

**SUBRECIPIENT AGREEMENT  
BETWEEN  
PINAL COUNTY  
AND  
CITY OF MARICOPA  
FOR  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM  
PROGRAM YEAR: 2022**

THIS SUBRECIPIENT AGREEMENT (“**Agreement**”) is dated the 21st day of December 2022, and is made 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 as follows:

**AGREEMENT**

1. **Activities**. The Subrecipient will be responsible for implementing a CDBG eligible activity or project in a manner satisfactory to the County and consistent with any standards required as a condition of providing these funds. Such project will include the eligible activities under the CDBG program as set forth in **Exhibit “B”**.

2. Project Scope. The scope of the project is set forth in the attached **Exhibit “B”**. The County and the Subrecipient agree to cooperate in performing work necessary in connection with the completion of the project described therein (the “**Project**”) and as provided in Section 4, below.
3. National Objectives. All activities funded with CDBG funds must meet one of the CDBG program’s National Objectives to: (1) benefit low- and moderate-income persons; (2) aid in the prevention or elimination of slums or blight; or (3) meet community development needs having a particular urgency, as defined in 24 CFR 570.208. The Subrecipient certifies that the activities carried out under this Agreement will meet one or more of these National Objectives as set forth in **Exhibit “B”**.
4. Parties’ General Obligations.
  - a. County. The County shall be primarily responsible, after consultation with the Subrecipient, for ensuring compliance with all Federal, State and local laws, ordinances, rules, regulations and requirements applicable to the completion of the Project as indicated under 24 CFR Part 570. This shall include, but not be limited to, maintaining financial and other records documenting eligibility, provision of services, and Subrecipient’s expenses relative to the Project as a result of assistance provided through the CDBG program.
  - b. Subrecipient. The Subrecipient shall be primarily responsible, after consultation with the County, for all work in connection with the Project. The Subrecipient shall be responsible for compliance with all Federal, State and local laws, ordinances, rules, regulations and requirements applicable to the Project as indicated under 24 CFR Part 570. Duties include but are not limited to: environmental compliance, procurement of applicable services, permitting, reporting, financial reporting, and construction management including inspections and Davis Bacon compliance. Upon completion of the Project, the Subrecipient shall be solely responsible for the operation and maintenance of the Project.
5. Performance Monitoring. The County will monitor performance of the Subrecipient against goals and performance standards required herein. Substandard performance, as determined by the County, will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the Subrecipient within a reasonable period of time after being notified by the County, contract suspension or termination procedures will be initiated.
6. 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”**.
  - a. Pre-award Costs may be applicable and allowable under this project. Consultation with the County will be required.
  - b. Program Income shall be returned to the County in accordance with 24 CFR §570.504, **Program income**. The County shall retain the program income transfers of grant funds by the Subrecipient which shall be adjusted according to the principles described in paragraphs (b)(2)(i) and (ii) of 24 CFR 570.504. Any program income on hand when the agreement

expires, or received after the agreement's expiration, shall be paid to the County as required by §570.503, Agreements with subrecipients.

- c. Uniform requirements. The Subrecipient shall comply with applicable uniform requirements, as described in 24 CFR 570.502, Applicability of uniform administrative requirements, regardless of whether the same are specifically referenced in this Agreement.
  - i. Requirements for governmental agencies include, but may not be limited to: 2 CFR 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards", which incorporates OMB Circular A-87 Cost Principles for State, Local and Indian Tribal Governments; 24 CFR Part 85 Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments, as modified by 24 CFR 570.502(a); and OMB Circular A-133 Audits of state and local governments and non-profit agencies.
  - ii. Requirements for non-profit organizations include, but may not be limited to: 2 CFR 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards", which incorporates OMB Circular A-122 Cost principles for non-profit organizations, 24 CFR Part 84 Grants and agreements with non-profit organizations, and OMB Circular A-133 Audits of state and local governments and non-profit agencies.
- 7. Schedule of Completion. The effective dates of this agreement are upon execution by the Chair of the Board of Supervisors and ends on September 30, 2023.
- 8. Insurance.
  - a. The Subrecipient, shall and shall cause any of its subcontractors to purchase and maintain the herein stipulated minimum insurance from a company or companies duly licensed by the State of Arizona and possessing a current A.M. Best, Inc. rating of not less than A-6. In lieu of State of Arizona licensing, the stipulated insurance may be purchased from a company or companies who are authorized to do business in the State of Arizona, provided that said insurance companies meet the approval of the County. The form of any insurance policies and forms must be acceptable to the County.
  - b. All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Agreement is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of the County, constitute a material breach of this Agreement.
  - c. Subrecipient's insurance shall be primary insurance as respects the County, and any insurance or self-insurance maintained by the County shall not contribute to it.
  - d. Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect coverage afforded under the insurance policies to protect the County.

