

Contract Purchase Agreement : 6007459

Date : 09/12/2025

To :

Company DETROIT HOUSING COMMISSION
Contact Niva Dangol Shrestha

Address 1301 EAST JEFFERSON
DETROIT, MI 48207



From :

Company City of Detroit
Contact Kelly Trammel
Address 2 WOODWARD AVENUE
STE 1100
DETROIT, MI 48226
UNITED STATES

Phone

Fax

E-mail

This document has important legal consequences. The information contained in this document is proprietary of the City of Detroit. It shall not be used, reproduced, or disclosed to others without the express and written consent of the City of Detroit.

This agreement between the City of Detroit and DETROIT HOUSING COMMISSION is authorized for binding commitment. This agreement will be effective from **09/30/2025** to **12/31/2030**.

Chief Procurement Officer

Sandra Yu Stahl

Contract Purchase Agreement : 6007459
Date : 09/12/2025



Contract Agreement	6007459
Contract Agreement Date	09/12/2025
Change Order	0
Revision	0
Agreement Amount	31,000,000.00 USD

Procurement BU **City of Detroit**
2 WOODWARD AVENUE
STE 1100
DETROIT, MI 48226
UNITED STATES

Supplier **DETROIT HOUSING COMMISSION**
Niva Dangol Shrestha
1301 EAST JEFFERSON
DETROIT, MI 48207
+1 (248) 462-1084

Notes USD = US Dollar
The Housing and Revitalization Department and Detroit Housing Commission (DHC) will enter into a Single Provider CDBG-DR Subrecipient Agreement. DHC will oversee the rehabilitation and/or construction of public housing units.

Procurement Specialist	Supplier Number	Payment Terms	Freight Terms	FOB	Shipping Method
Kelly Trammel	1033965	Net 30	Account of Seller	Delivered	Lowest Cost Carrier

Start Date	End Date
09/30/2025	12/31/2030

Terms and Conditions :

Please see below for general conditions.

Special Terms :

Contract Purchase Agreement : 6007459

Date : 09/12/2025

TERMS AND CONDITIONS

Last Updated August 26, 2022

Acceptance of this Purchase Order constitutes acceptance of the City of Detroit's Non-Technology General Terms and Conditions or Technology General Terms and Conditions, as applicable. The applicable general terms and conditions are located on the City's website at the URL below:

<https://detroitmi.gov/departments/office-chief-financial-officer/ocfo-divisions/office-contracting-and-procurement/city-general-terms-and-conditions>

Contract Purchase Agreement 6007459

Contract Terms and Conditions

PROCUREMENT POLICY

Procurement for the City of Detroit shall be carried out in a manner which provides a transparent, open, and fair opportunity for all eligible Suppliers to participate. This bid shall be made without collusion with any other person, firm or corporation making any bid or proposal, or who otherwise makes a bid or proposal. Suppliers must have a valid contract or Purchase Order with the signature of the Chief Procurement Officer to receive payment for goods or services rendered. Suppliers who perform work without a valid contract or purchase order will not be paid.

QUOTATIONS/PROPOSALS

Suppliers MUST electronically submit the bid quotation/proposal. Failure to submit will be grounds for rejection. In your quotation, a distinction between dollars and cents must be made. Illegible bids may be grounds for rejection of your bid.

RESPONSIBILITIES

The responsibilities under this (proposed) contract are that the City of Detroit is obligated during the period stipulated to purchase all its NORMAL REQUIREMENTS of the above referenced products and/or services from the Supplier, and the Supplier is obligated to supply the quantities and/or services which the City of Detroit requires for its operations. Requirements stated herein are approximate but are for entire normal requirements, whether more or less. Requirements stated are not guaranteed.

COMPLIANCE WITH LAWS AND SECURITY REGULATIONS

The Supplier shall fully comply with and shall require its associates to comply with: (1) federal, state and local laws, ordinances, code(s), regulations and policies applicable to this contract, including, but not limited to, all security regulations in effect from time to time on the City's premises; (2) codes and regulations for materials, belonging to the City or developed in relationship to this project; and (3) with the terms and conditions of the grant, and the requirements of the grantor agencies when grant funds that are specifically related to this Contract are expended.

The Supplier shall indemnify, defend, and hold the City harmless with respect to any damages arising from any violations of applicable laws and regulations by it or its associates. The Supplier shall commit no trespass on any public or private property in performing any of the Services encompassed by this Contract. The Supplier shall require, as part of any subcontract that sub-Contractors comply with all applicable laws and regulations. The Supplier shall secure, at no extra cost to the City of Detroit, all Permits and Licenses necessary for the performance of the work and shall fully comply with all their terms and conditions.

EQUAL OPPORTUNITY

It is the policy of the City that women-owned businesses (WBE), minority-owned businesses (MBE), and certified Detroit businesses (DB) have a fair and equal opportunity to participate in the City's purchasing process. Therefore, the City of Detroit strongly encourages D/M/WBEs to compete for contracts, as well as encourage suppliers to hire D/M/WBEs as subcontractors to supply goods and/or services. The City of Detroit supports a robust free market system that seeks to include viable business and provides opportunity for business growth and development.

INSURANCE

The Supplier shall maintain, at a minimum and at its expense during the term of this contract, the following insurance:

- i. Worker's Compensation insurance with Michigan statutory limits and Employer's Liability insurance with limits of \$500,000.00 each accident, \$500,000.00 each disease, \$500,000.00 each employee. For Federal and State Funded Training Programs, the Supplier is required to secure worker's compensation insurance for all of its participants.

Contract Purchase Agreement 6007459

ii. Commercial General Liability insurance with limits of \$1,000,000.00 per occurrence, subject to a minimum aggregate limit of \$2,000,000.00.

iii. Automobile Liability insurance covering all owned, hired and non-owned vehicles with personal protection insurance and property protection insurance to comply with the provisions of the Michigan No-Fault Insurance Act, including residual liability insurance with a minimum combined single limit of \$1,000,000.00. Include MCS90 endorsement (if hazardous waste will be transported by vendor's auto) with minimum property damage limits of \$1,000,000.00 each occurrence.

If during the term of this contract, changed conditions or other pertinent factors, should in the reasonable judgment of the City, render inadequate the insurance limits, the Supplier will furnish on demand such additional coverage as may reasonably be required under the circumstances. All such insurance shall be effected at the Supplier's expense, under valid and enforceable policies issued by insurers licensed to conduct business in Michigan.

All policies shall name the Supplier as the insured and shall be accompanied by a commitment from the insurer that such policies shall not be canceled or reduced without at least thirty (30) days' prior notice to the City. The Commercial General Liability insurance policy shall name the "City of Detroit" as an additional insured. Certificates of insurance evidencing such coverage shall be submitted to the Office of Contracting and Procurement prior to the commencement of performance under this contract and at least fifteen (15) days prior to the expiration dates of expiring policies.

