

THE STATE OF TEXAS
COUNTY OF FORT BEND

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**SUBRECIPIENT AGREEMENT
BETWEEN FORT BEND COUNTY
AND
CITY OF ROSENBERG
FOR A
PUBLIC IMPROVEMENT PROJECT**

This Agreement is by and between City of Rosenberg, a body corporate and politic and a governmental agency of the State of Texas (hereinafter referred to as “City” or “Subrecipient”) and Fort Bend County, a body corporate and politic under the laws of the State of Texas (hereinafter referred to as “County” or “Grantee”).

WITNESSETH:

WHEREAS, Grantee has entered into a Grant Agreement with the United States of America, No. B-20-UC-48-0004, acting by and through its Department of Housing and Urban Development (hereinafter referred to as HUD) for federal funding of a Community Development Block Grant Program (hereinafter referred to as CDBG) under the Housing and Community Development Act of 1974, amended; and

WHEREAS, the Grantee wishes to engage the Subrecipient to assist the Grantee in utilizing such funds;

WHEREAS, included in the approved grant application for approximately 8,965 linear feet of 4", 6" and 8" water main improvements. An estimated 85 services will be reconnected and approximately 7 new flushing valves will be installed. This work will also result in additional water service loops that will improve circulation and pressure for the entire low-mod neighborhood., hereinafter referred to as the “Project”; and,

WHEREAS, the County is the grantee named in the grant charged with compliance of the federal laws, rules, and regulations relating to the expenditure of funds received from the U.S. Government pursuant to the approved Community Development Block Grant application; and,

WHEREAS, the County desires to assure compliance with such laws, rules, and regulations relating to the expenditure of funds under the Community Development Block Grant application; and,

NOW, THEREFORE, the County and City do mutually agree as follows:

I. SCOPE OF AGREEMENT

The County and City agree to construct the Project in accordance with the guidelines, rules, and regulations required by the U.S. Department of Housing and Urban Development (hereinafter referred to as HUD).

II. DUTIES OF THE COUNTY AND CITY

2.01 The City shall be responsible for administration of the design and construction contracts, with the County approving the award of the bid.

2.02 Within ninety (90) days after the date this Agreement is executed by both parties, the City will submit 50% design submittal to the County for the County's review and comments. The County shall review the preliminary plans and specifications and return comments to the City within seven (7) days. Comments will be forwarded to the City for incorporation into the final plans and specifications. Final plans and specifications shall be submitted to the County to ensure compliance with HUD/County technical requirements. The final plans and specifications shall be returned to the County within forty-five (45) days.

2.03 Within forty-five (45) days after approval by the County of final plans and specifications, the City will advertise for and receive bids for the construction of the Project in accordance with the approved plans and specifications in the manner similar to that of other City projects.

2.04 Upon receipt and tabulation of the bids for the Project, City will determine the lowest and best bid for the construction of the Project. In the event the lowest and best bid for the construction of the Project is an amount that would result in the cost of the Project being equal to or less than the sum of **Six Hundred Sixty-Six Thousand Six Hundred Seventy-Five and no/100 Dollars (\$666,675.00)**. City will notify County of the amount of the lowest and best bid for the Project. Upon such notification to the County, the County will transmit to the City written notice to proceed. Any remaining funds not accounted for shall be returned to the Grantee in accordance with Section XII.

2.05 In the event the lowest and best bid for the construction of the Project is an amount in excess of the sum of **Six Hundred Sixty-Six Thousand Six Hundred Seventy-Five and no/100 Dollars (\$666,675.00)**, then the City may request use of any available contingency remaining in the project budget. If the budgeted construction amount plus the available contingency is less than the lowest and best bid, the City may pay the difference between the CDBG funds and the lowest and best bid or both parties may agree to reduce the Project scope as necessary to allow the construction of the Project with the available funds. Upon receipt of written notification of the lowest and best bid, the County will notify the City to proceed to award the contract and continue with the construction of the Project.

2.06 The City shall, at its sole cost and expense, furnish the necessary inspection personnel to assure itself of compliance with the Agreement. The County shall periodically inspect the Project during construction. The County shall fund the Project as set forth in this Agreement.

2.07 The City shall submit regular Progress Reports to the Grantee in the form, content, and frequency as required by the Grantee.

III. PROJECT COSTS

3.01 For and in consideration of the Project as herein set forth, the County agrees to fund project costs in an amount not to exceed the total sum of **Six Hundred Sixty-Six Thousand Six Hundred Seventy-Five and no/100 Dollars (\$666,675.00)** as set forth in the Budget for CDBG Funds, which shall be in full and total compensation allocated by the County for payment of all expenses allowed under this Agreement and the Grant Agreement with HUD.

Budget for CDBG Funds

Construction/Engineering	\$666,675.00
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Total CDBG Funds	<u>\$666,675.00</u>
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3.02 The County shall not be liable for the payment of expenses or costs, which are not allowed under the terms of this Agreement and the Grant Agreement with HUD. Payments may be contingent upon certification of the Subrecipient's financial management system in accordance with the standards specified in 24 CFR 84.21.

IV. PAYMENT

It is expressly agreed and understood that the total amount to be paid by the County under this Agreement shall not exceed **Six Hundred Sixty-Six Thousand Six Hundred Seventy-Five and no/100 Dollars (\$666,675.00)**. City shall submit an invoice upon delivery of the Project. Such invoice shall include any other documentation requested by the County. All invoices shall be approved by the Fort Bend County Community Development Department prior to payment.

V. SOURCE OF FUNDING

5.01 The County has no County funds for the costs of goods and services to be rendered under this Agreement. It is expressly agreed and understood that this Agreement is predicated upon and conditioned on the County receiving funds for the purpose of paying the entire obligation of the County under this Agreement from funds to be received from the U.S. Department of Housing and Urban Development, by virtue of Grant No. B-20-UC-48-0004, entitled Community Development Block Grant. Accordingly, notwithstanding anything herein to the contrary, the maximum liability of the County under the terms and provisions of this Agreement shall not exceed **Six Hundred Sixty-Six Thousand Six Hundred Seventy-Five and no/100 Dollars (\$666,675.00)** amount actually received by the County from HUD pursuant to the Block Grant.

5.02 The City admits knowledge of the fact that the County's obligation hereunder for payment of compensation and costs, if any, is limited to Federal funds received pursuant to the Grant Agreement in connection with the Community Development Block Grant Program of the U.S. Department of Housing and Urban Development, and that unless and until adequate funds have been received by the County under the Grant Agreement to pay the City's compensation and expense reimbursement, the County shall have no obligation to the City.

VI. TERM OF AGREEMENT

The time for performance of the Scope of Agreement under this Agreement shall begin on the date of execution by the County and end no later than December 31, 2025. City shall complete the tasks described in the Scope of Agreement within this time or within such additional time as may be extended by the County. The term of this Agreement and the provisions herein shall be extended to cover any additional time period during which the Subrecipient remains in control of CDBG funds or other CDBG assets, including program income.

