

Sponsor: Bailey

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FLORENCE, ALABAMA, that the attached contract between the City of Florence, Alabama, and Florence Accounting and Tax, LLC, in the amount of \$5,900.00, to provide economic development direct assistance, in accordance with the approved Community Development Action Plan, is hereby approved, ratified and confirmed.

BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF FLORENCE, ALABAMA, that the proper City of Florence officials are hereby authorized and directed to execute and attest said contract.

ADOPTED this _____ day of _____, 2024.

CITY COUNCIL

APPROVED this _____ day of _____, 2024.

MAYOR

ADOPTED & APPROVED this _____ day of _____, 2024.

CITY CLERK - TREASURER

STATE OF ALABAMA
LAUDERDALE COUNTY
NAME OF SUBRECIPIENT: Florence Tax and Account
HUD GRANT NO: B-24-MC-01-0003

THIS AGREEMENT made and entered into as of _____ by and between **The City of Florence** (herein called the "Grantee"), and **Florence Accounting and Tax, LLC** (hereinafter referred to as the "Subrecipient," located within the confines of the City of Florence).

WHEREAS, the Grantee has applied for and received Program Year [PY] 2024 Community Development Block Grant [CDBG] funds, (hereinafter referred to as "CDBG") under Title I of the Community Development Act [HCDA] of 1974, as amended, to carry out various housing and community development activities in the City jurisdiction; and

WHEREAS, the Mayor and City Council has approved appropriations in the amount of **\$5,900** and authorized this award to the Subrecipient for the implementation of activities determined to be CDBG eligible by the City; and

WHEREAS, the Subrecipient agrees to assume certain responsibilities for the implementation of its CDBG assisted activities, and certifies that it will comply with the applicable certifications contained in Exhibit 1; with the Scope of Services provided in Exhibit 3; with Non-Real Property Reports, included as Exhibit 6; with any amendments to this Agreement, included as Exhibit 7; with the Lease Agreement requirements included as Exhibit 8, if applicable; with the property use requirements included as Exhibit 9, if applicable; with the HUD regulations included as Exhibit 10; and, with the Immigration and Conflict of Interest Compliances included as Exhibit 11;

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

I. SCOPE OF SERVICES

Exhibit 3 and attendant documents, which are hereby attached and incorporated herein

II. NOTICES

Notices required by this Agreement shall be in writing and delivered via postal service, in-person, or electronic mail. All notices and communications under this Agreement shall be addressed to the individuals indicated below, unless otherwise modified by subsequent written notice.

Grantee
Mrs. Melissa H. Bailey, Director
City of Florence
110 W. College Street, Suite 115
Florence, AL 35630
mbailey@florenceal.org

Subrecipient
Corey Stooksberry, Owner
Florence Accounting & Tax, LLC
254 Seville Street, Suite 6
Florence, AL 35630
florencetaxllc@gmail.com

III. GENERAL CONDITIONS

A. General Compliance

The Subrecipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)) including subpart K of these regulations, except that (1) the Subrecipient does not assume the recipient's environmental responsibilities described in 24 CFR 570.604 and (2) the Subrecipient does not assume the recipient's responsibility for initiating the review process under the provisions of 24 CFR Part 52. The Subrecipient also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this contract. The Subrecipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

B. "Independent Contractor"

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Subrecipient shall at all times remain an "independent contractor" with respect to the services to be performed under this Agreement. The Grantee shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance, as the Subrecipient is an independent contractor.

C. Hold Harmless

The Subrecipient does hereby agree to release, indemnify, and hold harmless the Grantee, its employees and agents from and against all costs, expenses, claims, suits, or judgments arising from or growing out of any injuries, loss or damage sustained by any person or corporation, including employees of Subrecipient and property of Subrecipient, which are caused by or sustained in connection with the tasks carried out by the Subrecipient under this Agreement.

D. Workers' Compensation

The Subrecipient shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement.

E. Insurance & Bonding

The Subrecipient shall carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to cash advances from the Grantee. The Subrecipient shall comply with the bonding and insurance requirements of 24 CFR 84.31 and 84.48, Bonding and Insurance.

F. Grantee Recognition

The Subrecipient shall insure recognition of the role of the Grantee in providing services through this Agreement. All activities, facilities and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, the Subrecipient will include a reference to the support provided herein in all publications made possible with funds made available under this Agreement. The Subrecipient shall insure that the City of Florence Mayor, City Council, Community Development Division and HUD are provided proper recognition for the following types of activities.

1. All CDBG Public Facilities and Capital Public Services Projects will affix proper signage in a prominent position inside/outside of its administrative offices and outside of all Project Sites which includes language recognizing the role the CDBG Program, City of Florence Mayor and City Council, Community Development Division, and HUD have provided.
2. Provide the City of Florence Mayor and City Council, and the Community Development Division with adequate lead time to assist in the planning and implementation of any Groundbreakings, Dedication Ceremonies, and Special Events [i.e., City of Florence Celebration of National CDBG Week] in Projects funded in whole or in part with CDBG funds.
3. Copies of all reports, newspaper feature stories and articles, brochures, newsletters, advertisements, and other published materials shall contain statements which provide adequate recognition of the support provided by the City of Florence Mayor and City Council, and the Community Development Division and HUD in the funding assistance provided to the Subrecipient.
4. Attend and/or hold such meetings, hearings, and related gatherings as the City of Florence, City of Florence Mayor and City Council, and the Community Development Division and HUD require.

G. Amendments

The Grantee or Subrecipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each organization, and approved by the Grantee's governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the Grantee or Subrecipient from its obligations under this Agreement.

The Grantee may, in its discretion, amend this Agreement to conform with Federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both Grantee and Subrecipient.

H. Suspension or Termination

1. Non-compliance

In accordance with 24 CFR 85.43, the Grantee may suspend or terminate this Agreement if the Subrecipient materially fails to comply with any terms of this Agreement, which include (but are not limited to) the following:

- a. Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;
- b. Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this Agreement;
- c. Ineffective or improper use of funds provided under this Agreement; or
- d. Submission by the Subrecipient to the Grantee reports that are incorrect or incomplete in any material respect.