SUBMISSION OF ANY REQUIRED BONDS OR INSURANCE

Receipt of bonds and/or insurance is part of the process of determining which Supplier may be recommended for award to the City Council. If cause is found to change the recommendation that a Supplier be awarded the contract, or if the City Council does not approve the recommendation, the City shall not be liable for any costs incurred by you in the bid process, including the cost of acquiring bonds and/or insurance.

INVOICING

All suppliers must register in the Supplier Portal for invoicing for payment. Invoice submission instructions for Supplier Portal usage can be found on the City of Detroit's website at <http://www.detroitmi.gov/Supplier>. Suppliers are required to be set up for Automatic Clearing House (wireless payments) in order to receive payment.

Invoices Must Meet The Following Conditions For Payment:

All invoices submitted against the contract must include part or item numbers and/or description. The quantity (for goods) and/or the amount (for services) must correlate to the price listed on the contract or purchase order.

Invoicing for goods and/or services should only be entered in the Supplier Portal after they have been shipped. Invoicing before is prohibited and will result in the delay in payment. Failure to comply is considered non-compliant to the terms of your contract or purchase order.

Timely submission of invoices will result in timely payments.

Questions should be directed to procurementinthecloud@detroitmi.gov.

PROTECTION OF WORK, PERSONS, AND PROPERTY

Contract Purchase Agreement 6007459

During performance and up to the date of final acceptance, the Supplier shall be under absolute obligation to protect the finished and unfinished work against any damage, loss or injury. The Supplier shall take all reasonable precautions to protect the persons and property of the City from damage, loss or injury during performance under this contract.

CLEARANCES

The successful Supplier will be required to obtain approved clearances from the Income Tax Division, Revenue Collections Division and Human Rights Department prior to City Council approval of the contract. Clearance forms for these agencies can be found in the Oracle Fusion system. It is the Supplier's responsibility to obtain and maintain clearances. Approved clearances are not required to submit the bid, but will be required of the successful Supplier prior to City Council approval.

NON-DISCRIMINATION CLAUSE

In accordance with all Federal and State Legislation and Regulations governing Fair Employment, including, but not limited to, Title VII of the Civil Rights Act of 1964 the Michigan Civil Rights Act and the Michigan Handicappers Civil Rights Act, the Supplier agrees that it will not discriminate against employees or applicants for employment with respect to hire, tenure, terms, conditions or privileges of employment because of religion, race, color, national origin, age, sex, height, weight, marital status or handicap that is unrelated to the ability of the individual to perform the duties of a particular assignment or position. The Supplier recognizes the right of the United States and the State of Michigan to seek judicial enforcement of the foregoing covenants against the Supplier or its sub-Contractors, or both, in order to provide for efficient cooperation and coordination in the handling of Contract compliance programs as provided in the Elliott-Larsen Civil Rights Act, as amended, and the Michigan Handicappers Civil Rights Act, as amended. The Detroit Human Rights Department, The Detroit Human Rights Commission, the Michigan Department of Civil Rights and the Michigan Civil Rights Commission by mutual agreement, have authorized the Detroit Human Rights Department in a contract compliance program to monitor all Suppliers doing business with the City and to review the employment practices of Suppliers seeking to do business with the City prior to entering into a contract so that the mandates of Section 209 of the Michigan Civil Rights Act are carried out. The Supplier agrees to include this paragraph number 3 in any subcontract. Breach of this covenant may be regarded as a material breach of the contract.

UNIT PRICES, NOTATIONS, AND WORKMANSHIP

Prices and notations must be typed or in ink. Prices shall be for new items only unless specified otherwise in this Bid Response Document. No erasures or "white-outs" are permitted. Mistakes may be crossed out and corrections entered and initialed in ink by the persons signing the bid document. Unit prices shall be stated based on units specified. The Supplier may quote on all or a portion of a quantity as specified. Quote on each item separately and indicate brand name or make. All materials furnished must be new, of latest model and standard first-grade quality, of best workmanship and design, unless expressly specified.

PRICES QUOTED

Prices quoted must be net of discounts. Discounts will be considered in the determination of best value Supplier, provided discounts correspond for the duration of the contract. Where net is equal to bid with discount deducted, award will be made to the net bid. The Supplier shall extend and total the bids.

SALES TAX EXEMPTION

The City is exempt from sales tax on those articles which the City buys for its own use. Articles bought by the Supplier and incorporated into other products are taxable to the Supplier. Such tax should be included in the price and will not be paid as an extra by the City. Sales tax is excluded from incorporated products when the final product is sold to non-profit housing projects.

SPECIFICATIONS, CHANGE OF SPECIFICATION, AND ERRORS OR OMISSION

Specifications which refer to brand names are given for reference. Suppliers may quote on equivalent articles, provided that brand name and catalog number(s) and any deviations are noted on the bid form and complete descriptive literature is furnished. Exceptions will state "Do Not Substitute." The decision of the City shall be final. If any of the terms and conditions prevent you from bidding, or if you wish to request revisions of specifications, or a change in quantity which will result in lower unit cost to the City, or get an interpretation, your request will receive consideration if presented to the City as much in advance of bid submission deadline as possible. If any change is found desirable while the bid is current, the City will notify the Suppliers of the bid revision electronically and if required extend bid submission date. Suppliers are

Contract Purchase Agreement 6007459

not permitted to take advantage of any errors or omissions in specifications since full instructions will be given should they be discovered before bid submission date.

Specifications referred to herein are used to indicate desired type, and/or construction, and/or operation. Other products and/or services may be offered if deviations from specifications are minor and if all deviations are properly outlined and stated in the bid document. Failure to outline all deviations will be grounds for rejection of your bid.

The decision of the City of Detroit, acting through the Chief Procurement Officer, shall be final as to what constitutes acceptable deviations from specifications.

RECEIPT OF BIDS

Bids must be received by the Office of Contracting and Procurement through the electronic bid system (e.g. Oracle Fusion) prior to the date and time specified on the face of this bid package unless otherwise authorized. Late bids cannot be accepted except in extenuating circumstance such as Oracle Fusion system failure. The responsibility of getting bids to the Office of Contracting and Procurement on time rests entirely with the Supplier.

WITHDRAWAL

No bid shall be withdrawn for (90) ninety days from submission deadline unless otherwise stated in this bid form. Suppliers may reduce this period if stated on bid, but such bids may be rejected on the basis of the reduced time period.

AWARD CONDITIONS

The City reserves the unqualified right to award by item(s) unless otherwise stipulated, to waive any irregularity in any bid or to reject any and all bids when, in the judgment of the City, the best interest of the City will be served.