VII. GENERAL COMPLIANCE

7.01 National Objectives. The Subrecipient agrees to maintain documentation that demonstrates that the activities carried out with funds provided under this Agreement meet one or more of the CDBG program's national objectives - 1) benefit low/moderate income persons, 2) aid in the prevention or elimination of slums or blight, 3) meet community development needs having a particular urgency - as defined in 24 CFR Part 570.208.

7.02 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 County's environmental responsibilities described in 24 CFR 570.604 and (2) the Subrecipient does not assume the County'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.

7.03 State and Local Government Requirements. Subrecipient agrees to comply with the applicable sections of 24 CFR Part 85, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments," and 2 CFR Part 200.

7.04 The Subrecipient will use the grant funds to pay for activities benefiting clients who live within the unincorporated areas of Fort Bend County, or within the incorporated limits of the City of Rosenberg.

VIII. SUBCONTRACTS

8.01 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.

8.02 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.

8.03 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.

8.04 Selection Process. The Subrecipient shall undertake to insure 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.

IX. PROCUREMENT

The Subrecipient shall include the following clauses in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each subcontractor or vendor.

9.01 Compliance. The Subrecipient shall comply with current Grantee policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpended program income, property, equipment, etc.) shall revert to the Grantee upon termination of this Agreement.

9.02 OMB Standards. Unless specified otherwise within this agreement, the Subrecipient shall procure all materials, property, or services in accordance with the requirements of 24 CFR 200.318, and shall subsequently follow, Property Management Standards, covering utilization and disposal of property.

9.03 Uniform Administrative Requirements. The Subrecipient shall comply with 2 CFR part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards", as set forth at §570.502.

9.04 Travel. The Subrecipient shall obtain written approval from the Grantee for any travel outside the local metropolitan/county area with funds provided under this Agreement.

9.05 Debarment and Suspension of Contractors. The Subrecipient shall comply and facilitate compliance with the U.S. Office of Management and Budget (U.S. OMB) “Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” 2 C.F.R. Part 180. A contract award in any tier must not be made to parties listed on the government-wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 C.F.R. § 180 that implement Executive Orders Nos. 12549 (3 C F R part 1986 Comp., p. 189) and 12689 (3 C.F.R. part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order No. 12549. These provisions apply to each contract at any tier of \$25,000 or more, and to each contract at any tier for a federally required audit (irrespective of the contract amount).

X. ADMINISTRATIVE REQUIREMENTS OF SUBRECIPIENT

10.01 The Subrecipient agrees to comply with 2 CFR Part 200 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

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

10.03 Documentation and Record Keeping. The Subrecipient shall include the following clauses in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each subcontractor or vendor. 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 demonstrating compliance with citizen participation requirements;
- f) Records demonstrating compliance regarding acquisition, displacement, relocation, and replacement housing;
- g) Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;

- h) Financial records as required by 24 CFR 570.502;
- i) Agreements and other records related to lump sum disbursements to private financial institutions financing rehabilitation as prescribed in 570.513; and
- j) Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

10.04 Retention. The Subrecipient shall retain all records pertinent to expenditures incurred under this Agreement for a period of five (5) years after the termination of all activities funded under this Agreement, or after the resolution of all Federal audit findings, whichever occurs later. Records for non-expendable property acquired with funds under this Agreement shall be retained for five (5) years from receipt of final payment. 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 five-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the five-year period, whichever occurs later.

10.05 Client Data Reports. The Subrecipient shall furnish reports, to the Grantee, which include, but may not be limited to the following:

- a) Client Data Reports submitted monthly to Grantee.
- b) Client Data Summary Reports submitted monthly to Grantee.
- c) Employee Data Reports submitted monthly to Grantee.
- d) Performance Report submitted at the end of Agreement period.

Monthly reports shall be submitted within fifteen (15) working days of the end of the reporting periods. The performance report is due within thirty (30) working days after the end of the Agreement period. Reports shall be submitted in the format provided by Grantee.

10.06 Disclosure. In such case where client data is collected, the Subrecipient understands that client information collected under this contract may be confidential 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, may be prohibited by State or Federal law, unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.

10.07 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.

10.08 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. Subrecipient shall include the above paragraph in each subcontract financed in whole or in part with Department of Housing and Urban Development (hereinafter referred to as HUD), funds for federal funding of a Community Development Block Grant Program (hereinafter referred to as CDBG) HUD funds.

10.09 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 2 CFR Part 200, Subpart F.

XI. REPORTING & PAYMENT PROCEDURES

11.01 Program Income. 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 Agreement. The use of program income by the Subrecipient shall comply with the requirements set forth at 24 CFR 570.504(c). By way of further limitations, the Subrecipient may use such income during the Agreement period for activities permitted under this Agreement and shall reduce requests for additional funds by the amount of any such program income balances on hand. All unused program income shall be returned to the Grantee at the end of the Agreement period as specified in 24 CFR 570.503(b)(8). Any interest earned on cash advances from the U.S. Treasury is not program income and shall be remitted promptly to the Grantee.

11.02 Indirect Costs. If indirect costs are charged, the Subrecipient will develop an indirect cost allocation plan for determining the appropriate Grantee share of administrative costs and shall submit such plan to the Grantee for approval.

11.03 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 and in accordance with Section IV "Payment". With the exception of certain advances, payments will be made for eligible expenses actually incurred by the Subrecipient. 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 Agreement for costs incurred by the Grantee on behalf of the Subrecipient.

XII. USE AND REVERSION OF ASSETS

12.01 The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 24 CFR Part 570 Subpart J as applicable, which include but are not limited to the following:

- a) The Subrecipient shall transfer to the Grantee any CDBG funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination of this Agreement or the Grantee's Agreement with HUD.
- b) Real property under the Subrecipient's control that was acquired or improved, in whole or in part, with funds under this Agreement in excess of \$25,000 shall be used to meet one of the CDBG National Objectives pursuant to 24 CFR 570.208 until five (5) years after expiration of this Agreement or such longer period of time as the Grantee deems appropriate.
- c) If the Subrecipient fails to use CDBG-assisted real property in a manner that meets a CDBG National Objective for the prescribed period of time, the Subrecipient shall pay the Grantee an amount equal to the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such payment shall constitute program income to the Grantee. The Subrecipient may retain real property acquired or improved under this Agreement after the expiration of the five-year period or such longer period of time as the Grantee deems appropriate. The Grantee, in its sole discretion, shall determine whether the Subrecipient use of any property meets a national objective contained in 24 CFR 570.200 (a)(2) and (3).
- d) In all cases in which equipment acquired, in whole or in part, with funds under this Agreement is sold, the proceeds shall be program income (prorated to reflect the extent to that funds received under this Agreement were used to acquire the equipment). Equipment not needed by the Subrecipient for activities under this Agreement shall be (a) transferred to the Grantee for the CDBG program or (b) retained after compensating the Grantee [an amount equal to the current fair market value of the equipment less the percentage of non-CDBG funds used to acquire the equipment].