2. Convenience

In accordance with 24 CFR 85.44, this Agreement may also be terminated for convenience by either the Grantee or the Subrecipient, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the Grantee determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the Grantee may terminate the award in its entirety. Any funds allocated to the Subrecipient under this Agreement which remain unobligated or unspent upon such date of termination shall automatically revert to the City.

IV. ADMINISTRATIVE REQUIREMENTS

A. Financial Management

1. Accounting Standards

The Subrecipient agrees to comply with 24 CFR 84.21-28 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

2. Cost Principles

The Subrecipient shall administer its program in conformance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations," or A-21, "Cost Principles for Educational Institutions," as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

B. Documentation and Record Keeping

1. Records to be Maintained

The Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR 570.506 that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;

- b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
- c. Records required to determine the eligibility of activities
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- f. Financial records as required by 24 CFR 570.502, and 24 CFR 84.21-28; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

2. Retention

The Subrecipient shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of four (4) years. The retention period begins on the date of the submission of the Grantee's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the four-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the four-year period, whichever occurs later.

3. Client Data

The Subrecipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to Grantee monitors or their designees for review upon request.

4. Disclosure

The Subrecipient understands that client information collected under this contract is private and the use or disclosure of such information, when not directly connected with the administration of the Grantee's or Subrecipient's responsibilities with respect to services provided under this contract, is prohibited unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.

5. Close-outs

The Subrecipient's obligation to the Grantee shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income

balances, and accounts receivable to the Grantee), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Subrecipient has control over CDBG funds, including program income.

6. Audits & Inspections

All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the Grantee, grantor agency, and the Comptroller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient within 30 days after receipt by the Subrecipient. Failure of the Subrecipient to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The Subrecipient hereby agrees to have an annual agency audit conducted in accordance with current Grantee policy concerning subrecipient audits and OMB Circular A-133. The subrecipient agrees to comply with the requirements of:

- a. 2 CFR §200.110: Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- b. 2 CFR §200.501: Audit requirements.
- c. Additional Audit Standards: Because the City of Florence is responsible for any grant funds provided to subrecipients, any organization which expends a total of CDBG funds between \$0.00 and \$750,000.00 in any fiscal year from this agreement must have an audit of those funds performed annually, or shall follow procedures specified, herein, as if all funds were subject to the requirements below.
 - i. The Subrecipient shall have an annual audit conducted by a qualified auditor in keeping with the standards of OMB Circular 2 CFR 200.501, Audits of States, Local Governments and Nonprofit Institutions, and a copy of the audit findings, or independent auditor's statement, shall be submitted to the City of Florence, within 120 days of the end of the Subrecipient's fiscal year;
 - ii. All requests to the City for CDBG reimbursements shall be approved by an individual at least one level above that person that prepares the reimbursement request. If the reimbursement request is prepared by the Chief Financial Administrator of the organization, the request shall be approved by the Executive Director or a member of the governing board;
 - iii. Requests for reimbursement submitted to the City shall attach a copy of the appropriate invoice and canceled check for each expense for which reimbursement is being requested. If bank checks are not

returned to the Subrecipient, a copy of the bank statement identifying the check may be substituted for the check;

- iv. The City of Florence shall periodically perform program reviews of Subrecipient financial records, generally at least once during the period covered by this Agreement. This review will, at a minimum, include procedures to verify documentation of expenditures requested in one or more reimbursement requests;
- v. Any appropriate corrective action for instances of noncompliance as a result of these program reviews has been taken within six (6) months of notification by the City of Florence that these reportable conditions exist; and
- vi. If the Subrecipient receives only CDBG funds and no other Federal funds, and if the total CDBG funds received is less than \$25,000, the Subrecipient may indicate by checking and signing here that the Subrecipient is requesting authority from the City of Florence to submit a separate schedule covering CDBG funds within the General Audit of the Subrecipient.

Subrecipient, herein, requests authority to submit separate CDBG schedule as a part of its General Audit:

Signature for the Subrecipient

Date

The above procedures will provide the City's independent auditor with sufficient information to determine whether the Subrecipient has materially complied with the applicable laws and regulations, as they govern their programs. If any of the above procedures provide less information than is already required by this agreement, then the applicable procedures already stated in the agreement shall govern the Subrecipient's responsibilities to City of Florence.

The Subrecipient further agrees to send one copy of the independent auditor's report or its financial statements to the City within 120 days following the close of the Subrecipient's fiscal year.

The Subrecipient agrees to have its Single Audit or other independent audit performed, in conformance with Federally-required stipulations, at its own cost and not payable with CDBG funds.

The Subrecipient further agrees to send three (3) copies of its Single Audit Report or independent auditor's report to the City of Florence as soon as practicable following the close of the Subrecipient's fiscal year, but in no case shall the audit report be submitted to the City of Florence later than 9 months following the close of the Subrecipient's fiscal year which is the subject of the audit in question.

The City reserves the right to recover, from non-CDBG sources of the Subrecipient, any CDBG expenses of the Subrecipient which are questioned or disallowed by the Subrecipient's independent auditor or by City of Florence's independent auditor as a part of their review of the Subrecipient's audit.

C. Reporting and Payment Procedures

1. Program Income

If the Subrecipient generates any program income as a result of the expenditure of CDBG funds, the provisions of 24 CFR 570.504(c) shall apply, as well as the following specific stipulations:

- a. The Subrecipient acknowledges, by the executing this Agreement, the Subrecipient shall report monthly all program income (as defined at 24 CFR 570.500(a)) generated by activities carried out with CDBG funds made available under this contract. When CDBG program income is generated by an activity that is only partially assisted with CDBG funds (i.e., other funds were also used to carry out the project activity), the program income shall be prorated to reflect the percentage of CDBG funds used and deducted from the Subrecipients monthly reimbursement request.
- b. The use of program income by the Subrecipient shall comply with the requirements set forth at 24 CFR 570.504. By way of further limitations, the Subrecipient may use such income during the contract period for activities permitted under this contract and shall reduce requests for additional funds by the amount of any such program income balances on hand.
- c. The Subrecipient further acknowledges, by executing this Agreement, that the City has the responsibility for monitoring and reporting to the U.S. Department of Housing and Urban Development (HUD) on the generation of any such program income. The Subrecipient acknowledges its responsibility for appropriate record keeping and reporting to the City on the generation and/or receipt of such program income.
- d. In the event of close-out or change in status of the Subrecipient, any program income that is on hand or received subsequent to the close-out or change in status shall be paid to the City within 30 calendar days of the official date of the close-out or change in status. The City agrees to notify the Subrecipient in writing, should closeout or change in status of the Subrecipient occur as a result of changes in CDBG Program statutes, regulations, and/or instructions.