The award of a Contract will not be made to any Supplier who is in arrears in City taxes. Article V, Chapter 18 of the Detroit City Code, forbids the award of any contract to person(s) who are in arrears of City real estate, personal property and/or income taxes. To ensure compliance with the above ordinance, Suppliers may check the City of Detroit website, www.detroitmi.gov. All awards will be made in accordance with the provisions of Article V, Chapter 18 of the Detroit City Code which provides for purchasing and disposition of property consistent with the City Charter.

CONTRACT ACCEPTANCE

The successful Supplier shall be notified of the award of a contract by the City of Detroit upon issuance of a "Contract Award Notice" or a Purchase Order from the Office of Contracting and Procurement. The "Contract Award Notice" shall contain the date the contract award was approved.

START OF WORK

No Contract shall become effective until the Contract has been approved by the required City Departments, signed by the City of Detroit Chief Procurement Officer, and approved by resolution of the Detroit City Council. Prior to the completion of this approval process, the Supplier will have no authority to begin work on this Contract. The Chief Procurement Officer shall not authorize any payments to the Supplier prior to such approvals, nor shall the City incur any liability to reimburse the Supplier regarding any expenditure for the purchase of materials or the payment of services

INSPECTION

All articles are subject to inspection and testing. In case any articles are defective in material and/or workmanship, or otherwise fail to meet requirements of this bid, the City shall have the right to reject or retain and correct such articles. The Supplier shall pay the City for expenses incurred in correcting defects. Rejected articles will be returned to Suppliers at their expense for handling, packing and transportation.

SUBCONTRACTING

None of the services covered by this Contract shall be subcontracted without the prior, written approval of the City and any grantor agency, if required.

ASSIGNMENT

A Supplier shall not assign any purchase order or Contract or any monies due therefrom without prior approval of the City. Contact the Contracting and Procurement Specialist for proper procedure.

Contract Purchase Agreement 6007459

DEFAULT

Default is defined as the failure of the Supplier to fulfill the obligations of their Contract. An event of default shall be construed as a material breach of this Contract.

DAMAGES FOR BREACH OF CONTRACT

The Supplier shall be liable to the City for any damages it sustains by virtue of the Supplier's breach, or any reasonable costs the City might incur enforcing or attempting to enforce this Contract, including, but not limited to, reasonable attorney's fees. The City may withhold any payment(s) to the Supplier for the purpose of set-off until such time as the exact amount of damages due to the City from the Supplier is determined. It is expressly understood that the Supplier will remain liable for any damages the City sustains in excess of set-off. If the Contract is terminated for breach of Contract, the City may take over the services, and pursue the same to completion by Contract with another party or otherwise, and the Supplier shall be liable to the City for any and all costs occasioned to the City thereby. The City may assess upon the Supplier, for failure to meet any provision or condition of the Contract, liquidated damages up to the amount of 15% of the total contract price, or the amount of the cost incurred for the breach. Other remedies shall also be available to the City. The previous provisions outlined herein shall be in addition to any and all other legal or equitable remedies permissible.

TERMINATION OF CONTRACT FOR CONVENIENCE

The City reserves the absolute right to terminate this contract in whole or in part, for the convenience of the City at its sole discretion on thirty (30) days written notice to the Supplier.

TERMINATION OF CONTRACT FOR CAUSE

The Supplier agrees that the City shall have the right to terminate the City's Contract with the Supplier for cause, as determined by the Chief Procurement Officer, without any liability whatsoever, upon the giving of ten (10) days' notice. Cause is an event of default due to the Supplier's failure to fulfill its obligations under the Contract.

At any time during the term of the contract the City may terminate the agreement for reason of poor or deficient work performance, inability of the Supplier to cure poor or deficient work performance, inability of the Supplier to supply trained competent technicians, or lack of service as described in this agreement by giving a 10-calendar day notice in writing. EITHER party may terminate the agreement by giving a 90-calendar day written notice to terminate.

AUDIT, INSPECTION OF RECORDS AND COST VERIFICATION

The City reserves the right to audit the Supplier's payroll records to verify labor charges for work performed under this Contract upon 72 hours' notice. The Supplier shall permit the authorized representative of the City to inspect and audit all data and records of the Supplier relating to its performance under this Contract during the term of the Contract and for three (3) years after final payment. All records relating to this Contract shall be retained by the Supplier during the term of the Contract and for three (3) years after final payment for the purpose of such audit and inspection.

INDEMNITY

The Supplier agrees to indemnify, defend, and hold the City harmless against and from any and all liabilities, obligations, damages, penalties, claims costs, charges, losses and expenses (including without limitation, fees and expenses for attorneys, expert witnesses and other consultants), which may be imposed upon, incurred by or asserted against the City by reason of any negligent or tortious acts, errors, or omissions attributable to the Supplier, or any failure by the Supplier to perform its contractual obligations during the term of this Contract. This provision shall apply to all matters whether litigated or not, and shall include disputes between the Supplier, the City of Detroit, and any negligent or tortious acts, errors, or omissions attributable to the Supplier, its sub-Contractors or Agents.

CONFLICT OF INTEREST

The Supplier covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which could conflict in any manner or degree with the performance of the services under this Contract. The Supplier further covenants that in the performance of this Contract no person having any such interest shall be employed. The Supplier further covenants that no officer, agent, or employee of the City and no other public official who exercise any functions or responsibilities in the review or approval of the undertaking or carrying out of this Contract has any personal or financial

Contract Purchase Agreement 6007459

interest, direct or indirect, in this Contract or in the proceeds thereof via corporate entity, partnership, or otherwise. The Supplier also hereby warrants that it will not and has not employed any person to solicit or secure this Contract upon any agreement or arrangement for payment of a commission, percentage, brokerage, contingent fee, other than bona fide employees working solely for the Supplier either directly or indirectly, and that if this Warranty is breached, the City may, at its option, terminate this Contract without penalty, liability or obligation, or may, at its election, deduct from any amounts owed to the Supplier hereunder, any amounts of any such commission, percentage, brokerage, or contingent fee.

In accordance with Section 4-122 of the Detroit City Charter, the contractor shall provide a statement listing all political contributions and expenditures ("Statement of Political Contributions and Expenditures"), as defined by the Michigan Campaign Finance Act, MCL 169.201, et seq., made by the contractor, its affiliates, subsidiaries, principals, officers, owners, directors, agents or assigns, to elective City officials within the previous four (4) years. Individuals shall also list any contributions or expenditures from their spouses. The Contract is not valid unless and until the Statement of Political Contributions and Expenditures is provided. The Statement of Political Contributions and Expenditures shall be filed by the contractor on an annual basis for the duration of the Contract, shall be current up to and including the date of its filing, and shall also be filed with all contract renewals and change orders, if any.

