

**SUBRECIPIENT AGREEMENT  
AMENDMENT NO. 1  
BETWEEN  
PINAL COUNTY  
AND  
CITY OF MARICOPA  
FOR  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM  
PROGRAM YEAR: 2022**

THIS SUBRECIPIENT AGREEMENT (“**Agreement**”) AMENDMENT NO. 1 is dated the \_\_\_\_\_ day of \_\_\_\_\_ 2023, and is to amend the original agreement executed the 21st day of December 2022, by and between PINAL COUNTY, a political subdivision of the State of Arizona (the “**County**”) and CITY OF MARICOPA, a municipal corporation of the State of Arizona (the “**Subrecipient**”). The County and the Subrecipient are sometimes referred to herein individually as a “**Party**” and collectively as the “**Parties**”.

**RECITALS**

**WHEREAS**, pursuant to Title I of the Housing and Community Development Act of 1974, as amended (the “**Act**”) and applicable regulations of the United States Department of Housing and Urban Development (“**HUD**”), as amended (the “**Regulations**”), the County is a qualified urban county entitled to receive Community Development Block Grant (“**CDBG**”) funding through HUD; and

**WHEREAS**, the County has applied for and received funds from the United States Government under the Act; and

**WHEREAS**, the County desires to engage the Subrecipient to assist the County in utilizing such funds; and

**WHEREAS**, the Subrecipient is a unit of general local government under the Act and Regulations, and elected to participate with the County in the CDBG Entitlement funding program administered by the County (the “**Program**”); and

**WHEREAS**, the County and the Subrecipient are parties to that certain Community Development Block Grant Cooperation and Coordination Agreement dated July 7, 2021 pursuant to which the Parties defined their rights and responsibilities under the Program pursuant to the requirements of the Act and Regulations, a copy of which is attached hereto as **Exhibit “A”** and incorporated herein by this reference (the “**CDBG Agreement**”);

**NOW, THEREFORE**, it is agreed between the Parties the following administrative corrective amendment to the agreement are as follows:

**AGREEMENT**

1. Funding and Project Budget. Funds provided for this project are in whole or in part through Title I of the Housing and Community Development Act of 1974, as amended, Community Development Block Grant funds CFDA#14.218. A detailed project budget and funding are included under **Exhibit "B"**.

IN WITNESS WHEREOF, the Parties hereto, have executed this Agreement as of the day and year set forth below.

CITY OF MARICOPA, a municipal corporation of the State of Arizona

PINAL COUNTY, a political subdivision of the State of Arizona

By: \_\_\_\_\_  
City Manager

By: \_\_\_\_\_  
Director, Office of Budget and Finance

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

**EXHIBIT "A"**

**COOPERATIVE AGREEMENT**

**JOINT AGREEMENT  
REGARDING THE  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

THIS AGREEMENT is entered into by and between Pinal County (hereinafter the "County") and the City of Maricopa, (hereinafter the "City") said parties to this Agreement each being a unit of general local government in the State of Arizona.

**WITNESSETH:**

WHEREAS, the federal government, through adoption and administration of the Housing and Community Development Act of 1974 (the "Act"), as amended, will make available to Pinal County Community Development Block Grant funds, hereinafter referred to as "CDBG", for expenditure during the **2022, 2023, and 2024** funding years; and

WHEREAS, the area encompassed by unincorporated Pinal County and all participating cities, has been designated by the United States Department of Housing and Urban Development ("HUD"), as an urban county for the purpose of receiving CDBG funds; and

WHEREAS, the Act directs HUD to distribute to each urban county a share of the annual appropriation of CDBG funds based on formula, taking into consideration the social and economic characteristics of the urban county; and

WHEREAS, the Act allows participation of units of general government within an urban county in undertaking activities that further the goals of the CDBG program within the urban county; and

WHEREAS, upon HUD approval of the joint agreement, a metropolitan city becomes a part of the urban county for purposes of program planning and implementation for the entire period of the urban county qualification, and for the CDBG program, will be treated by HUD as any other unit of general local government that is a part of the urban county; and

WHEREAS, the CDBG Regulations require the acceptance of the consolidated housing and community development plan ("Consolidated Plan") by participating jurisdictions; and

WHEREAS, the County may undertake CDBG Program-funded activities in participating incorporated jurisdictions as specified in the Consolidated Plan by granting funds to those jurisdictions and to other qualifying entities to carry out such activities; and

WHEREAS, the County is responsible to the federal government for all activities undertaken with CDBG funds and shall ensure all CDBG assurances and certifications Pinal County is required to submit to HUD with the Annual Action Plan are met; and