- e. The insurance policies may provide coverage that contains deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to the County under such policies. The Subrecipient shall be solely responsible for the deductible and/or self-insured retention and the County, at its option, may require the Subrecipient to secure payment of such deductibles or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit.
- f. The County reserves the right to request and to receive, within 10 working days, certified copies of any or all the herein required insurance certificates. The County shall not be obligated to review policies and/or endorsements or to advise the Subrecipient of any deficiencies in such policies and endorsements, and such receipt shall not relieve the Subrecipient from, or be deemed a waiver of the County's right to insist on strict fulfillment of the Subrecipient's obligations under this Agreement.
- g. The insurance policies required by this Agreement shall name the County, its agents, representatives, officers, directors, officials and employees as Additional Insured's.
- h. The policies required hereunder, shall contain a waiver of transfer of rights of recovery (subrogation) against the County, its agents, representatives, officers, directors, officials and employees for any claims arising out of the Subrecipient's work or service.
- i. Coverage provided by the Subrecipient shall not be limited to the liability assumed under the indemnification provisions of this Agreement.
- j. Commercial General Liability:
  - i. Commercial General Liability insurance and, if necessary, Commercial Umbrella insurance with a limit of not less than \$2,000,000 for each occurrence, \$2,000,000 Products/Completed Operations Aggregate, and \$4,000,000 General Aggregate Limit. The policy shall include coverage for premises liability, bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage, and shall not contain any provisions which would serve to limit third party action over claims. There shall be no endorsement or modifications of the CGL limiting the scope of coverage for liability arising from explosion, collapse, or underground property damage.
- k. Workers' Compensation:
  - i. Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of the Subrecipient's employees engaged in the performance of the work or services under this Agreement; and Employer's Liability insurance of not less than \$1,000,000 for each accident, \$1,000,000 disease for each employee, and \$1,000,000 disease policy limit.
  - ii. The Subrecipient waives all rights against the County and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by

the Workers' Compensation and Employer's Liability or commercial umbrella liability insurance obtained by Subrecipient pursuant to this Agreement.

- l. Automobile Liability: Commercial/Business Automobile Liability insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence with respect to any of the Subrecipient owned, hired, and non-owned vehicles assigned to or used in performance of the Subrecipient's work or services under this contract.

The policy shall be endorsed to include the County, its agents, representatives, officers, directors, officials and employees as Additional Insureds with respect to liability arising out of the activities performed by or on behalf of the Subrecipient, involving automobiles owned, leased, hired and/or non-owned by the Subrecipient, and shall insure the County to the full limits of liability purchased by the Subrecipient even if those limits of liability are in excess of the minimum limits required by this contract.

The policy shall contain a waiver of transfer of rights of recovery (subrogation) against the County, its agents, representatives, officers, directors, officials and employees for any claim arising out of the Subrecipient's work or service."

- m. Builder's Risk (Property) Insurance, if scope of work includes building or renovating structures.

- i. The Subrecipient shall purchase and maintain, on a replacement cost basis, Builders' Risk insurance in the amount of the initial Agreement amount as well as subsequent modifications thereto for the entire work at the site. Such Builders' Risk insurance shall be maintained until final payment has been made or until no person or entity other than the County has an insurable interest in the property required to be covered, whichever is earlier. This insurance shall name the County, the Subrecipient and all of the Subrecipient's subcontractors and sub-subcontractors as insured on the policy. For new construction projects, the Subrecipient agrees to assume full responsibility for loss or damage to the work being performed and to the structures under construction. For renovation construction projects, Subrecipient agrees to assume responsibility for loss or damage to the work being performed at least up to the full Agreement amount, unless otherwise required by the Agreement documents or amendments thereto.
- ii. Builders' Risk insurance shall be on a Special Causes of Loss form and shall also cover false work and temporary buildings and shall insure against risk of direct physical loss or damage from external causes including debris removal, demolition occasioned by enforcement of any applicable legal requirements, and shall cover reasonable compensation for architect's service and expenses required as a result of such insured loss and other "soft costs" as required by the Agreement.
- iii. Builders' Risk insurance must provide coverage from the time any covered property comes under the Subrecipient's control and/or responsibility, and continue without interruption during construction, renovation, or installation, including any time during

which the covered property is being transported to the construction installation site, and while on the construction or installation site awaiting installation. The policy will provide coverage while the covered premises or any part thereof are occupied. Policy must contain a waiver of subrogation against the County.

- iv. If the Agreement requires testing of equipment or other similar operations, at the option of the County, the Subrecipient will be responsible for providing property insurance for these exposures under a Boiler Machinery insurance policy or the Builders' Risk Insurance policy.

n. Certificates of Insurance:

- i. Upon execution of the Agreement, the Subrecipient shall and shall cause any of its subcontractors to furnish the County with valid and complete certificates of insurance, or formal endorsements as required by the Agreement, issued by the Subrecipient's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Agreement are in full force and effect. Such certificates shall identify this Agreement name and title.
- ii. Prior to commencing work or services under this Agreement, the Subrecipient shall have insurance in effect as required by the Agreement in the form provided by the County, issued by the Subrecipient's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Agreement are in full force and effect. Such certificates shall be made available to the County upon ten (10) business days.
- iii. In the event any insurance policy(ies) required by this Agreement is (are) written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of the Subrecipient's work or services and as evidenced by annual Certificates of Insurance.
- iv. If a policy does expire during the life of the Agreement, a renewed Certificate of Insurance must be sent to the County forty-five (45) days prior to the expiration date.

o. Cancellation and Expiration Notice:

- i. Insurance required herein shall not be permitted to expire, be canceled, or materially changed without thirty (30) days prior written notice to the County.
- ii. If the Subrecipient or Subrecipient's contractors provide professional or semi-professional personal services under this Agreement for which malpractice or professional liability coverage is available, such as medical, psychiatric, architects, licensed trades or legal services, the Subrecipient or the Subrecipient's contractors shall carry minimum liability coverage of \$2,000,000 each occurrence and provide the County with proof of coverage.