2. Indirect Costs

If indirect costs are charged, the Subrecipient will develop an indirect cost allocation plan for determining the appropriate Subrecipient's share of administrative costs and shall submit such plan to the Grantee for approval, in a form specified by the Grantee.

3. Payment Procedures

The Grantee will pay to the Subrecipient funds available under this Agreement based upon information submitted by the Subrecipient and consistent with any approved budget and Grantee policy concerning payments. With the exception of certain advances, payments will be made for eligible expenses actually incurred by the Subrecipient, and not to exceed actual cash requirements. Payments will be adjusted by the Grantee in accordance with advance fund and program income balances available in Subrecipient accounts. In addition, the Grantee reserves the right to liquidate funds available under this contract for costs incurred by the Grantee on behalf of the Subrecipient.

The City of Florence utilizes a "reimbursement process" for all subrecipients participating in the CDBG Program. All Program funds will be paid by City of Florence to subrecipients upon submission of acceptable payment documentation to the Community Development Division by the subrecipient in a timeframe required by the Division. Reimbursement payments by City of Florence will be made using the normal 15-day payment schedule for all subrecipient disbursements.

If goods or services are necessary to carry out such activities, the procurement of all such goods and services shall be carried in accordance with the requirements of 24 CFR Part 84 and with the written procurement requirements of the subrecipient, the more restrictive of which shall apply.

4. Progress Reports

Monthly Services Reports [see form in Exhibit 2] shall be filed with the Community Development Division beginning with the 1st date of operation of the activity (s). Reports shall be submitted by the 15th of each month to the Grantee in the form, content and frequency as required by the Grantee. Failure to submit said report will delay any reimbursement requests submitted to the Grantee.

D. Procurement

1. Compliance

- a. The Subrecipient shall be responsible for procurement of all supplies, equipment, services, and construction necessary for implementation of its activity(s). Procurement shall be carried out in accordance with the "Common Rule" provisions for governmental entities (24 CFR Part 85) or with the "Common Rule" provisions for non-profit organizations (24 CFR Part 84), the procurement requirements of the Subrecipient, and all provisions of the ~~CDBG~~ Regulations [24 CFR Part 570].
- b. The governing board of the Subrecipient shall formally adopt written procurement procedures which are at least as restrictive as those required in the aforementioned regulations [24 CFR Part 84 or 24 CFR

Part 85 as applicable] and shall provide a copy of said procurement procedures and evidence of governing board adoption to the City at the time that this Subrecipient Agreement shall be returned to the City for signature by the City of Florence Mayor and City Council.

- c. The Subrecipient shall prepare, or cause to be prepared, all advertisements, negotiations, notices, and documents; enter into all contracts; and conduct all meetings, conferences, and interviews as necessary to ensure compliance with the above described procurement requirements.

E. Use and Reversion of Assets

The following standards shall apply to real property/non-real property (within the control of the Subrecipient) acquired or improved, in whole or in part, using CDBG funds. The standards are:

1. Change in Real Property Status

- a. Sale of Property

The Subrecipient may sell the property acquired or improved with CDBG assistance at any time. If the Subrecipient sells the property or otherwise transfers ownership [title] to another entity that continues to use the property for an activity that meets a CDBG National Objective and is an eligible activity, the City will not require the Subrecipient to repay funds to the City's CDBG Program. If the Subrecipient sells the property or transfers ownership [title] to another entity that **does not continue** to use the property for an activity that meets a CDBG National Objective and is a eligible CDBG activity, the City will require the Subrecipient to repay to the City the fair market value of the property, less any portion of the value attributable to expenditures of non-CDBG funds for the acquisition of and improvements to the property. However, prior to such sale of CDBG-assisted property, the Subrecipient shall notify the City in writing of its intent to sell the property and shall determine the fair market value of the property by obtaining at least one review appraisal of the property performed by separate appraisers who are licensed by the State of Alabama.

If the Subrecipient sells or transfers the ownership [title] to the property at a point in time five [5] years after the City receives its last increment of CDBG funding, the City will not require the Subrecipient to reimburse the City's CDBG Program.

- b. Change in Use of Property: The Subrecipient may change the use of the property at any time provided it complies with the following stipulations:
 - i. If the Subrecipient proposes to change the use of the property to an activity that meets a CDBG National Objective and is an eligible CDBG

activity, the City will not require the Subrecipient to repay funds to the City's CDBG Program. However, prior to such change in use the Subrecipient shall notify the City in writing of its intent to change the use of the property to permit the City to notify affected citizens with reasonable notice and opportunity to comment on the proposed change in use, as required by 24 CFR 570.505.

- ii. If the Subrecipient proposes to change the use of property to an activity that *does not meet* a CDBG National Objective or is not an eligible activity, the City will require the Subrecipient to reimburse the City's CDBG Program the fair market share of the property as adjusted for non-CDBG funds.
 - iii. However, prior to such change in use, the Subrecipient shall notify the City in writing of its intent to change the use of the property and shall determine the fair market value of the property by obtaining at least one appraisal and at least one review appraisal of the property performed by separate appraisers who are licensed by the State of Alabama.
 - iv. If the Subrecipient proposes to change the use of the property at a point-in-time five [5] years after the City receives its last increment of CDBG funding, the City will not require the Subrecipient to reimburse the City's CDBG Program.
- c. Reversion of Assets Provision

The City of Florence, under the Reversion of Assets Provision at 570.503 (7), can waive the repayment obligation by the Subrecipient providing a current fair market "like-amount" of funds at another facility which serves the eligible clientele, by "transferring" the "eligible use" of the existing property to a newly acquired property so that the original CDBG funds will continue to carry out eligible CDBG activities. If a Subrecipient should dispose of a CDBG-funded real property which has increased in value and chooses to acquire a property of less than the current fair market value of the existing property, the Subrecipient shall repay City of Florence, from non-CDBG funds, the difference between the existing real property current fair market value and the lesser value transferred to another "eligible" property site where eligible CDBG activities are to be carried out.