XIII. NOTICE

13.01 Unless otherwise provided in this Agreement, any notice provided for or permitted to be given must be in writing and delivered in person or by depositing same in the United States mail, postpaid and registered or certified, addressed to the party to be notified, with return receipt requested, or by delivering the same to an officer of such party. Notice deposited in the mail as described above shall be conclusively deemed to be effective, unless otherwise stated in this Agreement from and after the expiration of three (3) days after it is so deposited.

13.02 For the purpose of notice, the addresses of the parties shall, until changed as hereinafter provided, be as follows:

If to the County, then to: Fort Bend County
 Community Development Department
 301 Jackson
 Richmond, Texas 77469

With a copy to: Fort Bend County
Attn: County Judge
401 Jackson Street
Richmond, Texas 77469

If to the City, then to: Honorable Mayor and City Council
City of Rosenberg
P.O. Box 32
Rosenberg, Texas 77471

13.03 Each party shall have the right, from time to time at any time, to change its respective address and each shall have the right to specify as its new address, provided that at least fifteen (15) days written notice is given of such new address to the other party.

XIV. 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.

XV. SUSPENSION AND TERMINATION

15.01 Either party may terminate this Agreement at any time by giving written notice to the other party of such termination and specifying the effective date thereof at least thirty (30) days before the effective date of such termination. Partial terminations of the Scope of Agreement in Section I may only be undertaken with the prior approval of Grantee. In the event of any termination for convenience, all finished or unfinished documents, data, studies, surveys, maps, models, photographs, reports or other materials prepared by Subrecipient under this Agreement shall, at the option of the Grantee, become the property of the Grantee, and Subrecipient shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents or materials prior to the termination, subject to the provisions and limitation of Section IV.

15.02 Grantee may suspend or terminate this Agreement, in whole or in part, if Subrecipient materially fails to comply with any term of this Agreement, or with any of the rules, regulations, executive orders, HUD guidelines, policies or directives or provisions referred to herein; failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this Agreement; ineffective or improper use of funds provided under this Agreement; or submission by the Subrecipient to the Grantee reports that are incorrect or incomplete in any material respect.

15.03 Grantee may declare the Subrecipient ineligible for any further participation in Grantee Agreements, in addition to other remedies as provided by law. Release of funds may be withheld in full or in part upon a finding by the County that the Subrecipient is in noncompliance with any applicable rules or regulations.

XVI. 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.

XVII. HOLD HARMLESS

To the extent allowed by law, the Subrecipient shall hold harmless, defend and indemnify the Grantee from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the Subrecipient’s performance or nonperformance of the services or subject matter called for in this Agreement.

XVIII. WORKERS’ COMPENSATION

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

XIX. INSURANCE AND 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 2 CFR 200.304 and 2 CFR 200.310.

XX. AMENDMENTS AND MODIFICATIONS

20.01 The Subrecipient and the Grantee, through its Director of the Fort Bend County Community Development Department may, by prior written agreement, mutually agree to re-allocate the funds among the various line items of the budget or to new line items created in the budget. No more than two (2) budget re-allocation requests shall be allowed during the contract period, to be submitted no later than ninety (90) days before the end of the Agreement period, as defined in Section III of this Agreement. Budget re-allocation requests submitted within ninety (90) days before the end of the Agreement period will not be approved.

20.02 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 both organizations, and approved by the Grantee's governing body.

20.03 Such amendments shall not invalidate this Agreement, nor relieve or release the Grantee or Subrecipient from its obligations under this Agreement.

20.04 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 Agreement, 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.

XXI. RELOCATION, ACQUISITION & DISPLACEMENT

The Subrecipient agrees to comply with (1) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 24 CFR 570.606(b); (2) 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 (3) the requirements in 24 CFR 570.606(d) governing optional relocation policies. The Grantee may, however, 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. Displacement of persons (including families, individuals, businesses, non-profit organizations and farms) as a result of activities assisted with CDBG funds is generally discouraged.

XXII. PERSONNEL & PARTICIPANT CONDITIONS

The Subrecipient shall include the following clauses in every Subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each subcontractor or vendor.

22.01 Civil Rights

- a) Compliance. The Subrecipient agrees to comply with all local and state civil rights ordinances and 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, as amended by 12259, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.
- b) 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, including the applicable non-discrimination provisions in Section 109 of the Housing and Community Development Act which are still applicable. The Subrecipient will not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry,

national origin, sex, disability or other handicap, age, marital status, or status with regard to public assistance. The Subrecipient will take affirmative action to insure that all employment practices are free from such discrimination. Such employment practices include, but are not limited to, the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Subrecipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

- c) Land Covenants. This Agreement 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 Agreement, 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.
- d) Section 504 - Discrimination against the Handicapped. The Subrecipient agrees to comply with any federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. 706) which prohibits discrimination against the handicapped 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.
- e) Fair Housing Act. Subrecipient will not violate the Fair Housing Act which prohibits discrimination in housing practices on the basis of race, color, religion, sex, national origin, handicap or familial status and provides protections from discrimination in any aspect of the sale or rental of housing for families with children and persons with disabilities. Subrecipient will abide by all requirements as set by the Fair Housing Act for the design and construction of new rental or for-sale multi-family housing to ensure a minimum level of accessibility for persons with disabilities.

22.02 Affirmative Action. The Subrecipient shall include the following clauses in every Subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each subcontractor or vendor.

- a) 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, 1965. When requested, 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.

- b) Small, Women and Minority-Owned Businesses (W/MBE). The Subrecipient will use its best efforts to afford small businesses, minority and women-owned business enterprises the maximum practicable opportunity to participate in the performance of this Agreement. As used in this Agreement, 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), the term "minority and female business enterprise" means a business at least fifty-one percent (51%) 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 subcontractors regarding their status as minority and female business enterprises in lieu of an independent investigation.
- c) Access to Records. The Subrecipient shall furnish and cause each of its 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.
- d) Notifications to Labor Unions. The Subrecipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other Agreement 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.
- e) 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.
- f) Subcontract Provisions. The Subrecipient will include the provisions of Paragraphs 22.01 Civil Rights, and 22.02 Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each subcontractor or vendor.

22.03 Employment Restrictions. The Subrecipient shall include the following clauses in every Subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each subcontractor or vendor.

- a) Prohibited Activity. The Subrecipient is prohibited from using funds provided herein or personnel employed in the administration of the program for political activities; lobbying, political patronage, and nepotism activities.
- b) OSHA. Where employees are engaged in activities not covered under the Occupational Safety and Health Act of 1970, they shall not be required or permitted to work, be trained,

or receive services in buildings or surroundings or under working conditions which are unsanitary, hazardous or dangerous to the participant's health or safety.

- c) 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 the Contract Work Hours and the Safety Standards Act, the Copeland "Anti-Kickback" Act (40 U.S.C. 276, 327-333) 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 shall maintain documentation, which 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 designed for residential use for less than eight (8) households, all Contractors engaged under Agreements in excess of \$2,000.00 for construction, renovation or repair of any building or work financed in whole or in part with assistance provided under this Agreement, shall comply with federal requirements adopted by the Grantee pertaining to such Agreements and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR, Subtitle A governing the payment of wages and ratio of apprentices and trainees to journeymen; 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 Agreements subject to such regulations, provisions meeting the requirements of this paragraph, for such Agreements subject to such regulations.