CHANGE IN SUPPLIER INFORMATION

Supplier shall notify the Office of Contracting and Procurement upon any change of address, telephone number, facsimile number and electronic mail address, where applicable, within five (5) business days of such change. The notice shall be submitted in writing to procurementinthecloud@detroitmi.gov identified on the Purchase Order and shall include all of Supplier's changed information and the effective date of such change.

TAXPAYER IDENTIFICATION NUMBER

Supplier shall notify the Chief Procurement Officer and the Income Tax Administrator of the City upon the change of Supplier's taxpayer identification number. Such notification shall be in writing; shall include at a minimum, the Supplier's taxpayer identification number in use by the City, Supplier's new taxpayer identification number and all contract and purchase order numbers under which the Supplier is currently providing goods and services to the City; and, shall be electronically submitted to the City within five (5) business days of Supplier's receipt of confirmation of the registration of the new taxpayer identification number by the Internal Revenue Service. Failure of the Supplier to supply the information required, may be deemed an event of default at the sole discretion of the City.

SETOFF

In addition to Supplier's obligation to not become in arrears to the City for any obligation owed to the City, City shall have the right to recover from payment owed to Supplier by City, delinquent withholding, corporate and property tax liabilities owed to the City by Supplier. The City's right of recovery shall be a setoff against those payments owing to Supplier by virtue of this, or any current City Contract. The City will provide written notice to Supplier of any intention to invoke its right to setoff payments due to Supplier under this Contract against delinquent withholding, corporate and property tax liabilities owed. Such written notice shall be delivered to Supplier at the address provided in the Contract/Purchase Order.

SUPPLIER COMMITMENT

By submitting this bid or proposal, the Supplier commits and legally binds itself to provide to the City of Detroit the goods/services in this bid at the time, place, manner and pricing set forth in the bid as accepted by the City.

OFFICE OF THE INSPECTOR GENERAL

In accordance with Section 2-106.6 of the City Charter, any Contract resulting from this bid shall be voidable or rescindable at the discretion of the Mayor or Inspector General at any time if a Public Servant who is a party to any Contract resulting from this bid has an interest in the Contract and fails to disclose such interest.

This Contract shall also be voidable or rescindable if a lobbyist or employee of the contracting party offers a prohibited gift, gratuity, honoraria or payment to a Public Servant in relation to any Contract resulting from this bid. A fine shall be assessed to the Contractor in the event of a violation of Section 2-106.6 of the City Charter. If applicable, the actions of the Contractor, and its representative lobbyist or employee, shall be referred to the appropriate prosecuting authorities.

Contract Purchase Agreement 6007459

Pursuant to Section 7.5-306 of the City Charter, the Inspector General shall investigate any Public Servant, City agency, program or official act, contractor and subcontractor providing goods and services to the City, business entity seeking contracts or certification of eligibility for City contracts and person seeking certification of eligibility for participation in any City program, either in response to a complaint or on the Inspector General's own initiative in order to detect and prevent waste, abuse, fraud and corruption.

Any Public Servant who willfully and without justification or excuse obstructs an investigation of the Inspector General by withholding documents or testimony, is subject to forfeiture of office, discipline, debarment or any other applicable penalty.

In accordance with Section 7.5-310 of the City Charter, it shall be the duty of every Public Servant, contractor, subcontractor, and licensee of the City, and every applicant for certification of eligibility for a City contract or program, to cooperate with the Inspector General in any investigation pursuant to Article 7.5, Chapter 3 of the City Charter.

Contract Purchase Agreement 6007459

Contract Signatures

CPA# 6007459

SPO #

**CITY OF DETROIT
CDBG - DISASTER RECOVERY SUBRECIPIENT AGREEMENT
WITH DETROIT HOUSING COMMISSION**

Table of Contents

SECTION:

1. Engagement of Subrecipient	Page 3
2. Scope of Services, Outreach Plan, Program Policies & Procedures	Page 3
3. Term of Performance	Page 5
4. Personnel and Administration	Page 5
5. Compensation and Interest Deposits	Page 7
6. Method of Payment and Uses of Funds	Page 8
7. Procurement	Page 11
8. Audits, Monitoring, Record Keeping, Tracking and Reports	Page 12
9. Compliance with Federal and Local, Laws, Rules, and Security Regulations	Page 14
10. Fair Employment Practices, Non-Discrimination Requirements and Denial of Services	Page 20
11. Conflict of Interest	Page 21
12. Hold Harmless and Damages; Recapture	
13. Insurance	Page 23
14. Termination and Reversion of Assets	Page 25
15. Procedures for Filing an Appeal	Page 28
16. Assignment, Contracting or Subcontracting	Page 29
17. Amendments and Budget Modifications	Page 31
18. Confidentiality	Page 32
19. Duplication of Benefits	Page 32
20. Hiring Policy	Page 33
21. Office of Inspector General	Page 33
22. Notices	Page 35
23. Miscellaneous	Page 36

EXHIBITS:

- A – Scope of Services (Insert from Subrecipient)
- B – Budget (Insert from Subrecipient)
- C – Accounting and Bookkeeping Procedures and Requirements
- D – Reimbursement Procedures and Requirements
- E – Performance Outcomes Report I
- F – Statement of Eligibility (F1 –F7)
- G – Program Income
- H – Payroll Register Instructions & Payroll Register (H-1 Sample)
- I – Check Register (Sample)

J – Budgetary Status Report (Sample)
K – Time Distribution Summary
L – Certification Regarding Debarment, Suspension Ineligibility, Voluntary
Exclusion and Lower Tier Covered Transactions
M – Certification Regarding Lobbying
N – Separation of Church and State
O – Insurance Waiver – Work's Compensation & Employer's Liability
P – Insurance Waiver – Owned Auto Liability Insurance (Optional)
Q – Funding Award Expenditure Certification
R – Documentation of Subrecipient's Access to 90 Days cash flow statement
S – CDBG Income Guidelines
T – Subaward Data Sheet
U – Duplication of Benefits Certification
V – Cost Analysis
W – Price Analysis

ADDITIONAL HUD DOCUMENTS

- HUD 50070, Certification for a Drug Free Workplace
- Conflict of Interest Certificate

OTHER REQUIRED DOCUMENTS:

- Slavery Era Affidavit
- Certificate of Affidavit of Political Contributions
- Hiring Policy Affidavit
- Covenant of Equal Opportunity
- Income Tax Clearance Form
- Accounts Receivable Clearance Application
- PMA - Certificate of Liability Insurance Form
- Vital Information Form
- Organization Employment Application (Sample)

**CITY OF DETROIT
COMMUNITY DEVELOPMENT BLOCK GRANT –
DISASTER RECOVERY PROGRAM
AGREEMENT**

THIS AGREEMENT entered this ____ day of ___, 2025, by and between the CITY OF DETROIT, a Michigan municipal corporation (the “City”), acting by and through the Housing and Revitalization Department, and the DETROIT HOUSING COMMISSION, a Michigan public body corporate (the “Subrecipient”).