- p. Subcontractors: The Subrecipient's certificate(s) shall include all subcontractors as insureds under its policies or the Subrecipient shall furnish to the County separate certificates for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.
  - q. Approval: Any modification or variation from the insurance requirements of this Agreement must have prior approval from the County whose decision shall be final. Such action will not require a formal Agreement amendment but may be made by administrative action.
  - r. Exceptions: In the event the Subrecipient is a public entity, the Subrecipient shall provide a Certificate of Self-Insurance or a Certificate of Proof of Pool Insurance to comply with proof of coverage.
9. Suspension and Termination. This Agreement shall remain in force and effect until completion of the Project or by the Schedule of Completion date in Section 7 above, whichever comes first, and shall comply with the applicable suspension and termination requirements, in accordance with 2 CFR part 200, subpart D §§ 339-343. Consistent therewith, the County may suspend or terminate this Agreement if the Subrecipient fails to comply with any terms of this Agreement, which include, but are not limited to, the following:
- a. Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;
  - b. Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this Agreement;
  - c. Ineffective or improper use of funds provided under this Agreement; or
  - d. Submission by the Subrecipient to the County reports that are incorrect or incomplete in any material respect.

The Subrecipient further specifically agrees to comply with the schedule included in **Exhibit "B"**. Failure to demonstrate timely substantial completion of the project may result in recapture of funds. Substantial completion is defined as having requested a minimum of 50% reimbursement from the County, the Project is on target for completion by the completion date in Section 7, and all documentation has been submitted to the County and has been deemed accurate and complete. Documentation includes but is not limited to quarterly reporting and labor standard documentation.

The Subrecipient further specifically agrees the Project may be cancelled and funds recaptured if the Project has been determined to not comply with this Agreement, the Application submitted, and the environmental review record completed.

10. General Compliance. The Subrecipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)) including subpart K of these

regulations, except that:

- a. The Subrecipient does not assume the County's environmental responsibilities described in 24 CFR 570.604; and
  - b. 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.
11. Environmental Review. In accordance with 24 CFR 50 and 24 CFR 58, an environmental review of each project carried out with federal funds must be completed. Completion of the review and receipt of a release of funds is required prior to expending funds.
12. Davis Bacon and Related Acts. This project shall comply with the federal prevailing wage requirements as applicable under 24 CFR 570.603 and the U.S. Department of Housing and Urban Development Davis Bacon and Labor Standards Office.
13. Procurement. This project shall comply with the Federal, State and County Procurement Policy to ensure a fair and open procurement process which encourages participation from small and disadvantaged businesses including minority and women owned businesses in accordance with 2 CFR part 200.
  - a. Compliance: The Subrecipient shall comply with current County 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 County upon termination of this Agreement.
  - b. Standards: Unless specified otherwise within this agreement, the Subrecipient shall procure all materials, property, or services in accordance with the requirements of 2 CFR Part 200 Subpart D.
  - c. Travel: The Subrecipient shall obtain written approval from the County for any travel outside the County and Phoenix metropolitan area with funds provided under this Agreement.
  - d. All contractors and subcontractors performing work under this agreement shall be registered in SAM.gov in order to verify if they are debarred or suspended from doing business with the federal government.
  - e. The Subrecipeint shall comply with the requirements of the Federal Funding Accountability and Transparency Act (FFATA) Act. Subrecipeints with federal grant awards greater than or equal to \$25,000 as of October 1, 2010 are subject to FFATA sub-award reporting requirements as outlined in the Office of Management and Budgets guidance issued August 27, 2010. The County is required to file a FFATA report by the



end of the month following the month in which the Subrecipient awards any contract greater than or equal to \$25,000. This is required for all contractors and subcontractors awarded under this agreement.

Information to be collected and provided to Pinal County for each contract includes:

- i. Date of executed agreement for all construction and subcontractor contracts)
- ii. DUNS number
- iii. UEI number
- iv. Agency name and address
- v. Contract amount
- vi. Project description
- vii. Location of performance

14. Other program requirements.

- a. In addition to other certifications made throughout the body of this Agreement, the Subrecipient acknowledges and certifies compliance with the certifications included under **Exhibits “D” and “E”**.

15. Use and Reversion of Assets. The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 2 CFR Part 200 and 24 CFR 570.502, 570.503, and 570.504, as applicable, which include, but are not limited to, the following:

- a. The Subrecipient shall transfer to the County 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.
- 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 ten (10) years after expiration of this Agreement (or such longer period of time as the County deems appropriate). 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 County 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 County. 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 County deems appropriate).
- c. 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 County for the CDBG program or (b) retained after compensating the County an amount equal to the current fair market value of the equipment less the percentage of non-

CDBG funds used to acquire the equipment.