WHEREAS, the County and the City are committed to targeting CDBG Program funds to ensure benefit for very low to moderate-income persons as defined by HUD; and

WHEREAS, the County, in conjunction with the participating jurisdictions, must submit an Annual Action Plan to HUD, which is a requirement to receive CDBG funds; and

WHEREAS, the purpose of this Joint Agreement, entered into is for planning the distribution and administration of CDBG Program from HUD, and for execution of activities in accordance with and under authority of the Act:

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING CIRCUMSTANCES AND IN CONSIDERATION OF THE MUTUAL PROMISES CONTAINED HEREIN, IT IS AGREED THAT:

**I. GENERAL AGREEMENT**

The County and City agree to cooperate to undertake, or assist in undertaking, activities which further the development of viable urban communities, including community renewal and lower-income housing assistance activities, funded from annual CDBG Program funds from federal fiscal years **2022, 2023, and 2024** appropriations, from recaptured funds and from any program income generated from the expenditure of such funds. These activities include the provision of decent housing, homeless assistance, and a suitable living environment and economic development opportunities, principally for persons with very low to moderate incomes.

**II. DEFINITIONS**

- A. “Consolidated Plan” is the Pinal County Consortium Consolidated Housing and Community Development Plan, a HUD-required plan that identifies needs and contains a strategic plan to guide the investment of HUD CDBG, HOME and ESG funds for a multi-year period not to exceed five years.
- B. “Entitlement amount” means the amount of funds that a metropolitan city is entitled to receive under the Entitlement Grant Program as determined by formula set forth in Section 106 of the Act.
- C. “Program income” means gross income received by the City directly generated from the use of City CDBG funds.
- D. “Recaptured funds” means a fund balance that remains at the close of a project activity, cancellation of an awarded project or a repayment of funds that is required due to determination of ineligible activity by HUD, change of use from original grant award or sale of property.
- E. “New stand-alone project” means a project that requires the establishment of a new HUD Integrated Disbursement & Information System (“IDIS”) activity

number as opposed to an existing project where supplemental funding is being added.

- F. "Joint Agreement Cities" means CDBG entitlement cities that choose to participate in the Pinal County Urban County for administration of CDBG funds as a party to this Agreement.

### III. GENERAL DISTRIBUTION OF FUNDS

The distribution of CDBG funds between the County and the City, as a participant in the Pinal County urban county as a Joint Agreement partner, shall be governed by the provisions below.

- A. Each year the County will retain, for all of the administration, planning and fund management responsibilities of the County, an amount of the Administration and Planning set-aside of the City's CDBG entitlement equal to one hundred (100) percent of the maximum amount allowable by HUD for Administration and Planning. The maximum amount currently allowed by HUD for the Administration and Planning set-aside is twenty (20) percent of the City's CDBG entitlement plus twenty (20) percent of program income. If the current maximum allowable percentage for Administration and Planning is changed for the CDBG Program at the federal level, the Joint Agreement is automatically revised to incorporate the change.
- B. The Human Services Set-aside shall be the maximum allowable by HUD for human services which is currently fifteen (15) percent of the funds available from the City's CDBG entitlement plus fifteen (15) percent of program income for public services as allocated by the City in accordance with this Agreement.
- C. The balance of the City's entitlement and any remaining program income and recaptured funds from city-funded projects, may be allocated to projects selected by the City, provided they are consistent with the provisions of Section IV below. All Program Income and Recaptured funds must be spent prior to using current CDBG funds.

### IV. USE OF FUNDS: GENERAL PROVISIONS

- A. Funds shall be used to support the goals, objectives and strategies of the Pinal County Consolidated Plan.
- B. Funds shall be used in accordance with the CDBG regulations at 24 CFR Part 570 and all other applicable federal regulations.

- C. The City agrees to a maximum of one new stand-alone capital projects per year that may trigger Davis Bacon labor standards annually.
- D. Public Service funds. The City agrees to a maximum of one stand-alone public service projects each year.
- E. No project funding minimum is established in this Agreement. However, the City shall maintain an expenditure ratio of less than or equal to 1.5 therefore a project must be completed each program year.
- F. The City in its participation in the CDBG urban county through this Joint Agreement understands this agreement does not apply to the County's HOME or ESG Allocations and the City:
  - 1. may not receive a formula allocation under the HOME Program through the urban county. Thus, the City cannot form a HOME consortium with other local governments. Additionally, the City may apply to the State for HOME funds, if the State allows; and
  - 2. may not receive a formula allocation under the ESG Program through the urban county. However, this does not preclude the City from applying to the State for ESG funds, if the State allows.