WITNESSETH:

WHEREAS, Pursuant to Public Law 118-158 (the Appropriations Act) and the Federal Register Notice dated March 19, 2025, at 90 FR 1754 (Universal Notice, as Amended and Revised) and 90 FR 4759 Annual Allocation Notice the U.S. Department of Housing and Urban Development (“HUD”) has awarded \$346,864,000 (2023 Disaster) in Community Development Block Grant Disaster Recovery (“CDBG-DR”) funds to the City of Detroit for activities authorized under Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) and described in the Grantee’s Action Plan (the “Action Plan”); and

WHEREAS, the City has received an award allocation of Community Development Block Grant Disaster Recovery funds from HUD through the Disaster Relief Supplemental Appropriations Act for 2023 Disasters, GRANT AGREEMENT NUMBER (FAIN) B-25-MU-26-0001, Subrecipient Unique Entity Identifier #: GYRAGQ4EUHG9; and

WHEREAS, the City has allocated a portion of the CDBG-DR funds to provide funding for the use of eligible disaster recovery activities as listed in the federal authorizing statute; and

WHEREAS, the City has selected the Subrecipient to provide the services set forth in the attached Exhibit A, Scope of Services (herein called the “Services”); and

WHEREAS, the Subrecipient represents that it is authorized and capable of performing the Services in a manner which complies with all applicable federal regulations; and

WHEREAS, the City wishes to provide a subaward to the Subrecipient to administer the Program (see Exhibit T for Subaward Data).

NOW THEREFORE, in consideration of the need for recovery from 2023 Flood Disasters and the premises, the mutual undertakings and benefits to accrue to the parties and to the public, the parties hereto agree as follows:

1. ENGAGEMENT OF SUBRECIPIENT

1.01 The City hereby engages the Subrecipient and the Subrecipient hereby agrees to perform the Services in accordance with the terms and conditions of this Agreement, including Exhibits A, B,

C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, and W, attached hereto and made a part hereof.

2. SCOPE OF SERVICES, OUTREACH PLAN, PROGRAM POLICIES & PROCEDURES

2.01 The Subrecipient shall perform in a satisfactory and proper manner, as determined within the sole discretion of the City, the Services as described in Exhibit A. In the event that there is any dispute between the parties with regard to the extent and character of the Services to be performed, or the quality of performance required under this Agreement, the reasonable interpretation and determination of the City shall govern.

2.02 The Services shall be performed at such locations as are appropriate to the proper performance of the Services.

2.03 The Services shall be undertaken in such sequence as directed by the City to assure their proper and expeditious completion in light of the objectives of this Agreement.

2.04 The Services shall include conferences and consultations deemed necessary by the City to ensure that the Subrecipient properly and fully perform the Services under this Agreement.

2.05 The Subrecipient shall use its best efforts and devote such skill, knowledge, and professional ability as is necessary to most effectively and efficiently carry out and perform the Services during the term of this Agreement.

2.06 The Subrecipient shall obtain and maintain, at its sole cost and expenses, all required license, registration, accreditations, permits and approvals as may be required by law for its operation and the performance of Services under this Agreement. The Subrecipient shall ensure that its employees and subcontractors shall also maintain all required license, registrations, accreditations, permits and approvals as may be required by law for the performance of Services hereunder. Such licensing requirements include obtaining a City business license from the City of Detroit Buildings, Safety, Engineering and Environmental Department, as applicable.

A. Outreach Plan.

2.07 Not Applicable.

B. Program Policies & Procedures.

2.08 The Subrecipient shall develop and provide a written program policies and procedures (the “**Program Policies and Procedures**”) for the Services to be provided under this Agreement. The Subrecipient shall submit the completed program policies and procedures to the City for review and approval within sixty (60) days from the start of this Agreement.

2.09 The Subrecipient must maintain its Program Policy Procedures organized and in a centralized location, and shall be made available to the City or HUD upon request.

2.10 The Services funded with CDBG-DR funds shall meet one of the CDBG National Objectives: benefits low and moderate income persons; aid in the prevention or elimination of slum or blight; or meet community development needs having a particular urgency, as defined in 24 CFR 570.208. The Subrecipient agrees that this Agreement may be terminated if the Subrecipient fails to show documentations for meeting HUD's National Objective or eligibility requirements for the use of CDBG-DR funds under this Agreement.

2.11 The CDBG Disaster Recovery Universal Notice (the "Universal Notice") serves as a comprehensive regulatory document that outlines the requirements for use of the CDBG-DR funds. Subrecipient will comply with all of the terms of the Universal Notice in its performance of the Services and use of the CDBG-DR Funds. A copy of the Universal Notice can be found at the following web address.: <https://www.hud.gov/sites/dfiles/CPD/documents/Universal-Notice-04032025.pdf>

3. TERM OF PERFORMANCE

A. Term of Performance.

3.01 This term of performance under this Agreement shall begin September 30, 2025, and continue through December 31, 2030, unless otherwise extended or terminated as provided herein.

B. Effective Date.

3.02 This Agreement shall become effective upon the date listed in Section 3.01 contingent upon (1) the approval by City Council, and (2) execution by the Purchasing Director of the City of Detroit. The Subrecipient shall have no authority to start work, no payments shall be authorized by the Office of Chief Financial Officer of the City of Detroit, nor shall the City be liable for reimbursement for any materials or services purchased, or payment for any costs incurred by the Subrecipient, or any Services rendered by the Subrecipient, until the requirements of this Section have been satisfied.

C. Extension of Time.

3.03 The Subrecipient may request an extension of the expiration date of this Agreement. Such request shall be made ninety (90) days prior to the expiration date of this Agreement, and subject to the City's determination that conditions warrant an extension beyond the expiration date. Any time extension shall be considered a request to amend this Agreement, and subject to Article 17, Amendments and Budgets Modifications. In no event shall such change result in an increase in the compensation hereunder.

4. PERSONNEL AND ADMINISTRATION

4.01 To ensure proper performance of the Services and a quality Work Product (as hereinafter defined), the Subrecipient warrants that all Subrecipient personnel assigned to the performance of the Services ("**Employees**") or any other consultants, agents or subcontractors engaged by the Subrecipient to perform the Services ("**Subcontractors**") are fully qualified and authorized to work or perform the Services under Federal, State, and local laws, rules, and regulations.

4.02 The Subrecipient shall notify the City in writing within thirty (30) days of any change in ownership or executive leadership or any other significant corporate changes that impact the ability of the Subrecipient to carry out any federal funding under this Agreement or other federal, state or local funding. Subrecipient may not assign this Agreement or any of its obligations hereunder except in accordance with Article 16.