The Subrecipient shall also comply with 24 CFR Part 70, which sets out the circumstances under which individuals who volunteer their services, may be used.

- d) "Section 3" Clause Set Forth in 24 CFR 75

1. Compliance

Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 75, and all applicable rules and orders issued hereunder prior to the execution of this Agreement, shall be a condition of the federal financial assistance provided under this Agreement and binding upon the Grantee, the Subrecipient and any subcontractor. Failure to fulfill these requirements shall subject the Grantee, the Subrecipient and any subcontractors, their successors and assigns, to those sanctions specified. Subrecipient certifies and agrees that no contractual or other disability exists which would prevent compliance with these requirements.

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

“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 RECIPIENTS OF HUD ASSISTANCE FOR HOUSING.

THE PARTIES TO THIS CONTRACT AGREE TO COMPLY WITH HUD'S REGULATIONS IN 24 CFR PART 75, WHICH IMPLEMENT 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.

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.

THE CONTRACTOR AGREES TO INCLUDE THIS SECTION 3 CLAUSE IN EVERY SUBCONTRACT SUBJECT TO COMPLIANCE WITH REGULATIONS IN 24 CFR 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 CFR 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 CFR PART 75.

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 CFR PART 75 REQUIRE EMPLOYMENT OPPORTUNITIES TO BE DIRECTED, WERE NOT FILLED TO CIRCUMVENT THE CONTRACTOR'S OBLIGATIONS UNDER 24 CFR PART 75.

NONCOMPLIANCE WITH HUD'S REGULATIONS IN 24 CFR PART 75 MAY RESULT IN SANCTIONS, TERMINATION OF THIS CONTRACT FOR DEFAULT, AND DEBARMENT OR SUSPENSION FROM FUTURE HUD ASSISTED CONTRACTS.

- e) Notifications to Labor Unions. The Subrecipient agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other Agreement 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.

22.04 Conduct. The Subrecipient shall include the following clauses in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each subcontractor or vendor.

- a) 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 Agreement 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.
- b) 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 United States Code.
- c) Conflict of Interest. The Subrecipient agrees to abide by the provisions of 2 CFR Part 200 and 24 CFR 570.611, which includes (but is not limited to) the following:
 - 1. 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.
 - 2. 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.
 - 3. 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.

4. No member of or delegate to the Congress of the United States, and no resident Commissioner, shall be admitted to any share or part of this Agreement or to any benefit direct or indirect which arises from the Agreement.

d) Lobbying. The Subrecipient certifies that:

1. 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.
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, it will complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions; and
3. It will require that the language of paragraph (4) 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:
4. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

e) Eligibility Restrictions for Certain Resident Aliens. The Subrecipient agrees to abide by the provisions of 24 CFR 570.613 with respect to the eligibility restrictions for certain resident aliens. Certain newly legalized aliens, as described in 24 CFR Part 49, are not eligible to apply for benefits under covered activities funded by the programs listed in this part of the regulation. The Grantee shall provide the Subrecipient with any guidelines necessary for compliance with that portion of the regulation.

f) Architectural Barriers Act and the Americans with Disabilities Act. The Subrecipient agrees to comply with any federal regulations issued pursuant to compliance with the Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) which requires certain Federal

and Federally funded buildings and other facilities to be designed, constructed, or altered in accordance with the standards that insure accessibility to, and use by, physically handicapped people. The Subrecipient also agrees to comply with any federal regulations issued pursuant to compliance with the Americans with Disabilities Act (42 U.S.C. 12131 U.S.C. 155, 201, 218 and 225) which provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, State and local government services, and telecommunications. The Grantee shall provide the Subrecipient with any guidelines necessary for compliance with that portion of the regulation in force during the term of this Agreement.

- g) Copyright. If this Agreement results in any copyrightable material, 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 for government purposes.
- h) Equal Participation of Faith-Based Organizations. The Subrecipient shall include the following clauses in every Subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each subcontractor or vendor. The Subrecipient agrees that funds provided under this Agreement will not be directly utilized for explicitly religious activities, such as worship, religious instruction, or proselytization in accordance with the federal regulations specified in 24 CFR 5.109 "Equal Participation of Faith-based Organizations in HUD Programs and Activities." The Subrecipient must also document their compliance with the faith-based activities regarding disposition and change in use of real property as required under 24 CFR §576.406.

XXIII. ENVIRONMENTAL CONDITIONS

The Subrecipient shall include the following clauses in every Subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each subcontractor or vendor.

23.01 Environmental Requirements (with respect to the use of funds). The Subrecipient agrees to comply with the following regulations insofar as they apply to the performance of this Agreement:

- Clean Air Act, 42 U.S.C., 1857, 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.
- National Environmental Policy Act of 1969.
- HUD Environmental Review Procedures (24 CFR, Part 58).

23.02 Energy Conservation and Resource Recovery. The City agrees to comply with mandatory standards and policies relating to energy efficiency which are contained in the state energy

conservation plan issued in compliance with the Energy Policy and Conservation Act. The Subrecipient agrees to provide a preference for those products and services that conserve natural resources, protect the environment, and are energy efficient by complying with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA), and U.S. Environmental Protection Agency (U.S. EPA), “Comprehensive Procurement Guideline for Products Containing Recovered Materials” at 40 C.F.R. part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

23.03 National Flood Insurance Program. If a community has had notice for more than a year that an area has been identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, the Subrecipient agrees that CDBG funds cannot be spent for acquisition or construction purposes in the area unless the community is participating in the National Flood Insurance Program and such insurance has been purchased for the properties in question. Contractor also acknowledges that there is a statutory prohibition against providing Federal assistance to a person who had previously received Federal flood disaster assistance conditioned on obtaining and maintaining flood insurance and the person failed to obtain and maintain such insurance. (24 CFR 58.6(b)).

23.04 Floodplain Management (24 CFR Part 55). Subrecipient will select sites that are located outside of special flood hazard areas for projects proposing new construction or substantial improvement of existing buildings. Executive Order 11988, Floodplain Management, directs agencies “to avoid direct or indirect support of floodplain development wherever there is a practicable alternative” (24 CFR Part 55).

23.05 Flood Disaster Protection Act of 1973. The Subrecipient agrees to comply with the requirements of the Flood Disaster Protection Act of 1973 (P.L.-2234) in regard to the sale, lease or other transfer of land acquired, cleared or improved under the terms of this Agreement, as it may apply to the provisions of this Agreement.

23.06 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, and in particular Sub-Part B thereof. Such regulations pertain to all HUD-assisted housing and require that all owners, prospective owners, and tenants or 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.

23.07 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 Texas Historical Commission for all rehabilitation and demolition of historic properties that are fifty (50) years old or older or that are included on a Federal, State, or local historic property list.