**V. RESPONSIBILITIES AND POWERS OF PINAL COUNTY**

- A. Notwithstanding any other provision contained in this Agreement, the County as the applicant and grantee for CDBG Program funds has responsibility for and assumes all obligations in the execution of the CDBG Program, including final responsibility for approving the selection of activities, ensuring compliance with federal requirements, and submitting to HUD the Consolidated Plan, Annual Action Plan, and related plans. Nothing contained in this Agreement shall be construed as an abdication of those responsibilities and obligations.

The County will bear responsibility for:

- 1. the HUD-related portions of program planning;
- 2. preparing and submitting the Annual Action Plan and application to HUD;
- 3. preparing and submitting amendments to the Annual Action Plan;
- 4. managing projects in the HUD IDIS system; and

5. preparing and submitting all other HUD-required planning documents (Consolidated Plan and any amendments; the Analysis of Impediments to Fair Housing Choice and the Fair Housing Action Plan).
- B. The Pinal County Board of Supervisors shall have authority and responsibility for all policy matters, including the Consolidated Plan.
- C. The Pinal County Board of Supervisors shall have authority and responsibility for all fund allocation matters, including approval of the annual CDBG Program Administrative Set-asides and appropriation of all CDBG Program funds.
- D. The Pinal County Grants Administrator, as administrator of the CDBG Program, shall have authority and responsibility for all administrative requirements for which the County is responsible to the federal government.
- E. The Pinal County Grants Administrator shall have authority and responsibility for all fund control and disbursements.
- F. Pinal County shall have the authority and responsibility to provide staff to fulfill its powers and duties.
- G. Pinal County Grants Administrator shall have the authority and responsibility to communicate and consult with the Joint Agreement City on CDBG Program policy and program matters in a timely manner.
- H. Pinal County Grants Administrator shall administer contracts and provide technical assistance and monitoring, both in the development of viable CDBG, Program proposals and in complying with CDBG Program contractual requirements.
- I. Pinal County staff shall have environmental review responsibility for purposes of fulfilling requirements of the National Environmental Policy Act, under which Pinal County may require the local incorporated jurisdiction or contractor to furnish data, information, and assistance for Pinal County's review and assessment of whether preparation of an environmental impact statement is required. Additional environmental review costs may be charged directly to individual project activity and will be addressed in the proposed project application.



J. Pinal County, as the official applicant, shall have the authority and responsibility to ensure that any property acquired or assisted with CDBG funds is disposed of or used in accordance with federal regulations.

K. Financial/Fund Management:

The County will be responsible for contracting with HUD for the grant funds; recording and tracking loan repayments and other program income; determining funds available under the caps; setting up and drawing down from IDIS; doing budget revisions upon amendment; reconciling balances, program income, and funds available for carry over or reallocation at year's end; tracking overall expenditure rate; financial reporting to HUD, etc.

## **VI. RESPONSIBILITIES OF THE CITY**

- A. The City shall cooperate in the development of the Consolidated Plan and related plans.
- B. The City shall assign a staff person to be the primary contact for the County on CDBG Program issues. The assigned CDBG Program contact person is responsible for communicating relevant information to others at the city.
- C. The City will bear all responsibility for local annual program planning, using financial projections that will be provided by the County.

The City will ensure:

1. all selected projects (1) are an eligible activity, (2) meet a national objective, and (3) are consistent with the goals, objectives and strategies of the Pinal County Consolidated Plan;
2. the citizen participation requirements are met and documented and will provide certification of such to the County;
3. all requested information by the County will be submitted in a timely manner that allows the County enough time to meet HUD timelines; and
4. the need for amendments to the annual Action Plan will be minimized, and the City will observe deadlines for submitting

Action Plan materials pursuant to the CDBG Consortium's adopted guidelines.