16. Relocation, real property acquisition and one-for-one housing replacement.

- a. As applicable to the activities contemplated hereby, the Subrecipient agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606(b); (b) the requirements of 24 CFR 570.606(c) governing the Residential Anti-displacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and (c) the requirements in 24 CFR 570.606(d) governing optional relocation policies. The 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 County ordinances, resolutions and policies concerning the displacement of persons from their residences.

17. Drug Free Workplace. As applicable to the Project, the Subrecipient will provide a drug-free workplace. The Subrecipient shall comply with the Drug-Free Workplace Act of 1988 and implementing regulations in 2 CFR Part 2429 regarding maintenance of a drug-free workplace. The Subrecipient shall comply with the "Certification Regarding Drug-Free Workplace Requirements" attached hereto as **Exhibit "E"**. The Subrecipient shall ensure that the provisions of the clauses in **Exhibit "E"** are included in all third party contracts, subcontracts, and purchase orders that exceed ten thousand dollars (\$10,000), so that the provisions will be binding upon each subcontractor or vendor.

18. Financial Management. Accounting Standards: The Subrecipient agrees to comply with 2 CFR 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.

19. Documentation and Record Keeping.

- a. Records to be maintained: The Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR 570.506 that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:
  - i. Records providing a full description of each activity undertaken;
  - ii. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
  - iii. Records required to determine the eligibility of activities;
  - iv. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
  - v. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;

- vi. Financial records as required by 24 CFR 570.502, and 24 CFR 84.21-28;
  - vii. Other records necessary to document compliance with Subpart K of 24 CFR Part 570; and
  - viii. Records outlined in the CDBG Application and Forms document available at: <https://www.pinal.gov/grants>.
- b. Retention: The Subrecipient shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement program income for a period of five (5) years. The retention period begins on the date of the submission of the County's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the 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.
  - c. Client Data: The Subrecipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to County monitors or their designees for review upon request.
  - d. Disclosure: The Subrecipient understands client information collected under this contract is private and the use or disclosure of such information, when not directly connected with the administration of the County's or Subrecipient's responsibilities with respect to services provided under this contract unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.
  - e. Close-outs: The Subrecipient's obligation to the County 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 County), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period the Subrecipient has control over CDBG funds, including program income.
  - f. Audits & Inspections: All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the County, grantor agency, and the Comptroller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient within 30 days after receipt by the Subrecipient. Failure of the Subrecipient to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments. The Subrecipient hereby

agrees to have an annual agency audit conducted in accordance with current County policy concerning subrecipient audits and OMB Circular A-133.

20. Reporting and Payment Procedures.

- a. Program Income: The Subrecipient shall report quarterly 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. By way of further limitations, the Subrecipient may only use such income under this Agreement 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 unexpended program income shall be returned to the County at the end of the contract period. Any interest earned on cash advances from the U.S. Treasury and from funds held in a revolving fund account is not program income and shall be remitted promptly to the County.
- b. Indirect Costs: If indirect costs are charged, the Subrecipient shall provide documentation of their indirect cost rate, as approved by their cognizant agency. If an approved indirect cost rate is not available, the Subrecipient will develop an indirect cost allocation plan for determining the appropriate Subrecipient's share of administrative costs and shall submit such plan to the County for approval, in a form specified by the County.
- c. Payment Procedures: The County will pay to the Subrecipient funds available under this Agreement based upon information submitted by the Subrecipient and consistent with any approved budget and County policy concerning payments. With the exception of certain advances, payments will be made for eligible expenses actually incurred by the Subrecipient, and not to exceed actual cash requirements. Payments will be adjusted by the County in accordance with advance fund and program income balances available in Subrecipient accounts. In addition, the County reserves the right to liquidate funds available under this Agreement for costs incurred by the County on behalf of the Subrecipient.
- d. Progress Reports: The Subrecipient shall submit quarterly progress reports to the County in the form, content, and frequency as required by the County to ensure compliance and timeliness. Specific reporting data points are included under **Exhibit "C"**.

21. County Recognition. The Subrecipient shall insure recognition of the role of the County 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.

22. Representations and Warranties.

- a. The Parties warrant that they are in compliance with the Federal Immigration and Nationality Act (FINA) and all other Federal immigration laws and regulations related to the immigration status of their employees and warrant they are in compliance with A.R.S.

§ 23-214A which requires e-verification of each employee's legal employability after they are employed.