The Subrecipient shall inform the City in writing, 30 calendar days prior to any modification or change in the use of real property from that specified in this Agreement, at the time of acquisition or improvements, including disposition.

Any Program Income generated from the disposition or transfer of property prior to or subsequent to the closeout, change of status or termination of the Subrecipient Agreement between the City and the

Subrecipient shall be repaid to the City at the time of disposition or transfer of the property.

2. Use of City-Owned Property

A lease agreement, in a format prescribed by the City, must be executed between the City and the Subrecipient for any City CDBG-assisted Subrecipient activity which is to be carried out wholly, or in part, on City-owned real property. The lease agreement shall be included in this Subrecipient Agreement as Exhibit 4. Said lease agreement must contain, at a minimum, the following items and any other items determined by the City to be applicable to the specific lease:

- a. The beginning and ending dates of the lease (at least 15 years to be eligible for CDBG funding assistance (applicable for new acquisition activities only).
- b. Identification of the parties to the lease; i.e., the Lessor shall be the City and the Lessee shall be the Subrecipient.
- c. Identification of the precise land parcel(s) and/or structure(s) which constitute the subject of the lease.
- d. Identification of the CDBG-eligible use of the real property(s) and/or structure(s).
- e. A termination statement acceptable to the City and the U.S. Department of Housing and Urban Development.
- f. The lease must contain a regulatory compliance statement indicating that the terms are in conformance with all applicable Federal, State, and City of Florence rules, regulations, and requirements.
- g. The lease must contain a maintenance of property statement indicating that the property(s) and/or structure(s) which is the subject of the lease agreement will be maintained in conformance with all applicable Federal, State, and City of Florence rules, regulations, and requirements.
- h. The lease must contain a non-assignability clause indicating that the lease may not be assigned to any other party(s) without prior written approval by the City and subsequent execution of an amendment to the lease and to this Subrecipient Agreement.
- i. The lease must contain an insurance certification statement indicating that the lessee will maintain appropriate types of insurance, as specified in the lease, on the property(s) and/or structure(s), which is the subject of the lease.
- j. The lease must contain an indemnification statement, as specified by the City.

- k. The lease must contain a statement as to governance, performance, and enforcement under the laws of the State of Alabama.
- l. The lease may contain special conditions unique to the specific lessor/lessee circumstances and/or unique to the specific property(s) and/or structure(s).
- m. If the Subrecipient wishes to carry out its CDBG-assisted activity on real property(s) and/or in a structure(s) which is owned neither by the Subrecipient nor by the City, a long-term lease (minimum 15 years) must be executed which meets the standards specified in Section 18 (f), above. However, prior to execution of said lease, the City must approve the form and content of the Lease Agreement to insure its compliance with the terms of this Agreement.
- n. Private non-profit subrecipient organizations must also execute a real property use document(s) with the City, if required by the City. Such a document(s) provides the City with a mechanism to insure its fiduciary interest in the property(s) and/or structure(s) for which the City provided CDBG funds to the private non-profit organization via this Agreement.
- o. In the event of the dissolution or change in status of the private non-profit organization or change in scope of the CDBG-assisted activity -- resulting in the CDBG-assisted activity becoming an ineligible CDBG activity, as defined by CDBG rules and regulations applicable at the time of such dissolution or change in status -- the City shall, at its option, exercise its right to obtain its appropriate share of the value of the CDBG-assisted property, as permitted by the rules and regulations governing the CDBG Program at the time of such an occurrence, and as specified by this Agreement. The real property use documents referenced, herein, shall be appended to this Agreement and shall constitute Exhibit 5.

V. RELOCATION, REAL PROPERTY ACQUISITION AND ONE-FOR-ONE HOUSING REPLACEMENT

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

VI. PERSONNEL & PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

The Subrecipient agrees to comply with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.

2. Nondiscrimination

The Subrecipient agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCDA are still applicable.

3. Land Covenants

This contract is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352) and 24 CFR 570.601 and 570.602. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this contract, the Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantee and the United States are beneficiaries of and entitled to enforce such covenants. The Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. Section 504

The Subrecipient agrees to comply with all Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against the individuals with disabilities or handicaps in any Federally assisted program. The Grantee shall provide the Subrecipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

B. Affirmative Action

1. Approved Plan

The Subrecipient agrees that it shall be committed to carry out pursuant to the Grantee's specifications an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1966. The Grantee shall provide Affirmative Action guidelines to the Subrecipient to assist in the

formulation of such program. The Subrecipient shall submit a plan for an Affirmative Action Program for approval prior to the award of funds.

2. Women- and Minority-Owned Businesses (W/MBE)

The Subrecipient will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro- Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian- Americans, and American Indians. The Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

3. Access to Records

The Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

4. Notifications

The Subrecipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the Subrecipient's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5. Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

The Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

6. Subcontract Provisions

The Subrecipient will include the provisions of Paragraphs X.A, Civil Rights, and B, Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own subrecipients or subcontractors.

C. Employment Restrictions

1. Prohibited Activity

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

2. Labor Standards

The Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327 *et seq.*) and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The Subrecipient agrees to comply with the Copeland Anti- Kick Back Act (18 U.S.C. 874 *et seq.*) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. The Subrecipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Grantee for review upon request.

The Subrecipient agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair work financed in whole or in part with assistance provided under this contract, shall comply with Federal requirements adopted by the Grantee pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided that, if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the Subrecipient of its obligation, if any, to require payment of the higher wage. The Subrecipient shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

3. "Section 3" Clause

a. Compliance

Compliance with the provisions of Section 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder prior to the execution of this contract, shall be a condition of the Federal financial assistance provided under this contract and binding upon the Grantee, the Subrecipient and any of the Subrecipient's subrecipients and subcontractors. Failure to fulfill these requirements shall subject the Grantee, the Subrecipient and any of the Subrecipient's subrecipients and subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. The Subrecipient certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

The Subrecipient further agrees to comply with these "Section 3" requirements and to include the following language in all subcontracts executed under this Agreement:

"The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located."