XXIV. USE OF DEBARRED, SUSPENDED OR INELIGIBLE CITIES

The City shall not use assistance to directly or indirectly employ, award contracts to, or otherwise engage the services of, or fund any entity during any period of debarment, suspension or placement in ineligibility status under provisions of 24 CFR Part 24.

XXV. COMPLIANCE WITH FEDERAL LAW, REGULATIONS, AND EXECUTIVE ORDERS

Contractor's attention is called to the fact that this Agreement between County and Contractor will be subject to financial assistance contracts between the County and various State or Federal agencies. The Agreement to be awarded, therefore, is subject to the terms of these agreements and will not proceed without these agreements having been duly executed. The Contractor will be required to comply with, in addition to other provisions of the agreement, the conditions required by applicable federal regulations. Contractor will comply with all applicable federal law, regulations, executive orders, policies, procedures, and directives.

XXVI. 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.

XXVII. 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.

XXVIII. 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.

XXIX. APPLICABLE LAW

The laws of the State of Texas govern all disputes arising out of or relating to this Agreement. The parties hereto acknowledge that venue is proper in Fort Bend County, Texas, for all legal actions or proceedings arising out of or relating to this Agreement and waive the right to sue or be sued elsewhere. Nothing in the Agreement shall be construed to waive the County's sovereign immunity.

XXX. CERTAIN STATE LAW REQUIREMENTS FOR CONTRACTS

The contents of this Section are required by Texas Law. The Subrecipient shall include the following clauses in every Subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each subcontractor or vendor.

30.01 Certification that Subrecipient is not on Comptroller's Listed Companies. Unless affirmatively declared by the United States government to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization, Subrecipient verifies that Subrecipient is not identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or 2270.0201 of the Texas Government Code.

30.02 Agreement to Not Boycott Israel under Chapter 2271 Texas Government Code. If employing ten (10) or more full-time employees and this Agreement has a value of \$100,000.00 or more, Subrecipient does not boycott Israel and is authorized to agree in such contracts not to boycott Israel during the term of such contracts. "Boycott Israel" has the meaning provided in section 808.001 of the Texas Government Code

30.03 Agreement to Not Boycott Energy Companies. If employing ten (10) or more full-time employees and this Agreement has a value of \$100,000.00 or more, Subrecipient does not boycott energy companies and is authorized to agree in such contracts not to boycott energy companies during the term of such contracts. "Boycott energy company" has the meaning provided in section 809.001 of the Texas Government Code.

30.04 Agreement to Not Discriminate Against a Firearm Entity or Trade Association. If employing ten (10) or more full-time employees and this Agreement has a value of \$100,000.00 or more, Subrecipient does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and is authorized to agree in such contracts not to discriminate against a firearm entity or firearm trade association during the term of such contracts. "Discriminate against a firearm entity or firearm trade association" has the meaning provided in section 2274.001(3) of the Texas Government Code. "Firearm entity" and "firearm trade association" have the meanings provided in section 2274.001(6) and (7) of the Texas Government Code.

XXXI. HUMAN TRAFFICKING

BY ACCEPTANCE OF CONTRACT, SUBRECIPIENT ACKNOWLEDGES THAT FORT BEND COUNTY IS OPPOSED TO HUMAN TRAFFICKING AND THAT NO COUNTY FUNDS WILL BE USED IN SUPPORT OF SERVICES OR ACTIVITIES THAT VIOLATE HUMAN TRAFFICKING LAWS.

XXXII. AGREEMENT DOCUMENTS

This Agreement includes the following exhibits and such exhibits are attached hereto and make a part hereof for all purposes:

Exhibit A	Certification for Contracts, Grants, Loans and Cooperative Agreements
Exhibit B	Guidelines for Entity Design, Bidding, and Administration of Construction Projects (which includes Appendices I, II, and III)
Exhibit C	Section 3 Requirements and Certifications

XXXIII. 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.

XXXIV. EXECUTION

This Agreement shall become effective upon execution by County.

*{Execution Pages Follows}
{Remainder Intentionally Left Blank}*

GRANTEE: FORT BEND COUNTY

KP George, County Judge

Date

ATTEST:

Laura Richard, County Clerk

REVIEWED BY COUNTY PROJECT MANAGER:

Carol Borrego

Carol Borrego, Director
Fort Bend County Community Development Department

APPROVED AS TO FORM:

Huma Ahmed

Huma Ahmed, Assistant County Attorney

SUBRECIPIENT: CITY OF ROSENBERG

Mayor

Date

ATTEST:

City Secretary

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of \$_____ to accomplish and pay the obligation of the Fort Bend County under this contract.

Robert E. Sturdivant, County Auditor

EXHIBIT A
(to be filled out by Subrecipient)

Certification for Contracts, Grants, Loans
and Cooperative Agreements

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

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

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

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

This certification is 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 for entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Executed this _____ date of _____, _____.

By _____
(Signature)

(Typed or printed name)

(Title, if any)

Covered Action: COMMUNITY DEVELOPMENT BLOCK GRANT
(Type and identity of program, project or activity)

EXHIBIT B

**GUIDELINES FOR
ENTITY DESIGN, BIDDING AND ADMINISTRATION
OF CONSTRUCTION PROJECTS**

These guidelines are intended to assist those public entities receiving Fort Bend County Community Development Block Grant Funds. The guidelines will facilitate the entity's understanding and compliance with applicable federal and county regulations, policies and processes where the entity is responsible for the design, bidding, and construction administration phases of a project. Included as a part of this exhibit are Appendices I, II, and III. If clarification is needed, Fort Bend County Community Development Department (CDD) at (281) 341-4410.

1. The entity must submit the proposed consultant's SF 254 and 255 or SF 330 qualification statements and professional liability insurance certification for approval prior to commissioning the consultant.
2. Upon approval by CDD, the entity may retain consultant services.
3. The schematic design must be within the previously approved project scope.
4. Preliminary plans and outline specifications shall be submitted to CDD to review for compliance with project scope, estimated cost and constructability. Comments will be returned to the consultant for incorporation into the final plans. Final plans will be submitted to the County and will be reviewed to ensure compliance with HUD/County technical requirements and to insert County-related documents. Corrections and comments will be returned to the consultant for revisions. Final documents must be approved by CDD.
5. Prior to award of contract, CDD and the County Engineer's Office will review the bid documents, the bidder's qualification statements, minority business plan and financial statements to ensure that the City has a good contracting record, adequate capitalization and/or equipment, etc., to successfully complete the project, meets minority participation goals and that the bidder has not been debarred by HUD from working on federal contracts.
6. The Entity shall conduct a prebid meeting (if necessary) and a preconstruction conference with the City(s), consultant, and CDD representatives in attendance.
7. Inspection will be the responsibility of the Entity. The County Engineer will periodically inspect construction.
8. The Entity will be responsible for preparing monthly pay estimates. Preparation will consist of a site meeting with the Entity and/or consultant and the City's representative to accurately determine the percentage completion of various components of the work and time used. The monthly estimate is based on a previously submitted and approved schedule

of values. Upon completion of the final draft of each monthly estimate, the consultant will be required to sign same. The estimates will then be reviewed by the County Engineer and processed through CDD, County Auditor and the County Treasurer.