4.03 The City shall have the right of prior approval of all Subcontractors. Each Employee and Subcontractor employed by the Subrecipient in the performance of this Agreement shall devote such time, attention, skill, knowledge, and ability as is necessary to most effectively and efficiently perform the Services to conform to the highest practices in the industry.

The City may, within its sole discretion, and upon such terms and conditions as it deems appropriate, assign qualified City employees to work with the Subrecipient in completing the Services when good and sufficient cause exists to do so and when it is not inconsistent with the terms of this Agreement. It is expressly understood and agreed by the parties hereto that the Subrecipient shall be primarily and ultimately responsible to the City for the proper and expedient completion of the Services and assumes all liability and holds the City harmless for such performance by City personnel when such performance is pursuant to the request of the Subrecipient.

4.04. For clarity and the avoidance of doubt nothing contained in this Agreement is intended or shall be construed in any manner to create or establish the relationship of **employer/employee** between the City and the Subrecipient. Neither party to this Agreement shall claim any liability benefits, such as worker's compensation, pension rights or liabilities arising out of or related to a contract for hire or employer/employee relationship, and no such liabilities or benefits shall arise or accrue to either party or either party's agent or employee with respect to the City as a result of the performance of this Agreement, unless expressly stated in this Agreement. No relationship other than that of independent contractor shall be implied between the parties or either party's agent or employee and the Subrecipient hereby agrees to hold the City harmless from any such claim and any costs or expenses related thereto.

4.05 In all cases in which an Employee or Subcontractor must be replaced, for any reason, the Subrecipient shall supply an acceptable replacement to the City as soon as possible. Except where the Employee or Subcontractor who are assigned to the performance of the Services have been withdrawn pursuant to a written request by the City, the Subrecipient shall furnish such replacement on a no-charge basis for the time necessary for any retraining or job orientation.

4.06 All work to be perform and the Services hereunder shall be coordinated by the **Project Coordinator, Tyler Hardy** duly designated by the Subrecipient and acceptable to the City, who

shall in addition to his or her other duties, act as liaison between the Subrecipient and the City (the "Project Coordinator").

The Project Coordinator shall arrange the time schedule and monitor performance, except that all requirements as to the time schedule, as set forth in this Agreement shall be adhered to by the Subrecipient. The Project Coordinator or his or her designated assistant shall meet regularly with representatives of the City to discuss progress made and any problems which may have arisen.

4.07 The Project Coordinator shall inform the City as soon as the following conditions become known:

- a. Problems, delays, or adverse conditions which materially affect the ability to complete the Services or prevent the meeting of time schedules. This disclosure shall be accompanied by a statement of the action taken, or contemplated, by the Subrecipient and any City assistance needed to resolve the situation; or
- b. Favorable development of events which enable meeting time schedules sooner than anticipated.

The Subrecipient shall inform the City of the reasons for the occurrence of events specified in subsections "a" and "b" of this Section, as well as additional pertinent information.

4.08 For the term of this Agreement and for one (1) year after its termination, the Subrecipient shall not employ any employee of the City, or any agent, or contractor of the City without obtaining the City's prior written consent, as required under the 2019 Detroit City Code, Section 2-5-71, entitled "One Year Post-Employment Prohibition."

4.09 The Subrecipient shall not receive any payment from the City for any costs under this Agreement, including but not limited to, overtime pay, holiday pay, sick pay, vacation pay, retirement benefits, pension benefits, or insurance benefits, or any other costs of the Subrecipient's Employees or Subcontractors in addition to or in lieu of those set forth in, and pursuant to, the compensations specified in Section 5.01 and Exhibit B, Budget.

A. Certifications.

4.10 The Subrecipient certifies that the Subrecipient, its Employee(s) and Subcontractor(s) are not subject to debarment, suspension or determination of ineligibility by HUD or any other state, or local government. If there is a finding of fraud, misappropriation of funds or ineligibility the Subrecipient shall notify the City within thirty (30) days of the government's determination. Failure to report or notify the City of such misconduct may result in the termination of this Agreement, and/or the suspension, decrease or reallocation of future grant funds.

5. COMPENSATION AND INTEREST DEPOSITS

A. Compensation

5.01 The total amount of CDBG-DR funds available to the Subrecipient under this Agreement is thirty-one million and 00/100 dollars (\$31,000,000.00). Subrecipient acknowledges that the CDBG-DR funds are to be used only to pay Eligible Project Costs, (as defined in Exhibit A) and shall be paid only as provided in Exhibit B, Budget, and is inclusive of all remuneration to which the Subrecipient may be entitled pursuant to this Agreement.

B. Interest on Deposits.

5.02 Any interest earned on deposits of federal funds more than five hundred dollars (\$500.00) earned per year shall be returned to the City for submission to the Federal grantor agency. Interest earnings of up to five hundred dollars (\$500.00) per year may be retained by the Subrecipient solely for administrated expenses but must be accounted for in the Subrecipient's records. The Subrecipient shall report to the City on all such interest earnings.

6. METHOD OF PAYMENT and USES OF FUNDS

A. Method of Payment

6.01 The Subrecipient shall submit a requisition for reimbursement consistent with and pursuant to all requirements set forth in Exhibit A ("Scope of Services"), Exhibit B ("Budget") and Exhibit D ("Payment/Reimbursement Procedures and Requirements"). Payment to the Subrecipient is governed by 2 CFR 200 Subpart E - Cost Principles; accordingly, payment will be made on a cost reimbursement basis. Request for reimbursement must be accompanied with all necessary documentation substantiating eligibility of cost for which reimbursement is requested or as may be determined by the City. The City shall approve payment, in whole or in part, upon satisfactory receipt, review and approval of the complete requisition for payment. If the City requires further explanation or documentation, the Subrecipient shall provide such further explanation or documentation upon request. Reimbursement may be contingent upon certification of the Subrecipient's financial management system in accordance with the standard specified in 2 CFR 200.

All requisitions for reimbursement shall provide the following:

1. Each requisition for reimbursement must be signed by the authorized representative of the Subrecipient, and comply with all requirements in Section IV Construction Draw Procedures, of Exhibit A. Failure to submit a complete requisitions for reimbursement with all necessary documents in a timely manner will be considered incomplete and may result in: (1) the delay in payment; (2) the suspension of payment until the City determines whether the Services rendered warrant payment that is commensurate with the work performed, or (3) affect the award of future CDBG-DR funds.
2. Requisitions for payment shall be directed to the attention of the individual and/or department specified as the Program Manager in Section 6.06.
3. All request for reimbursements must be for expenses incurred or purchases for Eligible Project Costs made during the term of the agreement.