The Subrecipient further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to business concerns that provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

The Subrecipient certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.

b. Notifications

The Subrecipient agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or worker's representative of its commitments

under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

c. Subcontracts

The Subrecipient will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the grantor agency. The Subrecipient will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. Conduct

1. Assignability

The Subrecipient shall not assign or transfer any interest in this Agreement without the prior written consent of the Grantee thereto; provided, however, that claims for money due or to become due to the Subrecipient from the Grantee under this contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Grantee.

2. Subcontracts

a. Approvals

The Subrecipient shall not enter into any subcontracts with any agency or individual in the performance of this contract without the written consent of the Grantee prior to the execution of such agreement.

b. Monitoring

The Subrecipient will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c. Content

The Subrecipient shall cause all of the provisions of this contract in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

d. Selection Process

The Subrecipient shall undertake to ensure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all subcontracts shall be forwarded to the Grantee along with documentation concerning the selection process.

3. Hatch Act

The Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.

4. Conflict of Interest

The Subrecipient agrees to abide by the provisions of 24 CFR 84.42 and 570.611, which include (but are not limited to) the following:

- a. The Subrecipient shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds.
- b. No employee, officer or agent of the Subrecipient shall participate in the selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.
- c. No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-assisted activity, or with respect to the proceeds from the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the Grantee, the Subrecipient, or any designated public agency.

5. Lobbying

The Subrecipient hereby certifies that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal,

amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
- c. It will require that the language of paragraph (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Subrecipients shall certify and disclose accordingly:
- d. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$28,640 and not more than \$100,000 for each such failure.

6. Copyright

If this contract results in any copyrightable material or inventions, the Grantee and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.

7. Religious Activities

The Subrecipient agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

VII. ENVIRONMENTAL CONDITIONS

A. Air and Water

The Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- Clean Air Act, 42 U.S.C. , 7401, *et seq.*;

- Federal Water Pollution Control Act, as amended, 33 U.S.C., 1251, *et seq.*, as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder;
- Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the Subrecipient shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

The Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

D. Historic Preservation

The Subrecipient agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this agreement. In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

VIII. SEVERABILITY

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

IX. SECTION HEADINGS AND SUBHEADINGS

The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

X. WAIVER

The Grantee's failure to act with respect to a breach by the Subrecipient does not waive its right to act with respect to subsequent or similar breaches. The failure of the Grantee to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

XI. ENTIRE AGREEMENT

This agreement constitutes the entire agreement between the Grantee and the Subrecipient for the use of funds received under this Agreement and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written between the Grantee and the Subrecipient with respect to this Agreement.

[NOTE: For the above sections, if the Subrecipient is a governmental or quasi-governmental agency, the applicable sections of 24 CFR Part 85, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments," and OMB Circular A-87 would apply.]

IN WITNESS WHEREOF, the parties hereunto have affixed their signatures on the dates specified below:

Subrecipient:

For City of Florence:

Signature of Authorized Person

Signature of Mayor

Typed or printed name and title

Typed or printed name

Date of Signature

Date of Signature

Attester Signature

Attester Signature

Typed or printed name and title

Typed or printed name and title

Date of Attester Signature

Date of Attester Signature

EXHIBIT 1: COMMUNITY DEVELOPMENT BLOCK GRANT GRANTEE CERTIFICATIONS

In accordance with the Housing and Community Development Act of 1974, as amended, (“the Act”) and with 24 CFR 570 of the Community Development Block Grant regulations, the Subrecipient certifies that:

1. It possesses legal authority to accept and execute a Community Development Block Grant award from City of Florence;
2. Its governing body has duly adopted or passed, by at least a majority vote, as an official act a resolution, motion or similar action authorizing the acceptance of this grant for the purposes specified in this Agreement and directing and authorizing its appropriate personnel to execute and implement this Agreement and to provide to the City such additional information as may be required;
3. Provides for and encourages citizen participation, with particular emphasis on participation by persons of low- and-moderate income who are residents of slum and blighted areas and of areas in which funds are proposed to be used, and provides for participation of residents in low- and moderate-income neighborhoods, as defined by the City;
4. Provides citizens with reasonable and timely access to local meetings, information, and records relating to the Subrecipient’s use of funds, as specified in this Agreement,
5. Provides for public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, which hearings shall be held after adequate notice, at times and locations convenient to potential or actual beneficiaries, and with accommodation for persons with disabilities;
6. Identifies how the needs of non-English speaking residents will be met in the case of public hearings where a significant number of non-English speaking residents can be reasonably expected to participate;
7. The grant will be conducted and administered in compliance with: Title VI of the Civil Rights Act of 1964 (Public Law 88-352, 42 U.S.C. Sec. 2000d et seq.); and The Fair Housing Act (42 U.S.C. 3601-20);
8. It will affirmatively further fair housing;
9. It will carry out the activities specified in this Agreement consistent with the goals, objectives, and strategies of the City of Florence Consolidated Plan;
10. It will not attempt to recover any capital costs of public improvements assisted in whole or in part with funds provided under section 106 of the Act or with amounts resulting from a guarantee under section 108 of the Act by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless:
 - a. Funds received under section 106 of the Act are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than under Title I of the Act; or

- b. For purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks sufficient funds received under section 106 of the Act to comply with the requirements of subparagraph (1) above;
- 11. Its notification, inspection, testing and abatement procedures concerning lead-based paint will comply with 24 CFR Part 570.608;
- 12. It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, as required under 24 CFR Part 570.606;
- 13. It has adopted and is enforcing:
 - a. 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
 - b. 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;
- 14. To the best of its knowledge and belief:
 - a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
 - b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
 - c. It will require that the language of paragraph (n) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly;
- 15. It will or will continue to provide a drug-free workplace by:
 - a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

- b. Establishing an ongoing drug-free awareness program to inform employees about -
 - The dangers of drug abuse in the workplace;
 - The grantee's policy of maintaining a drug-free workplace;
 - Any available drug counseling, rehabilitation, and employee assistance programs; and
 - The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph l;
- d. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will
 - Abide by the terms of the statement; and
 - Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
- e. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- f. Taking one of the following actions, within thirty (30) calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted -
 - Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a, b, c, d, e and f.