- b. The Parties agree that all contracts awarded to contractors in connection with the Project shall include a provision stating that the contractor understands and acknowledges that contractor must comply with the Americans and Disabilities Act, The Immigration Reform and Control Act of 1986, the Drug Free Workplace Act of 1989, A.R.S. §34-301; A.R.S. §34-302; A.R.S. §41-4401 and A.R.S. §23-214(A), listed on the SAM.gov website, not listed on the excluded parties list, and that the contractor shall include this provision in any contract the contractor enters into with any and all of its subcontractors who provide services under any contract awarded to contractor by County or Subrecipient for the Project.
- c. The Parties agree that all contracts awarded to contractors and/or subcontractors in connection with the work to be performed under this Agreement shall include the following provisions:
  - i. The contractor, or subcontractor, whichever is applicable, warrants its compliance with all federal immigration laws and regulations relating to its employees and its compliance with A.R.S. § 23-214A.
  - ii. A breach of warranty under paragraph (i) above shall constitute a material breach of the contract and is subject to penalties up to and including termination of the contract.
  - iii. Pursuant to the provisions of A.R.S. § 41-4401, the contractor or subcontractor, whichever is applicable, warrants compliance with the Federal Immigration and Nationality Act (FINA) and all other Federal immigration laws and regulations related to the immigration status of its employees and A.R.S. § 23-214 which requires verification of each employee's legal employability, after they are employed, using the e-verify program. Contractor and/or subcontractor shall obtain statements from their employees and subcontractors certifying compliance and shall furnish the statements to County or Subrecipient, as applicable. County and Subrecipient, at their sole discretion, may conduct random verifications of employment records of the contractor and any subcontractors to ensure compliance. The contractor agrees to assist in performing any such random verifications. These certifications shall remain in effect through the term of the contract. The contractor and subcontractors shall also maintain Employment Eligibility Verification forms (I-9) as required by the U.S. Department of Labor's Immigration and Control Act, for all employees performing work under the contract.
  - iv. Any and all Federal, State and local contractual requirements including, without limitation, those relating to remedies, termination, employment, labor, records, environment and energy.
- d. Civil Rights.

- i. Compliance: The Subrecipient agrees to comply with the State of Arizona Civil Rights laws 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, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.
  - ii. Nondiscrimination: The Subrecipient agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the Act are still applicable.
  - iii. 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 County 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.
  - iv. Section 504: The Subrecipient agrees to comply with all Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against the individuals with disabilities or handicaps in any Federally assisted program. The County 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. Affirmative Action.
- i. Approved Plan: The Subrecipient agrees that it shall be committed to carry out pursuant to the County's specifications an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1966. The County 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.
  - ii. Women- and Minority-Owned Businesses (W/MBE): The Subrecipient will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this 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), and “minority and women’s business enterprise” means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, “minority group members” are Afro- Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian- Americans, and American Indians. The Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

- iii. Access to Records. The Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the County, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.
  - iv. Notifications. The Subrecipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker’s representative of the Subrecipient’s commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
  - v. Equal Employment Opportunity, Civil Rights, 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.
  - vi. Subcontract Provisions. The Subrecipient will include the provisions of Paragraphs 35(d), Civil Rights, and 35(e), Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own subrecipients or subcontractors.
- f. Except as otherwise provided under 41 C.F.R. Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 C.F.R. § 60-1.3 must include the equal opportunity clause provided under 41 C.F.R. § 60-1.4(b), in accordance with Executive Order 11246, Equal Employment Opportunity (30 Fed. Reg. 12319, 12935, 3 C.F.R. Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, Amending Executive Order 11246 Relating to Equal Employment Opportunity, and implementing regulations at 41 C.F.R. Part 60 (Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor). *See* 2 C.F.R. Part 200, Appendix II(C).
- g. During the performance of this Agreement, the Subrecipient and agrees as follows:
- i. It will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Subrecipient will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race,

color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. They agree to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

- ii. It will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin

h. Employment Restrictions.

- i. Prohibited Activity: The Subrecipient is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.
- ii. Labor Standards: The Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327 *et seq.*) and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The Subrecipient agrees to comply with the Copeland Anti- Kick Back Act (18 U.S.C. 874 *et seq.*) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. The Subrecipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the County for review upon request.

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

- i. “Section 3” Clause.



- i. Compliance: Compliance with the provisions of Section 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 75, and all applicable rules and orders issued hereunder prior to the execution of this contract, shall be a condition of the Federal financial assistance provided under this contract and binding upon the County, the Subrecipient and any of the Subrecipient's subcontractors. Failure to fulfill these requirements shall subject the County, the Subrecipient and any of the Subrecipient's subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. The Subrecipient certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

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

"The work to be performed under this Agreement is 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 the 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 in the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area where the project is located."

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

The Parties to this Agreement agree to comply with HUD's regulations in 24 CFR part 75, which implement Section 3. As evidenced by their execution of this Agreement, the parties to this Agreement certify that they are under no contractual

or other impediment that would prevent them from complying with the part 75 regulations.

- ii. Notifications. The Subrecipient agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or worker's representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.
- iii. Subcontracts. The Subrecipient will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the grantor agency. The Subrecipient will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

## 23. Conduct.

- a. Assignability. The Subrecipient shall not assign or transfer any interest in this Agreement without the prior written consent of the County; provided, however, that claims for money due or to become due to the Subrecipient from the County 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 County.
- b. Subcontracts.
  - i. 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.
  - ii. 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.
  - iii. 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.
  - iv. 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 County along with documentation concerning the selection process.