4. No request for reimbursement may be submitted later than ninety (90) days after the termination date of this Agreement.

6.02 The requisition for reimbursement shall include the monthly performance report specified in Section 8.06 herein.

6.03 All CDBG-DR funds obligated or committed by the Subrecipient during the term of this Agreement must be expended on or before the termination date of this Agreement. CDBG-DR funds, which are not expended by the termination date shall be returned to the City. Any CDBG-DR funds held by the City at the end of this Agreement and not expended shall be reallocated or reprogrammed by the City.

B. Payment for Direct and Indirect Costs

6.04 Direct Costs. For each direct cost, corresponding supporting documentation shall be provided. The Subrecipient shall not charge to this Agreement direct costs which have been or will be paid from another source, or have been or will be submitted to another source, except as expressly provided in Exhibit A hereto regarding reimbursement of construction advances previously paid by other lenders to a specific development project. If the Subrecipient will use City funds to reimburse a portion of a cost (i.e., using CDBG-DR to pay half of a monthly construction draw), the split between the City funding source and other funding sources should be noted on the documentation.

6.05 Indirect Costs. CDBG-DR Funds shall be used only to pay Eligible Project Costs and indirect costs of subrecipient or Subrecipient's own staffing and administrative costs shall not be eligible for reimbursement from the CDBG-DR funds under this Agreement.

6.06 Payment for services provided under this Agreement is governed by the terms of the 2019 Detroit City Code, Sections 17-5-281 through 17-5-288 entitled "Prompt Payment of Vendors."

The individual responsible for accepting performance under this Agreement and from whom payment should be requested is **Program Manager, Gordon Pearson**, who may be reached at the Housing and Revitalization Department, Coleman A. Young Municipal Center, 2 Woodward Avenue, Suite 908, Detroit, Michigan 48226, **Email Address: pearsong@detroitmi.gov**.

C. Overpayment to Subrecipient

6.07 The City has the right to rely on the Subrecipient for submission of accurate invoices, including the support documents. Should any discrepancy in the records, or any other inaccuracy result in overpayment or ineligible expenditures, such overpayments or ineligible expenditures shall be recovered from the Subrecipient, as provided by 2 CFR 200. If the Subrecipient receives a notice of overpayment, the Subrecipient may protest the overpayment determination in accordance with Article 10 of this Agreement.

6.08 In the event of any audit findings that result in the disallowance of any use of funds, the Subrecipient, at the sole discretion of the City, shall repay the amount of the disallowed funds to the City, even if the audit occurs after the expiration date or termination date of this Agreement.

When the City is required to repay said disallowed funds to the grantor agency, it is understood that the reasonable time period may be limited to the time period that the grantor agency allows the City for repayment.

D. Program Income

6.09 "Program income" is defined as gross income generated from the use of CDBG-DR funds received by subrecipients, except that the full definition of "program income" shall be as defined in applicable Federal regulations, currently found in the Universal Notice found at 90 FR 1754.

Unless this agreement provides elsewhere that the Subrecipient may retain program income it receives and specifies the use or uses to which it may be put, the Subrecipient shall return all program income to the City of Detroit, Housing and Revitalization Department to be reprogrammed and used for such activities as the City shall in its sole discretion determine. If this Agreement or the City authorizes the Subrecipient to use some or all of the program income it receives during the course of the Agreement, the use of such income shall be subject to (1) all terms and conditions of this Agreement applicable to the funding of this Agreement and (2) all laws and regulations applicable to the use of CDBG-DR funds, including but not limited to 90 FR 1754 and 2 CFR Part 200.

6.10 Program income to be returned to the City shall be sent to the City within three (3) days after its receipt, unless the Subrecipient can apply the funds in the near future to the reimbursement of expenses already incurred. In such event, the funds shall be held until the next reimbursement request is prepared, deducted from the total amount of the draw request submitted and applied to the reimbursement of the expenses covered by the request. Said submittal shall clearly identify the amount of program income that was received and program income that is being used to reduce the amount of grant funds needed to cover expenses covered by the invoice.

6.11 Upon expiration or termination of this Agreement, the Subrecipient shall (1) transfer to the Housing and Revitalization Department all CDBG-DR funds, including all program income, on hand at the time of expiration or termination, and (2) assign to the City all accounts receivable attributable to the use of CDBG-DR funds together with a report on all such accounts receivable. If, subsequent to expiration or termination of this Agreement, the Subrecipient should nevertheless receive funds the rights to which had been assigned to the City, the Subrecipient shall immediately remit same to the City, together with detailed explanation regarding their source.

Payment made under this Agreement is intended to be inclusive of all Services provided under this Agreement, and constitutes the City's only financial obligation under the Agreement irrespective of whether the cost to the Subrecipient of providing services exceeds that obligation.

All of the terms of these Sections 6.09 through Section 6.11 shall survive the expiration or sooner termination of this Agreement for the period provided in Section 8.10 hereof.

7. PROCUREMENT

7.01 The Subrecipient agrees to adhere to the requirements for procurement in 2 CFR Part 200, and the City's procurement requirements regarding the procurement of goods or services using CDBG-DR funds in whole or in part. All procurement transactions shall be conducted in a manner that provides maximum open and free competition consistent with applicable requirements of 2 CFR 200.317-326, and 2019 Detroit City Code, Section 17-5-1 *et seq.* Provided, however, pursuant to 2 C.F.R. 200.319(c), the Detroit equalization credits found at Section 17-5-12 of the Detroit City Code shall not be used. The Subrecipient will remain fully obligated under the terms and conditions of this Agreement. The terms of this Section 7 shall survive the termination or sooner expiration of this Agreement for the period provided in Section 8.10 hereof.

7.02 The Subrecipient may not award or permit an award of a contract to a party that is debarred, suspended or ineligible to participate in a Federal program. The Subrecipient must verify that any contractors are not excluded, disqualified or otherwise ineligible, following suspension and debarment requirements, and performing a SAM.gov check. Documentation of debarment checks and SAM.gov checks should be generated for all cases, and staff shall maintain documentation of these verifications in the procurement file for records retention and submit a copy to their program manager prior to procuring the entity.

7.03 The Subrecipient must establish written selection procedures for procurement transactions, and the procedures must be adequate to ensure fair pricing and to avoid the purchase of unnecessary or duplicate items (2 CFR 200.318(d)). The procurement procedures shall not restrict or eliminate competition.

7.04 The Subrecipient agrees that the City shall not honor any reimbursement request from the Subrecipient without sufficient documentation of its procurement process.

7.05 The Subrecipient agrees to purchase only eligible goods & services as specified under this agreement to qualify for reimbursements. The Subrecipient shall obtain written approval for any travel outside the metropolitan area with funds provided under this Agreement.