- D. The Joint Agreement city and/or their funded agencies owning community facilities or other real property acquired or improved in whole or in part with CDBG funds shall comply with use restrictions as required by HUD.
  - 1. During the period of the use restriction, the City shall notify County prior to any modification or change in the use of real property acquired or improved in whole or in part with CDBG funds. This includes any modification or change in use from that planned at the time of the acquisition or improvement, including disposition.
  - 2. During the period of the use restriction, if the City property acquired or improved with CDBG funds is sold or transferred for a use which does not qualify under the applicable regulations, the City shall reimburse the County in an amount equal to the current fair market value (less any portion thereof attributable to expenditures of funds other than CDBG funds).
  - 3. The City will inform any agency awarded capital funding of the requirement for security documents to be recorded for each capital project activity in accordance with execution of a contract between the awarded agency and the County, and will inform the agency the County will incorporate the security requirement into the contracting process.
- E. City staff shall implement CDBG-funded projects within the program year and submit invoices and required reports to the County in a complete and timely manner. Prior to the first and last payment on capital projects pre-approval must be received from County staff that federal labor requirements have been met.
- F. City shall maintain an expenditure ratio of less than or equal to 1.5. Should HUD impose sanctions or freeze reimbursements due to a ratio above 1.5 or other non-compliance, the City shall cover expenses of the County program from their general fund until such time as HUD will allow to continue drawing down on the grant funds.
- G. City legislative bodies shall approve or disapprove via motion or resolution all CDBG activities, locations, and allocations submitted by Joint Agreement City staff.

- H. The City will be responsible for subcontracting with third parties for services and city managed projects, except for labor standards and relocation where responsibility will be the City. If federal requirements have an unforeseen budget implication (for example, if the City has not foreseen the need for relocation) the City will be responsible for the increased budget.
- I. The City shall fulfill to the County's reasonable satisfaction all relevant requirements of federal laws and regulations that apply to Pinal County as applicant, including assurances and certifications described below.
- J. The City certifies that it has adopted and is enforcing:
  - 1. a policy that prohibits the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and
  - 2. a policy that enforces applicable state and local laws against physically barring entrance to or exit from a facility or location which is the subject of non-violent civil rights demonstrations within jurisdiction.
- K. Pursuant to 24 CFR 570.501(b), the City is subject to the same requirements applicable to subrecipients when they receive CDBG funds to implement an activity. The applicable requirements include, but are not limited to, a written agreement with the County that complies with 24 CFR 570.503 and includes provisions not limited to: statement of work; records and reports; program income; uniform administrative items; other program requirements; conditions for religious organizations; suspension and termination; and reversion of assets.
- L. The City understands it may not apply for CDBG grant entitlement from HUD to self-administer for the period of participation in this Agreement.
- M. When undertaking activities and/or projects with CDBG funds distributed under this Agreement, the City shall retain full civil and criminal liability as though these funds were locally generated.

## **VII. SHARED RESPONSIBILITY**

- A. Federal Labor Standards:
  - 1. The City will determine appropriate wage rates for inclusion in the construction bids and contracts, and provide documentation to the County prior to bid solicitations and contract execution
  - 2. The City will be responsible for interviewing, reviewing, approving, and submitting weekly certified contractor payrolls

(wage rates, benefits, proper apprentice-journey ratios, etc.) to the County within 10 working business days of receipt from the contractor

3. The County will enforce contractor compliance with federal labor standards if the City waits to pay first and last construction draws until after the County approves the certified payrolls. If the City pays before the County approves, the City will be responsible for any compliance problems.
4. The County will be responsible for submitting information for the semiannual contractor/subcontractor report and the Section 3 report to HUD.
5. The County will provide technical assistance regarding the administration of Davis Bacon projects.
6. The County will handle non-compliance issues provided the above requirements are met.

B. Uniform Relocation Act:

1. The City is responsible for identifying proposed projects that may trigger relocation and replacement housing requirements, and for budgeting sufficient funds in the project up front to address these issues.
2. The County will provide advice and technical assistance if consulted ahead of time and will handle any necessary relocation processes.
3. The City and/or funded agency will be responsible for any unforeseen relocation costs. Any unresolved relocation cost will be charged against the City's grant amount after due diligence is completed in collecting payment of funds from the funded agency.

C. Reporting:

1. The City will report accomplishments to the County on each of their public service and stand-alone projects.
2. The County will prepare all required reports to HUD, including, but not limited to: Consolidated Plan, Action Plan, Consolidated Annual Performance and Evaluation Report ("CAPER"), semi-annual reports on contracting/subcontracting, Section 3, Davis

Bacon and labor standards, Analysis of Impediments to Fair Housing Choice and Fair Housing Action Plan, and quarterly Federal Cash Transaction Reports.

D. Monitoring:

1. The County will annually monitor the agencies with which it subcontracts to ensure compliance with all federal, state and county requirements associated with CDBG funding with an on-site monitoring visit not less than every two years.
2. The County will monitor the City (and may monitor selected subcontracting agencies). County will be monitored by HUD, the State Auditor, and by the HUD Inspector General.
3. County staff will communicate with City staff at least quarterly to send relevant reports, monitor, provide technical assistance, and discuss capital project status. County and City staff will determine, collectively, if a face-to-face meeting is required from time to time.