- c. Hatch Act. The Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.
- d. Conflict of Interest. The Subrecipient agrees to abide by the provisions of 24 CFR 84.42 and 570.611, which include (but are not limited to) the following:
  - i. 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.
  - ii. 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.
  - iii. 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.
- e. Anti-Lobbying. The Subrecipient hereby certifies that:
  - i. 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 any cooperative agreement and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement; and
  - ii. 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 Pinal County’s Federal contract, grant, loan, or cooperative agreement, the Subrecipient will report this to Pinal County so they may complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions; and

- iii. It will require the language of paragraph (iv) 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:
- iv. 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.
- f. Copyright. If this contract results in any copyrightable material or inventions, the Grantee and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.
- g. Religious Activities. The Subrecipient agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

#### 24. Environmental Conditions.

- a. Air and Water. The Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:
  - i. Clean Air Act, 42 U.S.C., 7401, *et seq.*
  - ii. 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;
  - iii. Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.
- b. Flood Disaster Protection. In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the Subrecipient shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).
- c. Lead-Based Paint. The Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners,

prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

- d. Historic Preservation: The Subrecipient agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

## 25. General Terms.

- a. Severability. If any term or provision of this Agreement shall, to any extent be invalid or unenforceable under applicable law, then the remaining terms and provisions of this Agreement shall not be affected thereby, and each of such remaining terms and provisions shall be valid and enforced to the extent permitted by law.
- b. Exhibits. Each of the exhibits attached hereto is expressly incorporated herein and made a part of this Agreement, and all references to this Agreement shall include the exhibits hereto.
- c. Amendments. The County or Subrecipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each organization, and approved by the County's governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the County or Subrecipient from its obligations under this Agreement.

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

- d. Section Heading 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.
- e. Waiver. The County'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 County to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.
- f. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona.
- g. Mutual Indemnification. To the extent permitted by law, each Party (as "**Indemnitor**") agrees to indemnify, defend and hold harmless the other Party, its governing body, officers, officials, agents and employees (as "**Indemnit**ies") for any claims, losses, liabilities, costs or expenses (including reasonable attorney's fees) arising out of omissions, negligence, misconduct or other fault of the Indemnitor, its officers, governing body, officials, agents or employees in connection with the Indemnitor's performance under this Agreement.
- h. 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 County 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.
- i. Entire Understanding. This Agreement contains the entire agreement between the Parties, and no statements, promises or inducements made by either Party, their agents, or employees that are not contained herein shall be valid or binding. This Agreement may not be altered except in writing and signed by each Party hereto.
- j. Conflict of Interest. The parties acknowledge that this Agreement is subject to cancellation pursuant to A.R.S. § 38-511.
- a. E-verify. The Subrecipient warrants that it is in compliance with A.R.S. § 41-4401 (e-verify requirements) and further acknowledges:
  - i. Its compliance with all federal immigration laws and regulations that relate to its employees and its compliance with A.R.S. § 23-214;
  - ii. That breach of this warranty shall be deemed a material breach of this Agreement and the County may immediately terminate this Agreement without liability.

- iii. That the County retains the legal right to inspect the papers and employment records of any Subrecipient employee who works on the Project in any way or otherwise performs services in relation to this Agreement, to ensure that the Subrecipient is complying with the warranty provided above and that the Subrecipient agrees to make all papers and employment records of said employee(s) available during normal working hours in order to facilitate such an inspection.
  - k. Israel Boycott Prohibited. The Subrecipient hereby certifies to the County as follows: that it is not currently engaged in, and agrees for the duration of this Agreement to not engage in, a boycott of Israel pursuant to A.R.S §35-393.01(A). Further that a breach of this Certification shall constitute a material breach of this Agreement that is subject to penalties up to and including termination of this Agreement and that the County retains the legal right to inspect the records of the Subrecipient to ensure compliance with this certification.
  - l. Forced Labor of Ethnic Uyghurs Prohibited. Pursuant to A.R.S. § 35-394, the Subrecipient hereby certifies to the County as follows: that it is not currently using, and agrees for the duration of this Agreement to not use: (1) the forced labor of ethnic Uyghurs in the People's Republic of China; (2) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; and (3) any contractors, subcontractors, or suppliers that use the forced labor of ethnic Uyghurs in the People's Republic of China. The Subrecipient further acknowledges and agrees that: (1) if the Subrecipient becomes aware during the term of this Agreement that it is not in compliance with this certification that the Subrecipient will notify the County within five (5) business days after becoming aware of the noncompliance; and (2) if the Subrecipient does not provide the County with a written certification that the Subrecipient has remedied the noncompliance within one hundred eighty (180) days after giving notice thereof, the same shall constitute a material breach of this Agreement, which shall then terminate automatically, except that if the Agreement termination date occurs before the end of the remedy period, this Agreement terminates on the Agreement's termination date. The County retains the legal right to inspect the records of the Subrecipient to ensure compliance with this certification for the duration of this Agreement.
26. Notices. All notices or other communication which shall or may be given pursuant to this Agreement shall be in writing and shall be delivered by personal service, or by certified mail addressed to the other Party at the address indicated herein. Such notice shall be deemed given on the day on which personally served; or if by certified mail, on the fifth day after being posted or the date of actual receipt, whichever is earlier:

Pinal County  
Heather Patel  
P.O. Box 1348  
Florence, Arizona 85132  
[heather.patel@pinal.gov](mailto:heather.patel@pinal.gov)