9. All requests for changes in contract will be processed by the Entity. All change requests must be within the original scope of work and be approved by CDD prior to processing. No person will have authority to verbally alter, modify, expand or reduce the requirements of the drawings or specifications. All modifications affecting cost, scope, quality or time shall be made part of the contract by a "Change-In-Contract" approved by the Entity. All change orders required due to errors and/or omissions by the consultant will be paid for by the Entity. Total aggregate "Changes-In-Contract" will not exceed twenty-five percent (25%) of the original contract amount.
10. CDD will review all payrolls and conduct working interviews and will hold the general City responsible for compliance with labor, EEO and minority business requirements.

APPENDIX I

I. PROCEDURES FOR SUBMITTING ENGINEERING PROPOSALS

Fort Bend County's Community Development Department requires that engineering firms submitting qualification statements do so in the manner prescribed below. This information should substantiate the capacity and ability of the firm and its staff to perform this type of engineering work. It is also important to list projects completed of a similar nature that demonstrate this capability. Any proposal submitted without all of the information requested below will be considered as non-responsive.

- A. Submit one (1) copy of information on the firm in the form of a corporate resume, including SF 254 and SF 255 or SF 330 Forms.
- *B. Submit one (1) copy of current project activities of a similar nature being undertaken by your firm (including dollar amount and contact persons).
- *C. Submit any other pertinent information on the firm's ability to carry out the contractual responsibilities; including such things as equipment, use of sub-contracts, and special knowledge of the project area or activity being considered.
- *D. Provide a list of persons, and their classification, who will be assigned to this job.
- *E. Provide a resume of all employees who will be assigned to this project, including a listing of projects having similar work.
- F. Provide a detailed scope of work on how you propose to handle this type of construction. The scope of work should contain categories for initial site investigation, submission of preliminary plan (construction drawings) for review, correction of revisions which result from said review, technical specifications, easement drawings/legal descriptions, and meetings as may be required.
- G. Provide a list of subcontractors to be employed (if known) and whether these firms are minority or female owned.
- H. Submit one (1) copy of the Proposal Summary (Appendix II).
- I. Submit one (1) copy of the Certification for Contracts, Grants, Loans and Cooperative Agreements (Appendix III).

*NOTE: It is not necessary to re-list data already included on the SF 254 and SF 255 or SF 330 forms.

II. SELECTION CRITERIA

The award of the contract for engineering services required by this Request for Proposal shall be determined by analysis of, but not necessarily limited to, the following factors:

- A. Documented evidence of qualifications, resources and experience of the proposing firm to perform the required services;
- B. Commitment by the proposing firm to complete the construction plans, documents, design surveys and easement descriptions within the required time;
- C. Other factors as deemed appropriate, including a review of the items submitted under Section I. PROCEDURES FOR SUBMITTING ENGINEERING PROPOSALS.

III. MBE/WBE PARTICIPATION

Where possible, engineering firms are encouraged to utilize the skills and services of minority businesses in the fulfillment of the contractual responsibilities pertaining to this project.

IV. ENGINEERING SERVICES

The City shall enter into a contract for engineering services as listed below:

- A. The Engineer will be responsible for ascertaining the scope of improvements outlined in this report (scope of work) and developing a Layout and Cost Estimate. The Engineer should recommend alternative layouts if field investigations identify additional problems not covered in the original scope of work.
- B. Upon direction of the City, the Engineer will prepare construction plans and documents as required so as to install the scope of work identified in this report.
- C. The Engineer will identify and prepare easement/right-of-way descriptions if necessary.

APPENDIX II

PROPOSAL SUMMARY

(Include with proposal after selection of engineer)

- | | |
|---------------------------|-------|
| 1. Engineer (Firm Name) | _____ |
| *2. P.E. Hours | _____ |
| *3. Minority/Female Hours | _____ |
| *4. Total Hours | _____ |

*These are total estimated hours for the entire project. The data requested here is in addition to the breakdowns called for in Section I (D & F), PROCEDURES FOR SUBMITTING PROPOSALS.

APPENDIX III
(to be filled out by Engineering Firm)

Certification for Contracts, Grants, Loans
and Cooperative Agreements

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

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

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

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

This certification is 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 for entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Executed this _____ date of _____, _____.

By _____
(Signature)

(Typed or printed name)

(Title, if any)

Covered Action: COMMUNITY DEVELOPMENT BLOCK GRANT
(Type and identity of program, project or activity)

EXHIBIT C
Section 3 Requirements and
Certifications

Section 3 Clause

All Section 3 covered contracts shall include the following clause (referred to as the Section 3 Clause):

- 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), contributes to the establishment of stronger, more sustainable communities by ensuring that employment and other economic opportunities generated by Federal financial assistance for housing and community development programs are, to the greatest extent feasible, directed toward low- and very low-income persons, particularly those who receive Federal financial assistance for housing and those residing in communities where the financial assistance is expended.
- B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 75, which implement 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 or 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 CFR 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 CFR 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 CFR 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 CFR part 75 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 75.
- F. Noncompliance with HUD's regulations in 24 CFR part 75 may result in sanctions, termination of this Contract for default, and debarment or suspension from future HUD assisted contracts.

CONTRACTOR'S REQUIREMENTS

- The Prime Contractor must submit the "Intent to Comply with Section 3" form with the bid packet. Failure to do so shall result in the bid being incomplete.
- The Prime Contractor must notify all sub-contractors of their responsibilities under Section 3
- The Prime Contractor must provide a permanent workforce breakdown of all current employees and identify those Section 3 workers that were hired within the last five years.
- The Prime Contractor must provide an estimated breakdown of potential hires for the awarded project and timeline of anticipated hiring
- The Prime Contractor must refrain from contracting with sub-contractors as to whom they have received notice or have knowledge that the sub-contractors have been found in violation of the regulations in 24 CFR 75.
- Maintain records that document a good faith effort to utilize Section 3 workers and Target Section 3 workers as trainees and employees and any other qualitative efforts to comply with Section 3. (Requirement applies to both contractors and sub-contractors.)

Recordkeeping requirements for recipients are found at 24 CFR § 75.31. The contractor is required to maintain documentation to demonstrate compliance with the regulations and is responsible for requiring their subcontractors to maintain or provide any documentation that will assist recipients in demonstrating compliance, including documentation that shows hours worked by Section 3 workers and Targeted Section 3 workers.

CDBG Grant # _____

Grantee Name _____

INTENT TO COMPLY WITH SECTION 3 REQUIREMENTS

(To be provided with procurement documents and returned with all submitted bids)

Section 3 of the Housing and Urban Development Act of 1968 [12 U.S.C. 1701u and 24 CFR Part 75] is HUD's legislative directive for ensuring that economic opportunities resulting from HUD financial assistance, including employment, job training, and contracting are, to the greatest extent feasible, directed to low- and very low-income persons. The regulations seek to ensure that public housing residents and low- and very low- income persons, and the businesses that employ these individuals, are notified about the expenditure of HUD funds in their community and encouraged to seek opportunities, if created.