E. The City will provide the County all information necessary from its application process for contracting and implementation purposes for all other stand-alone capital projects.

F. The City may not sell, trade, or otherwise transfer any portion of their CDBG funds to another metropolitan city, urban county, unit of general local government, Indian tribe, or insular area that directly or indirectly receives CDBG funds, in exchange for any other funds, credits or non-Federal considerations.

## VIII. GENERAL TERMS

- A. This Agreement shall extend through the **2022, 2023, and 2024** fiscal years, and shall remain in effect until the CDBG funds and program income received with respect to activities carried out during the three-year qualification period are expended and the funded activities completed. This Agreement shall be automatically renewed for participation in successive three-year qualification periods, unless the County or the City provides written notice that it wishes to amend this Agreement or elects not to participate in the new qualification period by the date set forth by the United States Department of Housing and Urban Development (HUD) in subsequent Urban County Qualification Notices.
- B. Pursuant to 24 CFR Part 570.307(d)(2), during the period of qualification no included unit of general local government may terminate or withdraw from the cooperation agreement while it remains in effect.

- C. It is understood that by signing this Agreement, the City shall accept and agree to comply with the policies and implementation of the Pinal County Consolidated Plan.
- D. Parties to this Agreement must take all required actions necessary to assure compliance with Pinal County's certification under Section 104(b) of Title I of the Housing and Community Development Act of 1974, as amended, regarding Title VI of the Civil Rights Act of 1964, (Title III of the Civil Rights Act), the Fair Housing Act as amended, affirmatively furthering fair housing, Section 109 of Title I of the Housing and Community Development Act of 1974, as amended, which incorporates Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990, and other applicable laws.
- E. City agrees to affirmatively further fair housing and will ensure that no CDBG Program funds shall be expended for activities that do not affirmatively further fair housing within its jurisdiction or that impede the County's actions to comply with its fair housing certification. For purposes of this section, "affirmatively furthering fair housing" includes participation in the process of developing an Analysis of Impediments to Fair Housing Choice and a Fair Housing Action Plan. While Pinal County has the primary responsibility for the development of these reports to HUD pursuant to this Agreement, upon request, the City shall provide assistance to the County in preparing such reports. The City acknowledges the urban county is prohibited from funding activities in, or in support of, any cooperating unit of general local government that does not affirmatively further fair housing within its own jurisdiction or that impedes the county's actions to comply with the county's fair housing certification.
- F. Parties to this Agreement agree to negotiate in good faith any issues that may arise that are not specifically addressed by this Agreement.
- G. It is recognized that amendments to the provisions of this Agreement may be appropriate, and such amendment shall take place when the parties to this Agreement have executed a written amendment to this Agreement.
- H. This Agreement is made and entered into for the sole protection and benefit of the parties hereto and their successors and assigns. No other person shall have any right of action based on any provision of this Agreement.

IN WITNESS WHEREOF, these presents are hereby signed and agreed to by the Parties hereto.

City of Maricopa, an Arizona municipal Corporation

PINAL COUNTY, a political subdivision of the State of Arizona

By: [Signature]  
Mayor

By: [Signature]  
Chairman of the Board

Date: 7/20/21

Date: 08/04/2021

ATTEST:

By: [Signature]  
City Clerk



ATTEST:

By: [Signature]  
Clerk/Deputy Clerk of the Board

By: [Signature]  
City Attorney

By: [Signature]  
Deputy County Attorney

**EXHIBIT “B”**

**Project Scope**

**I. SUBRECIPIENT INFORMATION**

Organization Name	City of Maricopa
Address	37900 W. Civic Center Plaza
City, State, Zip Code	Maricopa, Arizona 85138-5185
Telephone	520-316-6835
Contact Person	Aylin Ruiz
E-mail address	Aylin.ruiz@maricopa-az.gov
DUNS#	609403634
Tax Identification #	43-2035823
UEI	PV2KBJ3X1192

**II. PROGRAM INFORMATION**

CFDA #	14.218
Funding Year	Federal Fiscal Year 2022/Program Year 2022
HUD Grant #	B-22-UC-04-0503
Date of HUD Agreement	7/1/2022
HUD Agreement Amount	\$1,902,971
Amount to Subrecipient	\$278,532 -\$49,962.40 for design and engineering -\$228,569.60 for construction
Period of Performance	July 1, 2022 – December 31, 2023
Budget Period	July 1, 2022 – December 31, 2023

**III. PROJECT INFORMATION**

Project Name	Heritage District Roadway Improvements
Project Number	2022-6
National Objective	Low and Moderate Income XX
	Limited Clientele
	Elimination of Slum or Blight