City of Maricopa  
Dania Castillo  
37900 W. Civic Center Plaza  
Maricopa, Arizona 85138  
[danica.castillo@maricopa-az.gov](mailto:danica.castillo@maricopa-az.gov)

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: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
Chair of the Board of Supervisors

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

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

ATTEST:

ATTEST:

\_\_\_\_\_  
Town/City Clerk

\_\_\_\_\_  
Clerk/Deputy Clerk of the Board of Supervisors

Approved as to form and within the powers and authority granted the \_\_\_\_\_ under the laws of the State of Arizona:

Approved as to form and within the powers and authority granted Pinal County under the laws of the State of Arizona:

\_\_\_\_\_  
Town/City Attorney

\_\_\_\_\_  
Deputy County Attorney



**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: 7/22/21

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
Telephone	520-316-6835
Contact Person	Dania Castillo
E-mail address	dania.castillo@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	\$222,826
Period of Performance	July 1, 2022 - June 30, 2023
Budget Period	July 1, 2022 - September 30, 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

#### **IV. KEY PERFORMANCE INDICATORS**

Project Description	The work consists of the competitive procurement of design services for the Heritage District improvements (Cesar Chavez Ln. and Heritage Ln.) and construction of phase 1 of the improvements. Phase 1 consists of construction of Cesar Chavez Ln. including the removal and replacement of asphalt and the installation of
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	curb & gutter, sidewalk, ADA ramps, retention, and a street light.
Project Location	Cesar Chavez Lane
Project Beneficiaries	76
Percentage of LMI	100%

#### Ethnicity and Race of beneficiaries

White	37
Black or African American	18
Asian	5
American Indian and Alaskan Native	0
Native Hawaiian or other Pacific Islander	2
Some other race (s)	14
Hispanic or Latino	21

## V. PROJECT SCHEDULE

Application Received	March 1, 2022
Acceptance of project scope	March 7, 2022
Environmental Review	PENDING
Execute Subrecipient Agreement	December 21, 2022 (anticipated)
Release of Funds from Pinal County	December 22, 2022
Completed procurement	March 30, 2023
Project completion	June 30, 2023
Davis Bacon and Section 3 compliance, if applicable	June 30, 2023
Project closeout, all funds expended, and closeout report due	September 30, 2023

## **EXHIBIT “C”**

### **VI. REPORTING**

Quarterly Reports	July 1 – September 30 submitted by October 10
	October 1 – December 31 by January 10
	January 1 – March 30 by April 10
	April 1 – June 30 by July 10
Closeout report	September 30, 2023

The following data points shall be included in each quarterly progress report when applicable:

1. Description and rationale of change orders including documentation.
2. Wage decision received through <https://beta.sam.gov/>
3. Labor standard and payroll reports as provided at [https://www.hud.gov/program\\_offices/davis\\_bacon\\_and\\_labor\\_standards/olrform](https://www.hud.gov/program_offices/davis_bacon_and_labor_standards/olrform) with corresponding Section 3 documentation
4. Status of project by percent complete compared to the funds expended and the schedule submitted with the application
5. Any additional funds allocated and spent on the project including the source
6. FFATA required data for all contracts.
  - a. Name and address of contractor
  - b. Copy of the executed contract
  - a. Total contract amount
  - b. verification of [www.sam.gov](http://www.sam.gov) eligibility
  - c. DUNS # and UEI #
  - d. MBE/WBE eligibility
  - e. List of subcontractors including the above information
  - f. Project description
  - g. Location of performance

A final report/closeout report shall be submitted within 30 days of close of project. The following items shall be included in the report:

1. Total number of beneficiaries and number of low income beneficiaries if different from the application
2. Breakdown of beneficiaries by race and ethnicity including: White, Black or African American, American Indian and Alaskan Native, Asian, Native Hawaiian or other Pacific Islander, Some other Race, or Two or more Races. Also, each beneficiary should be identified if they are Hispanic or Latino if different from application
3. Total amount of additional funds spent on the project including source
4. Final outcome of project e.g. l.f. of sidewalks, number of ADA ramps, etc.
5. Actions taken on behalf of the Subrecipient to remove negative effects of public policy that serve as a barrier to affordable housing. This information can typically be obtained through the planning department. An example might be, do you restrict multifamily development to one part of town where the low-income residents live? Do you provide for development



agreements to give incentives to residential developments to incorporate affordable housing units?

6. What actions, if any were taken to reduce lead-based paint hazards in affordable housing?
7. What actions, if any were taken to reduce the number of poverty-level families within your community? What are the social service-type activities you do or provide to benefit this population? What economic development activities do you engage in to bring jobs to your residents?
8. What actions, if any were taken to improve coordination with social service agencies serving your community? Are there community meetings or events that bring agencies together to serve your residents?
9. Documentation of Affirmatively Furthering Fair Housing. What actions, if any were taken to remove impediments to fair housing outside those actions listed above?