16. The site(s) for the performance of work done in connection with the specific grant:

Florence Tax and Accounting LLC, 254 Seville Street, Suite 6 Florence, AL 35630

17. It will comply with the other provisions of the Act and with other applicable laws.

A. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1552, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$28,640 and not more than \$100,000 for each such failure.

B. Drug-Free Workplace Certification

By signing and executing this Agreement, the Subrecipient is providing the certification set out in paragraph (15) is a material representation of fact upon which reliance is placed when the City awards the grant. If it is later determined that the Subrecipient knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HUD, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act OF 1988 [42 USC 701], as set forth at 24 CFR Part 21.

- Workplaces under this Agreement shall be identified in this Agreement. Failure to identify all known workplaces constitutes a violation of the Subrecipient's drug-free workplace requirements.
- Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place.
- If the workplace identified to the City changes during the performance of the grant, the Subrecipient shall inform the City of the change(s), if it previously identified the workplaces in question (see paragraph three).
- Definitions of terms in the Drug-Free Workplace common rule apply to this certification. Subrecipient's attention is called, in particular, to the following definitions from these rules:
 - "Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C.812) and as further defined by regulation (21 CFR 1508.11 through 1508.15);
 - "Conviction" means a finding of guilt (including a plea of *nolo contendere*) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;
 - "Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;
 - "Employee" means the employee of a Subrecipient directly engaged in the performance of work under a grant provided through this Agreement, including: (i) All "direct charge" employees; (ii) all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and (iii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and

who are not on the Subrecipient's payroll. This definition does not include workers not on the payroll of the Subrecipient (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the Subrecipient's payroll; or employees of subrecipients or subcontractors in covered workplaces).

- C. **Subrecipients shall comply with the government-wide non-procurement debarment and suspension requirements in 2 CFR Part 2424.** These government-wide requirements restrict subcontractors and contractors with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance program or activities. <https://www.ecfr.gov/current/title-2/subtitle-B/chapter-XXIV/part-2424>

EXHIBIT 3: SCOPE OF SERVICES

The following activities and/or projects shall be carried out by the Subrecipient, under the terms of this Agreement and its accompanying certifications and reporting requirements:

AGENCY	Florence Tax and Accounting LLC	AMOUNT	\$5,900
---------------	--	---------------	----------------

PROGRAM DESCRIPTION

Florence Tax & Accounting, LLC is a small, locally owned business. The owner, Corey Stooksberry commits to retaining or reinstating one (1) FTE and one (1) PTE for a period of 24 months if grant is awarded.

USE OF FUNDS

The total PY 2024 CDBG budget for this activity shall not exceed **\$5,900**. The Agreement shall be effective on May 1, 2024 and terminate on April 30, 2025. The activity shall be completed by April 30, 2025. After that date, City of Florence reserves the right to recapture the funds for use on other eligible projects.

CDBG funds will be utilized as indicated here:

Economic Development Direct Financial Assistance to For-Profit Business 24 CFR 570.203(b) or 42 USC 5305(a)(17) Financial assistance to private for-profit businesses to (for example) acquire property, clear structures, build, expand or rehabilitate a building, purchase equipment, or provide operating capital. Forms of assistance include loans, loan guarantees, and grants.

COST REIMBURSEMENT

Requests for any reimbursement of the City of Florence CDBG funded Program shall be submitted to the Florence Community Development Division, with copies of invoices, and copies of check(s) issued by the Subrecipient to pay such expenses.

GENERAL REQUIREMENTS

National Objective: LMJ

Assisted business will create or retain permanent jobs, at least 51 percent of which (computed on a full-time equivalent basis) will be made available to or held by LMI persons.

PERFORMANCE MONITORING

Annual Performance Measures:

- FTE retained/reinstated for a period of 24 months: 1
- PTE retained/reinstated for a period of 24 months: 1

REPORTING REQUIREMENTS

Monthly Progress Reports utilizing *Exhibit 4* must be submitted by the 15th day of each month during the grant period, following the initial month of operation. Monthly reports should be submitted electronically, in the Neighborly software.

Files of families assisted with CDBG funds shall be maintained and available for review for up to five (5) years from initiation of services.

SPECIAL STIPULATIONS FOR NON-REAL PROPERTY ACQUISITIONS

The Subrecipient shall file the Non-Real Property Inventory Form [copy enclosed] for the non-real property with the City of Florence upon completion of the purchase of each item. The form shall be filed by January 15 of each year, thereafter, for as long as the property shall remain in use as a CDBG-assisted activity.

The Subrecipient shall develop and maintain property records which are compliant with the requirements described in 24 CFR 84.34 [the "Common Rule"], including procedures for property disposition. If the Subrecipient disposes of the real property and/or non-real property after their useful lives, the procedures outlined in 24 CFR 84.34 shall govern the process for disposition and any use of any revenues derived from the disposition.

No involuntary displacement of persons, businesses, or agencies will occur as a result of this CDBG assisted activity.

EXHIBIT 4: MONTHLY PROGRESS REPORTS

Monthly reports must be submitted electronically in the Neighborly system.

EXHIBIT 5: CDBG MAXIMUM HOUSEHOLD INCOME LIMITS

FY2024 Income Limits
Effective: May 1, 2024

Family/Household Size	Extremely Low 30% of MHH	Very Low Income 50% of MHH	Low Income 80% of MHH
1	\$16,450	\$27,450	\$43,900
2	\$18,800	\$31,350	\$50,150
3	\$21,150	\$35,250	\$56,400
4	\$23,500	\$39,150	\$62,650
5	\$25,400	\$42,300	\$67,700
6	\$27,300	\$45,450	\$72,700
7	\$29,150	\$48,550	\$77,700
8	\$31,050	\$51,700	\$82,700

Source: U.S. Department of Housing & Urban Development: <https://www.hudexchange.info/resource/5334/cdbg-income-limits/>

EXHIBIT 6: NON-REAL PROPERTY INVENTORY

Date of Purchase: _____

Name of Agency: _____

Agency Address: _____

City: _____ State: _____ Zip: _____

Address Where Asset is Located: _____

Program Year: _____ Project Name: _____

Agency Asset Number: _____

Serial Number: _____

Description of Asset: Brand Name, Model No., Color/Size, etc.