A Section 3 Worker is defined as any worker who currently fits or when hired within the past five years fit at least one of the following categories, as documented:

1. The worker's income for the previous or annualized calendar year is below the applicable income limit established by HUD;
2. The worker is employed by a Section 3 Business Concern; or
3. The worker is a YouthBuild participant.

A Targeted Section 3 Worker is defined as a Section 3 worker who fits one of the following categories:

1. a worker employed by a Section 3 business concern; or
2. a worker who currently fits or when hired fit at least one of the following categories, as documented within the past five years:
 - a. Living within one mile of the project, or if fewer than 5,000 people live within one mile of the project, within a circle centered on the project that is sufficient to encompass a population of 5,000 people; or
 - b. a YouthBuild participant

A Section 3 Business Concern is defined as a business in which:

1. At least 51% owned by low- or very low-income persons;
2. Over 75 percent of the labor hours performed for the business over the prior three-month period are performed by Section 3 workers; or
3. At least 51% owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing

Note: If your business meets the definition of a Section 3 business, you are encouraged to register as a Section 3 Business through HUD's Business

Registry here: <https://portalapps.hud.gov/Sec3BusReg/BRegistry/RegisterBusiness>

Businesses who self-certify that they meet one of the regulatory definitions of a Section 3 Business Concern will be included in a searchable online database. The database can be used by agencies that receive HUD funds, developers, contractors, and others to facilitate the award of covered construction and non-construction contracts to Section 3 Business Concerns.

Please complete the following:

1. If awarded a contract for this CDBG funded project, do you anticipate being able to determine employees' hourly wages and addresses?

Yes ☐ No ☐

If yes, please estimate the number of hours to be completed on the project by all workers:

2. Is your business a Section 3 Business? Yes ☐ No ☐

3. Is the bidder willing to consider hiring Section 3 Workers for future employment opportunities that are a direct result of this CDBG funded project?

Yes ☐ No ☐

4. Is the bidder willing to consider subcontracting with Section 3 Businesses for this project?

Yes ☐ No ☐

5. Is the bidder willing to provide information on hours worked by Section 3 Workers and Targeted Section 3 Workers on this project?

Yes ☐ No ☐

I understand that this contracting opportunity is subject to HUD Section 3 requirements (24 CFR Part 75). I have read and understand the Section 3 requirements as generally described above and presented in the Section 3 contract language included in the procurement documents for this project. If awarded a contract, the business commits to following Section 3 requirements, as they apply to this project. If awarded a contract for this project, the business agrees to provide reports to (Community) _____ on Section 3 efforts and accomplishments.

Name of Contractor/Subcontractor

Address

Printed Name

Title

Signature

Date

**CERTIFICATION OF BIDDER
REGARDING SECTION 3
AND SEGREGATED FACILITIES**

Note to Grant Administrators: Must be contained in all construction contracts, including subcontracts.

Name of Proposed Contractor

Project Name & Number

The undersigned hereby certifies that:

- a. Section 3 provisions are included in the Contract.
- b. An "Intent to Comply with Section 3" was certified and submitted as part of the bid proceedings
- c. No segregated facilities will be maintained.

Signer Name _____

Title _____

SIGNATURE

DATE

CONTRACTOR PERMANENT WORKFORCE FORM

This form is used to determine the Section 3 Workers already employed by the bidding contractor. Section 3 Worker Certification is needed for all employees working on site.

[illegible]

I certify the above employees are permanent employees of _____. I certify the above employees are on our regular monthly payroll and have their W-2 tax forms for our records. These records will be available to the city/county for the above referenced project for verification purposes. I understand that falsifying information is perjury and subject to legal ramifications.

Signature _____

Date Signed _____

Printed Name

Title

Company Name _____

SECTION 3 WORKER CERTIFICATION

A Section 3 Worker seeking the preference in training and employment shall certify eligibility (as defined in Section 75.5) by residency and household income. Please certify below and submit documentation, if available and applicable, to the recipient contractor or subcontractor.

I (Name) _____, am a legal resident of (Community) _____

My permanent address is: _____

Household Income Guidelines:

Place a check mark beside the number of people in your (the worker's) household.

Place Check	Household/ Family Size	Income Limit
	1	
	2	
	3	
	4	
	5	
	6	
	7	
	8	

Income limits can be found at <https://www.huduser.gov/portal/datasets/il.html>

- ☐ My income for the previous year was below the amount next to the household/family size I checked on the table above.
- ☐ I am employed by a Section 3 business concern.
- ☐ I am a Youthbuild participant.
- ☐ I live within 1 mile of the project site for this federally funded project OR I have been informed I live within an allowed project service area.
- ☐ None of the above apply to me.

I affirm that the information contained in this report, including the above statements, are true, complete, and correct to the best of my knowledge and belief. Any false statements made knowingly and willfully may subject the signer to penalties under Section 1010 of Title 18 of the United States Code.

Worker's Signature

Date Signed

Section 3 Business Concern Certification Form

To Self-certify as a Section 3 Business your company/firm per 24 CFR 75, must meet one of the listed categories below. You must provide that supporting documentation with this form to be properly and completely confirmed as a Section 3 business.

Section 3 Business Category	Required Documentation	Mark an "X" on Your Election
It is at least 51 percent owned by low- or very low-income persons;	Proof of ownership showing all owners and their percentages and a completed Section 3 Self-Certification form for all low- and very low-income owners	<input type="checkbox"/>
Over 75 percent of the labor hours performed for the business are performed by low- or very low- income persons; or	Provide the last 90 days full payrolls for the entire company, make a list of the names from the payrolls of the Section 3 workers, and provide a completed Section 3 Individual Self- Certification for all low- and very low- income workers you list	<input type="checkbox"/>
It is a business at least 51 percent owned by current public housing residents or residents who currently live in Section 8- assisted housing.	Proof of ownership showing all owners and their percentages and a Section 3 Worker Self Certification form for all public housing and/or Section 8 owners	<input type="checkbox"/>

I hereby certify to the US Department of Housing and Urban Development (HUD) that all of the information on this form is true and correct. I attest under penalty of perjury that my business meets the elected definition and understand proof of this information may be requested. If found to be inaccurate, I understand that I may be disqualified as a certified Section 3 business.

Signature _____

Date Signed _____

Printed Name _____

Title _____

Company Name _____

Address _____

Telephone _____

SECTION 3 BUSINESS OWNER CERTIFICATION

A business owner seeking Section 3 Business Certification shall certify and submit this form in conjunction with the Section 3 Business Concern Self-Certification form.

Owner Name _____

Percent Ownership of Business: _____

Household Income Guidelines:

Place a check mark beside the number of people in your (the owner's) household.

Place Check	Household/ Family Size	Income Limit
<input type="checkbox"/>	1	
<input type="checkbox"/>	2	
<input type="checkbox"/>	3	
<input type="checkbox"/>	4	
<input type="checkbox"/>	5	
<input type="checkbox"/>	6	
<input type="checkbox"/>	7	
<input type="checkbox"/>	8	

Income limits can be found at <https://www.huduser.gov/portal/datasets/il.html>

- ☐ My income for the previous year was below the amount next to the household/family size I checked on the table above.
- ☐ I currently reside in public housing or Section 8 assisted housing.