## **EXHIBIT “D”**

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the unit of local of government (ULG) certifies with each application that:

**Affirmatively Further Fair Housing** – It will affirmatively further fair housing.

**Uniform Relocation Act and Anti-displacement and Relocation Plan** – It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970, as amended ( 42 U.S.C. 4601-4655) and implementing regulations at 49 CFR Part 24. It has in effect and is following a residential anti-displacement and relocation assistance plan required under 24 CFR part 42 in connection with any activity assisted with funding under the Community Development Block Grant (CDBG) or HOME programs.

**Anti-Lobbying** – To the best of the ULG’s knowledge and belief:

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 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 Pinal County’s Federal contract, grant, loan, or cooperative agreement, the ULG shall certify and disclose this to Pinal County so they may complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions; and

**Authority of Jurisdiction** – The consolidated plan is authorized under State and local law and the ULG possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

**Consistency with Plan** – The activities to be undertaken with Community Development Block Grant (CDBG), HOME, Emergency Solutions Grant, and housing opportunities for persons with AIDS funds are consistent with the strategic plan in Pinal County’s consolidated plan.

**Section 3** – It will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing at 24 CFR part 75 and 135.

**Citizen Participation** – It is in full compliance and adhering to Pinal County’s detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

**Community Development Plan** – Pinal County’s consolidated plan identifies community development and housing needs and specific both short-term and long-term community development objectives that have been developed in accordance with primary objective of the CDBG program (i.e., the development of viable urban communities, by providing decent housing expanding economic opportunities, primarily, for persons of low and moderate income) and requirements of 24 CFR parts 91 and 570. The ULG further certifies it is following a current consolidated plan that has been approved by HUD.

**Use of funds** – It has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it has developed a proposal to be included in the Pinal County Action Plan so as to give maximum feasible priority to activities which benefit low-moderate income families or aid in the prevention of elimination of slums or blight. The Action Plan may also include CDBG-assisted activities which the grantee certifies are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available.
2. Overall Benefit. The aggregate use of CDBG funds, including section 108 guaranteed loans, during program year(s) 2020, 2021, 2022, shall principally benefit persons of low and moderate income in a manner that ensures at least 70 percent of the amount is expended for activities that benefit such persons during the designated period.
3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the portion of a fee or assessment that related to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment of charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

In addition, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

**Excessive Force** – It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its

jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and

2. A policy of enforcing applicable state and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

**Compliance with Anti-discrimination laws** – The program will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.

**Lead-Based Paint** – Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35, subparts A, B, J, K and R.

**Compliance with Laws** – It will comply with applicable laws.

**Specific HOME Certifications** - The HOME participating jurisdiction certifies that:

**Tenant Based Rental Assistance** – If it plans to provide tenant-based rental assistance, the tenant-based rental assistance is an essential element of its consolidated plan.

**Eligible Activities and Costs** – It is using and will use HOME funds for eligible activities and costs, as described in 24 CFR §§92.205 through 92.209 and that is not using and will not use HOME funds for prohibited activities, as described in §92.214.

**Subsidy Layering** – Before committing any funds to a project, it will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any additional HOME funds in combination with other federal assistance than is necessary to provide affordable housing;

#### **Lobbying Certifications**

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. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 for each such failure.

**Conflict of Interest** - The Subrecipient has no conflict of interest with the Pinal County appointed or elected representatives under the provisions of *ARS* Title 38, Chapter 3, Article 8 regarding conflict of interest and exceptions thereto.

**Federal Labor Standards** - The Subrecipient will comply with federal requirements to be observed by organizations being funded with CDBG/HUD funds, including compliance with Federal Labor Standards, Section 3, Segregated Facilities, Equal Opportunity, and Non-Discrimination; Section 109, Title VI and EO 11246. All requirements are described in 24 CFR 570 (CDBG Entitlement Grants).

## **EXHIBIT “E”**

### **CERTIFICATION FOR A DRUG-FREE WORKPLACE**

The Subrecipient certifies that it will or will continue to provide a drug-free workplace by:

- a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violation of the prohibition;
- b. Establishing an ongoing drug-free awareness program to inform employees about:
  1. The dangers of drug abuse in the workplace;
  2. The Subrecipient’s policy of maintaining a drug-free workplace;
  3. Available drug counseling, rehabilitation, and employee assistance programs; and
  4. The penalties that may be imposed upon employees for drug abuse violations.
- c. Making it a requirement that each employee to be engaged in the performance of activities or services set forth in this Agreement or otherwise in performance of the grant be given a copy of the statement required by paragraph (a);
- d. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment in the performance of activities or services set forth in this Agreement, or otherwise under the grant, the employee will:
  1. Abide by the terms of the statement; and
  2. Notify the Subrecipient of any criminal drug statute violation occurring in the workplace no later than five (5) days after such conviction;
- e. Notifying the County within ten (10) days after receiving notice of such employee’s conviction pursuant to paragraph (d)(2) or otherwise receiving actual notice of the conviction. The Subrecipient must provide notice, including position title, to the County. Notice shall include reference to this Agreement to allow the County to determine the affected grant;
- f. Taking one of the following actions, within 30 calendar days of receiving notice with respect to any employee who is so convicted:

1. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
  2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency.
- g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of the paragraphs set forth herein.
- h. Requiring that the language 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 contracts) and that all subcontractors shall certify and disclose accordingly.