Agency Accounting System Identification Information:

Your Purchase Order Number: _____

Check Issued for Payment: _____ Subrecipient Check #: _____

Date of Subrecipient Check: _____

Unit Cost of Item: \$ _____

Quantity: _____

Total Cost of Item: \$ _____

Person Preparing This Form: _____ Date: _____

EXHIBIT 7: AGREEMENT AMENDMENTS

[Add if Applicable]

EXHIBIT 8: LEASE AGREEMENT

[Add if Applicable]

EXHIBIT 9: *PROPERTY USE REQUIREMENTS*

[Add if Applicable]

EXHIBIT 10: HUD REGULATIONS

24 CFR Part 570:

http://ecfr.gpoaccess.gov/cgi/t/text/textidx?c=ecfr&tpl=/ecfrbrowse/Title24/24cfr570_main_02.tpl

OMB CIRCULARS

Title 2: Grants and Agreements

PART 200—UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS,

<http://www.ecfr.gov/cgi-bin/retrieveECFR?gp=&SID=ec44a1b4a61359a0293c3a6a6ae60c8e&mc=true&pt2.1.200&r=PART&ty=HTML>

Build America, Buy America (BABA)

<https://www.hud.gov/baba>

EXHIBIT 11: IMMIGRATION COMPLIANCE

1. The Subrecipient shall comply with the *Immigration Reform and Control Act Of 1986*.
2. The Subrecipient acknowledges that it is responsible for complying with the provisions of the Immigration Reform and Control Act of 1986, located at 8 U.S.C. Section 1324, *et seq.*, and regulations relating thereto. Failure to comply with the above provisions of this Agreement shall be considered a material breach and shall be grounds for immediate termination of the Agreement.
3. The Subrecipient acknowledges that it is responsible for complying with the provisions of the *Beason-Hammon Alabama Taxpayer and Citizen Protection Act* (Act 2011-535) including:
 - a. That affidavits in the required form be executed from the Subrecipient (and any subcontractors, regardless of tier) and notarized, showing compliance with the requirements of *Beason-Hammon Alabama Taxpayer and Citizen Protection Act* and that such be made part of any Subrecipient contract and/or subcontract;
 - b. That the Subrecipient (and any subcontractors, regardless of tier) fully comply with the requirements for completing and submitting the "Immigration Compliance Certification" and that such certification be received by the City prior to the commencement of any work under this Agreement or subcontract which is to be paid for with City funds;
 - c. That the Subrecipient (or any subcontractor, regardless of tier) notify the City within five (5) business days of entering into a contract or other agreement for hire with any subcontractor(s), regardless of tier to be paid for with City funds;
 - d. That the Subrecipient be responsible for obtaining and providing to the CITY the "Subcontractor Affidavit & Agreement" and "Immigration Compliance Certification" required under the City "Procedures & Requirements" from each subcontractor, regardless of tier, employed or retained for work under this Agreement prior to the commencement of any work under the contract or any subcontract;
 - e. That City reserves the right to dismiss, or require the dismissal of, any consultant or subcontractor for failing to provide the required affidavit or certification and/or for failure to comply with the statutory requirements of *Beason-Hammon Alabama Taxpayer and Citizen Protection Act* and/or for providing false or misleading information upon the required affidavit(s) or certification(s);
 - f. That Subrecipient retaining any other subcontractor to perform services under the contract provide legal notice to any subcontractor of the requirements of City of Florence for immigration compliance and further provide notice that the City reserves the right to require the Owner to dismiss, or require the dismissal of, any consultant or subcontractor for failing to provide the required affidavit or certification and/or for failure to comply with the statutory requirements of *Beason-Hammon Alabama Taxpayer and Citizen Protection Act* and/or for providing false or misleading information upon the required affidavit(s) or certification(s);
 - g. That failure to comply with any of the requirements and procedures of the City (i.e., failure to timely supply required affidavits or compliance certification documents; failure to utilize federal work authorization procedures; failure to permit or facilitate audits or reviews of records by City

or State officials upon request; and/or failure to continue to meet any of the statutory or City obligations during the life of the Agreement) shall constitute a material breach of the Agreement and shall entitle the City to require the dismissal of any subcontractor or sub/subcontractor (irrespective of tier) for failing to fully comply with these requirements or entitle the City to terminate this Agreement;

- h. That upon notice of a material breach of these provisions, the Owner (or subcontractor, regardless of tier) shall be entitled to cure the breach within ten (10) days and provide evidence of such cure. Should the breach not be cured, the City shall be entitled to all available remedies, including termination of the Agreement, the requirement that a subcontractor be dismissed from performing work under the contract, and any and all damages permissible by law.

Signature - Subrecipient

Typed Name - Subrecipient

Title

Signature Date

EXHIBIT 12: BEASON-HAMMON ALABAMA TAXPAYER AND CITIZEN PROTECTION ACT

Section 9 of Alabama Act No. 2011-535 entitled the "Beason-Hammon Alabama Taxpayer and Citizen Protection Act" (<http://www.ago.state.al.us/File-Immigration-AL-Law-2011-535>) requires that, as a condition for the award of a contract to a business entity or employer that employs one or more employees working in Alabama, the business entity or employer provide an affidavit and documentation of enrollment in the Federal E-Verify program. During the performance of the contract, the business entity or employer shall participate in the E-Verify program and shall verify every employee that is required to be verified according to the applicable federal rules and regulations. The attached Affidavit For Business Entity/Employer/Contractor and the entity's E-Verify Memorandum of Understanding must be included with the bid or contract. If you do not believe these requirements are applicable to your entity, include an explanation justifying such exemption. An entity can obtain the E-Verify Memorandum of Understanding upon completion in the E-Verify enrollment process located at the federal web site www.uscis.gov/everify or at the Alabama Department of Homeland Security web site <http://immigration.alabama.gov>. The Alabama Department of Homeland Security has established an E-Verify employer agent account for any business entity or employer with 25 or fewer employees that will provide a participating business entity or employer with the required documentation of enrollment in the E-Verify program.

The new rules designate the "Employment Eligibility Verification (EEV) / Basic Pilot Program" operated by the U.S. Citizenship and Immigration Services Bureau of the U.S. Department of Homeland Security as the electronic federal work authorization program to be utilized for these purposes. The EEV/Basic Pilot Program can be accessed at <https://e-verify.uscis.gov/enroll>.

