 F.S., and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, as applicable.
5. Subrecipients and Sub-subrecipients, when submitting financial reporting packages to Commerce for audits done in accordance with Chapter 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, should indicate the date that the reporting package was delivered to the Subrecipient/Sub-subrecipient in correspondence accompanying the reporting package.

### PART V: RECORD RETENTION

The Subrecipient shall retain sufficient records demonstrating its compliance with the terms of this Agreement for a period of five (5) years from the date the audit report is issued, or five (5) state fiscal years after all reporting requirements are satisfied and final payments have been received, or for a period of three (3) years from the date that Commerce closes out the CDBG program year(s) from which the funds were awarded by the U.S. Department of Housing and Urban Development, whichever period is longer, and shall allow Commerce, or its designee, the Chief Financial Officer (CFO), or Auditor General access to such records upon request. In addition, if any litigation, claim, negotiation, audit, or other action involving the records has been started prior to the expiration of the controlling period as identified above, the records shall be retained until completion of the action and resolution of all issues which arise from it, or until the end of the controlling period as identified above, whichever is longer. The Subrecipient shall ensure that audit working papers are made available to Commerce, or its designee, CFO, or Auditor General upon request for a period of five (5) years from the date the audit report is issued, unless extended in writing by Commerce.

Exhibit 1 to Attachment J – Funding Sources

Federal Resources Awarded to the Subrecipient Pursuant to this Agreement Consist of the Following:

|                                                      |                                                                                                                                                           |
|------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|
| Federal Awarding Agency:                             | U.S. Department of Housing and Urban Development                                                                                                          |
| Federal Funds Obligated to Subrecipient:             | \$750,000.00                                                                                                                                              |
| Catalog of Federal Domestic Assistance Title:        | Community Development Block Grants/State’s Program and Non-Entitlement Grants in Hawaii                                                                   |
| Catalog of Federal Domestic Assistance Number:       | 14.228                                                                                                                                                    |
| Project Description:                                 | Funding is being provided for needed infrastructure improvements to benefit low- and moderate-income persons residing in the Subrecipient’s jurisdiction. |
| <i>This is not a research and development award.</i> |                                                                                                                                                           |

Compliance Requirements Applicable to the Federal Resources Awarded Pursuant to this Agreement are as Follows:

Federal Program

1. The Subrecipient shall perform its obligations in accordance with sections 290.0401- 290.048, F.S.
2. The Subrecipient shall perform its obligations in accordance with 24 C.F.R. §§ 570.480 – 570.497.
3. The Subrecipient shall perform the obligations as set forth in this Agreement, including any attachments or exhibits thereto.
4. The Subrecipient shall perform the obligations in accordance with chapter 73C-23, F.A.C.
5. The Subrecipient shall be governed by all applicable laws, rules and regulations, including, but not necessarily limited to, those identified in Attachment F – State and Federal Statutes, Regulations, and Policies

State Resources Awarded to the Subrecipient Pursuant to this Agreement Consist of the Following: N/A

Matching Resources for Federal Programs: N/A

Subject to Section 215.97, Florida Statutes: N/A

Compliance Requirements Applicable to State Resources Awarded Pursuant to this Agreement are as Follows:  
N/A

NOTE: Title 2 C.F.R. § 200.331 and section 215.97(5), F.S., require that the information about Federal Programs and State Projects included in Exhibit 1 and the Notice of Subgrant Award/Fund Availability be provided to the Subrecipient.

## Attachment K – Audit Compliance Certification

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|
| <i>Email a copy of this form within 60 days of the end of each fiscal year in which this subgrant was open to <a href="mailto:audit@commerce.fl.gov">audit@commerce.fl.gov</a>.</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                    |
| Subrecipient:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                    |
| FEIN:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Subrecipient's Fiscal Year:        |
| Contact Name:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Contact's Phone:                   |
| Contact's Email:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                    |
| <p>1. Did the Subrecipient expend state financial assistance, during its fiscal year, that it received under any agreement (e.g., contract, grant, memorandum of agreement, memorandum of understanding, economic incentive award agreement, etc.) between the Subrecipient and the Florida Department of Commerce (Commerce)? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If the above answer is yes, answer the following before proceeding to item 2.</p> <p>Did the Subrecipient expend \$750,000 or more of state financial assistance (from Commerce and all other sources of state financial assistance combined) during its fiscal year? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>If yes, the Subrecipient certifies that it will timely comply with all applicable State single or project-specific audit requirements of section 215.97, Florida Statutes, and the applicable rules of the Department of Financial Services and the Auditor General.</b></p> |                                    |
| <p>2. Did the Subrecipient expend federal awards during its fiscal year that it received under any agreement (e.g., contract, grant, memorandum of agreement, memorandum of understanding, economic incentive award agreement, etc.) between the Subrecipient and Commerce? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If the above answer is yes, also answer the following before proceeding to execution of this certification:</p> <p>Did the Subrecipient expend \$750,000 or more in federal awards (from Commerce and all other sources of federal awards combined) during its fiscal year? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><b>If yes, the Subrecipient certifies that it will timely comply with all applicable single or program-specific audit requirements of 2 C.F.R. part 200, subpart F, as revised.</b></p>                                                                                                                                      |                                    |
| <b>By signing below, I certify, on behalf of the Subrecipient, that the above representations for items 1 and 2 are true and correct.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                    |
| Signature of Authorized Representative                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Date                               |
| Printed Name of Authorized Representative                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Title of Authorized Representative |