I hereby certify that the information provided by me to be true and correct and understand any falsification of any of the information could subject me to disqualification from participation.

Signature

Date Signed

Section 3 Compliance Targeted Section 3 And Section 3 Worker Tracking Form

Section 3 established benchmark goals for:

- (a) 25% of total labor hours worked by Section 3 workers, and
- (b) 5% of total labor hours worked by Targeted Section 3 workers.

Grantees must use the Section 3 Compliance Form to track the labor hours of the workers across all contracts and subcontracts involved in the Section 3 project. This spreadsheet will keep a running total of the labor hours, Section 3 hours, and the Targeted Section 3 hours worked. The Section 3 benchmark percentages are automatically calculated and adjusted when labor hours are added, to allow the Grantee to always know where it stands with benchmark compliance.

The Workbook must be completed in its entirety for each contractor and subcontractor. The Prime shall submit all worksheets to the grant administrator weekly. The grant administrator is responsible for maintaining an accumulative workbook for the entire project to be submitted to DCEO at the end of the project.

Monitoring will be conducted to verify the grant records to document how Section 3 requirements are being met, that the appropriate documentation, forms, and certifications are maintained in the file, and to check the status of meeting the benchmarks.

If the benchmarks are not met, reporting is still required. See Safe Harbor Compliance Form.

FINAL SECTION 3 UTILIZATION REPORT

(To be Completed by contractors and subs for all Projects at or exceeding \$200,000)

A. SECTION 3 EMPLOYEE LABOR INFORMATION

Name of CDBG Grantee:		CDBG Grant Number:	
Wage Decision Number:			

Total Number of Labor Hours on Project		Labor Hour Percentage Results	%
Total Labor Hours:		*Section 3 Worker Benchmark = 25% *Targeted Section 3 Worker Benchmark = 5%	
All Section 3 Worker Labor Hours:		Section 3 Worker Percentage:	00.00%
Targeted Section 3 Worker Labor Hours only:		Targeted Section 3 Worker Percentage:	0.00%

Name of Contractor/Sub Contractor:			
Mailing Address:			
Telephone Number:		Email Address:	

B. CERTIFICATION

On behalf of the Company, I hereby certify that the above information is true and accurate and is reported fully as required by the Section 3 Affirmative Action Plan as part of the contract for this CDBG assisted construction project.

Printed Name

Signature

Date Signed

Section 3
NOTICE TO CITIZENS IN THE CITY/COUNTY OF _____

OPPORTUNITY FOR WORK

The _____ (Grantee Name) has received a \$ _____ Community Development Block Grant from the Texas General Land Office to _____
_____ (description of project) in the City/County of _____
(project location).

This grant will provide the _____ (Grantee Name) the opportunity to search for eligible local citizens interested in participating in the project. Section 3 of the Housing and Urban Development Act of 1968, as amended through 1994, provides that to the greatest extent feasible, preference for economic opportunities will be given to citizens in _____ (project location) who are determined to be low- and very low-income individuals. A low- and very low-income individual can be calculated by documenting household income of less than 80 percent of the county median income. Opportunities such as job training and employment that arise through this Community Development Block Grant project will be directed toward City/County residents. A Section 3 business concern can be eligible for a Section 3 contract as awarded in connection with CDBG projects if they meet at least one of the following criteria, documented within the last six-month period:

- It is at least 51 percent owned and controlled by low- or very low-income persons;
- Over seventy-five (75) percent of the labor hours performed by the business are performed by low- or very low-income persons; or
- It is a business at least 51 percent owned and controlled by current public housing residents or residents who currently live in Section 8-assisted housing.

Section 3 requirements apply to the Community as a grantee, if the project activity is more than \$200,000 in funding from housing and community development financial assistance programs.

If you wish to determine if you qualify or have an interest in serving as a subcontractor for this project, please contact _____,

_____.

If you are interested in job training or other employment resources, please contact:

Community Development - Fort Bend County
301 Jackson Street, Ste. 602
Richmond, Texas 77469
Office: 281-341-4410
Email: communitydevelopment@fortbendcountytexas.gov
Website: www.fortbendcountytexas.gov/government/departments/community-development

Examples of Efforts to Award Contracts to Section 3 Businesses

1. Advertising contracting opportunities by posting notices, which provide general information about the work to be contracted and where to obtain additional information, in the common areas or other prominent areas of the housing development or developments owned and managed by the Housing Authority.
2. Utilizing the HUD Opportunity Portal to identify Section 3 Businesses in the project's service area and providing written notice of the contracting opportunity or sending invitations to bid directly to those businesses. Checking Texas' Disadvantaged Business Registry as part of the Business Enterprise Program (BEP). Please note that CMS does not track or certify for Section 3. However, the businesses listed may be interested in becoming a Section 3 Business Concern.
3. Following up with Section 3 business concerns that have expressed interest in the contracting opportunities by contacting them to provide additional information on the contracting opportunities.
4. Providing technical assistance to help Section 3 business concerns understand and bid on contracts.
5. Advising Section 3 business concerns as to where they may seek assistance to overcome limitations such as inability to obtain bonding, lines of credit, financing, or insurance.
6. Where appropriate, breaking out contract work items into economically feasible units to facilitate participation by Section 3 business concerns.
7. Contacting agencies administering HUD YouthBuild programs, and notifying these agencies of the contracting opportunities.
8. Encouraging financial institutions, in carrying out their responsibilities under the Community Reinvestment Act, to provide no or low interest loans for providing working capital and other financial business needs.

Examples of Outreach Efforts to Offer Contracting, Training and Employment Opportunities to Section 3 Workers

1. Advertising the jobs to be filled through the local media, such as community television networks, newspapers of general circulation, and radio advertising.
2. Advertising the training and employment positions by distributing flyers (which identify the positions to be filled, the qualifications required, and where to obtain additional information about the application process) to public housing units and common areas of all developments within the project's service area. Consult the CDBG Management Guide to determine the project's service area.
3. Utilizing HUD Opportunity Portal and Section 3 Business Registry to post employment opportunities, or to find Section 3 Businesses and/or Workers in the project's service area
4. Referring Section 3 workers to Workforce job centers or other providers that offer resume building, interview preparation, job search and placement, financial literacy or other job readiness services.
5. Referring Section 3 workers to services supporting work readiness and retention (e.g., work readiness activities, interview clothing, test fees, transportation, childcare).
6. Conducting job interviews at the housing development or developments where Section 3 workers reside, or at a location within the neighborhood or service area of the Section 3 project.
7. Contacting agencies administering HUD Youthbuild programs and requesting their assistance in recruiting HUD Youthbuild program participants for any training and employment opportunities.
8. Holding one or more job fairs.
9. Providing assistance to apply for/or attend community college, a four-year educational institution, or vocational/technical training.