By executing the attached Contractor Affidavit, Contractor verifies its compliance with Section 9 of Alabama Act No. 2011-535 stating affirmatively that the individual, firm or corporation which is contracting with City of Florence has registered and is participating in this federal work authorization program in accordance with the applicability provisions and deadlines established in this Statute.

Contractor further agrees that should it employ or contract with any Sub-Contractor(s) for the physical performance of services pursuant to the contract with City of Florence. Contractor will secure from the Sub-Contractor(s) verification of compliance with Section 9 of Alabama Act No. 2011-535, a Sub-Contractor Affidavit and shall provide a copy of each such verification to City of Florence at the time the Sub-Contractor(s) is retained to perform such services.

Please Complete the Attached Affidavit

EXHIBIT 12A AFFIDAVIT: BEASON-HAMMON ALABAMA TAXPAYER AND CITIZEN PROTECTION ACT

Contractor Name: _____

STATE OF ALABAMA

City: _____

By executing this affidavit, the undersigned contractor verifies its compliance with Beason-Hammon Alabama Taxpayer & Citizen Protection Act Section 9 of Alabama Act No. 2011-535, stating affirmatively that the individual, firm, or corporation which is contracting with City of Florence has registered with and is participating in the federal work authorization program known as "E-Verify", web address <https://e-verify.uscis.gov/enroll> operated by the United States Citizenship and Immigration Services Bureau of the United States Department of Homeland Security to verify information of newly hired employees, pursuant to the Immigration Reform and Control Act of 1986 (IRCA), P.L. 99-603¹.

The undersigned further agrees that, should it employ or contract with any subcontractor(s) in connection with the physical performance of services pursuant to this contract with City of Florence, contractor will secure from such subcontractor(s) similar verification of compliance with Beason-Hammon Alabama Taxpayer & Citizen Protection Act (Act 2011-535. Contractor further agrees to maintain records of such compliance and provide a copy of each such verification to the City of Florence at the time the subcontractor(s) is retained to perform such service.

E-Verify Employment Eligibility Verification UIN ²	
Printed Name of Authorized Officer or Agent of Contractor	
Title of Authorized Officer or Agent of Contractor	
Signature of Authorized Officer or Agent of Contractor	

SUBSCRIBED AND SWORN BEFORE ME ON THIS THE _____ DAY OF _____ 20____

Notary Public

My Commission Expires: _____

¹Any of the electronic verification of work authorization programs operated by the United States Department of Homeland Security or any equivalent federal work authorization program operated by the United States Department of Homeland Security to verify information of newly hired employees, pursuant to the Immigration Reform and Control Act of 1986 (IRCA), P.L. 99-603.

²See <https://e-verify.uscis.gov/enroll/StartPage.aspx?JS=YES> to access your EEV/E-Verify Identification Number.

EXHIBIT 13: CONFLICT OF INTEREST POLICY AND CERTIFICATION

Procurement

In the procurement of supplies, equipment, or Professional Services [i.e. Architect, Engineer, General Contractor] by Subrecipients, the Conflict of Interest provisions in applicable provisions of 2 CFR Part 200. HUD Regulations stipulate that no person who is an employee, agent, consultant, officer, elected or appointed official of a Subrecipient:

- May exercise any function or responsibilities with respect to CDBG activities;
- Is in a position to participate in the decision making [hiring] process;
- May gain inside information with regard to such activities;
- May obtain a financial benefit from the CDBG activity or have a financial interest in any contract with respect to CDBG activities or its proceeds for themselves or those they have business or immediate family ties with. [24 CFR § 570.611 (b) & (c)]

Non-Competitive Activity

No person who is an employee, agent, consultant, and officer, elected or appointed official of a Subrecipient who receives CDBG funds should engage in any activities that are or may be perceived as non-competitive, including but not limited to the following activities:

- Agreeing with a competitor to share market segments or regions; to set prices or terms of a sale; or to boycott a third party;
- Discussing production quantity with a competitor;
- Making false or misleading statements about a competitor's products or services.

No person who is an employee, agent, consultant, officer, elected or appointed official of a Subrecipient who receives CDBG funds should engage in any activities that interfere or may be perceived as interfering with an existing contract or project between a customer (or potential customer) and a competitor. Examples of such activities include, but are not limited to, making disparaging remarks to the customer about the competitor's performance for the customer with the intention of inducing the customer to terminate its contract with the competitor in favor of the company.

Political Contributions:

Employees, agents, consultants, officers, elected or appointed officials of a Subrecipient may not use company assets or CDBG funds to make political contributions to candidates running for a political office (i.e. in a federal, state or local election). Examples of prohibited contributions may include, but are not limited to cash, gifts, loans, tickets, or trips.

Conflicts of Interest

The Subrecipient agrees to abide by the provisions of 2 CFR Part 200 and 570.611, which include (but are not limited to) the following:

- The Subrecipient shall maintain a written code or standard of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds.
- No employee, officer or agent of the Subrecipient shall participate in the selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.

- No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-assisted activity, or with respect to the proceeds from the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a “covered person” includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the Grantee, the Subrecipient, or any designated public agency.

Confidential Information

Employees, agents, consultants, officers, elected or appointed officials of a Subrecipient may not disclose to a third party the confidential information of the company or the company’s customers. Such information may include, but is not limited to, company procedures, processes, financial information, business plans and customer lists.

Violation of Policy

Employees, agents, consultants, officers, elected or appointed officials of a Subrecipient who violate this policy will be subject to discipline that may include suspension or termination and loss of CDBG funds. Employees etc. who become aware of any apparent violations of this policy should notify their department managers, who in turn, should notify the City of Florence.

EXHIBIT 13A AFFIDAVIT: CONFLICT OF INTEREST CERTIFICATION

Florence Accounting and Tax, LLC certifies that we have read and disseminated the CDBG Conflict of Interest Policy. In addition, we hereby certify the following (check one):

To the best of our knowledge and belief, we do not presently have any conflicts of interest that might interfere with any CDBG assisted activity.

We have an actual or potential conflict of interest and have described the parties, activities, and/or situation to the best of my ability below:

EXPLANATION:

Signature - Subrecipient

Typed Name - Subrecipient

Title

Signature Date