7.06 Acquisition cost of goods or services of Ten Thousand Dollars (\$10,000) and above must be procured through written purchase orders, with a minimum of three (3) quotes to ensure proper cost reasonableness

7.07 This Agreement may be terminated if the Subrecipient fails to show documentation for its procurement procedures upon request by the City or HUD local office. The Subrecipient agrees and avers that the Subrecipient, its Employees nor its Subcontractors are subject to debarment, suspension or determination of ineligibility by HUD, and acknowledges that the City is relying upon this declaration.

7.08 Cost/price analysis must be conducted for procurements over the Simplified Acquisition Threshold (\$250,000.00) unless state/local policies set a lower threshold. To ensure compliance with cost and price analysis requirements, it is important for the subrecipient to a) develop a cost

estimate before the procurement, prior to receiving any competitive bids and b) ensure that the procurement receives multiple bids. If the procurement received sufficient responsible offers to demonstrate cost reasonableness through adequate price competition and the price is comparable to the initial cost estimate, no additional price analysis is required. If the procurement is over the current Simplified Acquisition Threshold (or a lower City threshold) AND did not receive sufficient responsible offers to demonstrate cost reasonableness through competition (i.e., sole source, lack of response), the Subrecipient will need to negotiate a fair and reasonable price with the bidder. The price will be based on previous costs incurred for similar items and/or actual costs previously incurred by the same bidder.

- **Cost Analysis:** A cost analysis is proof that the expenditure is (1) allowable, (2) reasonable, and (3) allocable. It is important to prepare this analysis prior to receiving competitive bids for the procurement. Please see Exhibit V for a Cost Analysis template.
- **Price Analysis:** A price analysis is simply to shop around and compare prices, an evaluation of the proposed price without accounting for other cost factors (24 CFR 85.36(f), 2 CFR 200.323). Results should always be documented. Please see Exhibit W for a Price Analysis template.

7.09 Informal procurement methods. When the value of the procurement for property or services under a Federal award does not exceed the Simplified Acquisition Threshold (SAT), or a lower threshold established by the City, formal procurement methods are not required. The Subrecipient may use informal procurement methods to expedite the completion of its transactions and minimize the associated administrative burden and cost. The informal methods used for procurement of property or services at or below the SAT include:

(1) *Micro-purchases*

- (i) ***Distribution.*** The acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold (See the definition of *micro-purchase* in section below. To the maximum extent practicable, the Subrecipient should distribute micro-purchases equitably among qualified suppliers.
- (ii) ***Micro-purchase awards (up to \$10,000).*** Micro-purchases may be awarded without soliciting competitive price or rate quotations if the Subrecipient considers the price to be reasonable based on research, experience, purchase history or other information and documents it files accordingly. Purchase cards can be used for micro-purchases if procedures are documented and approved by the non-Federal entity.
- (iii) ***Micro-purchase thresholds.*** The City is responsible for determining and documenting an appropriate micro-purchase threshold based on internal controls, an evaluation of risk, and its documented procurement procedures. The micro-purchase threshold used by the City entity must be authorized or not prohibited under State, local, or tribal laws or regulations. The City may establish a threshold higher than the Federal threshold established in the

Federal Acquisition Regulations (FAR) in accordance with paragraphs (a)(1)(iv) and (v) of this section.

(iv) *Non-Federal entity increase to the micro-purchase threshold up to \$50,000.* The City may establish a threshold higher than the micro-purchase threshold identified in the FAR in accordance with the requirements of this section. The City may self-certify a threshold up to \$50,000 on an annual basis and must maintain documentation to be made available to the Federal awarding agency and auditors in accordance with § 200.334. The self-certification must include a justification, clear identification of the threshold, and supporting documentation of any of the following:

(A) A qualification as a low-risk auditee, in accordance with the criteria in § 200.520 for the most recent audit;

(B) An annual internal institutional risk assessment to identify, mitigate, and manage financial risks; or,

(C) For public institutions, a higher threshold consistent with State law.

(v) *Non-Federal entity increase to the micro-purchase threshold over \$50,000.* Micro-purchase thresholds higher than \$50,000 must be approved by the cognizant agency for indirect costs. The non-federal entity must submit a request with the requirements included in paragraph (a)(1)(iv) of this section. The increased threshold is valid until there is a change in status in which the justification was approved.

(2) *Small purchases -*

(i) *Small purchase procedures.* The acquisition of property or services, the aggregate dollar amount of which is higher than the micro-purchase threshold but does not exceed the simplified acquisition threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources as determined appropriate by the City.

(ii) *Simplified acquisition thresholds.* The City is responsible for determining an appropriate simplified acquisition threshold based on internal controls, an evaluation of risk and its documented procurement procedures which must not exceed the threshold established in the FAR. When applicable, a lower simplified acquisition threshold used by the City must be authorized or not prohibited under State, local, or tribal laws or regulations.

Definitions:

Micro-purchase means an acquisition of supplies or services using simplified acquisition procedures, the aggregate amount of which does not exceed the micro-purchase threshold.

Micro-purchase threshold means \$10,000, except it means -

(1) For acquisitions of construction subject to 40 U.S.C. chapter 31, subchapter IV, Wage Rate Requirements (Construction), \$2,000;

(2) For acquisitions of services subject to 41 U.S.C. chapter 67, Service Contract Labor Standards, \$2,500;

(3) For acquisitions of supplies or services that, as determined by the head of the agency, are to be used to support a contingency operation; to facilitate defense against or recovery from cyber, nuclear, biological, chemical or radiological attack; to support a request from the Secretary of State or the Administrator of the United States Agency for International Development to facilitate provision of international disaster assistance pursuant to 22 U.S.C. 2292 *et seq.*; or to support response to an emergency or major disaster (42 U.S.C. 5122), as described in 13.201(g)(1), except for construction subject to 40 U.S.C. chapter 31, subchapter IV, Wage Rate Requirements (Construction) (41 U.S.C. 1903)

(i) \$20,000 in the case of any contract to be awarded and performed, or purchase to be made, inside the United States; and

(ii) \$35,000 in the case of any contract to be awarded and performed, or purchase to be made, outside the United States.

8. AUDITS, MONITORING, RECORD KEEPING TRACKING AND REPORTS

8.01 **Audits:** The Subrecipient will submit to the City a copy of its annual audit report for each year during which this Agreement is in force, and in accordance with the requirements under 2 CFR 200. The Subrecipient shall also provide for an independent audit, as requested and required.

The Subrecipient shall establish and maintain a system of accounting and internal controls that comply with generally accepted accounting principles and all federal, state, and local accounting principles and governmental accounting and financial reporting standards that are applicable to federal, state and/or local grants, awards, and or contracts.

8.02 The Subrecipient shall make available all books, documents, papers, records (herein collectively called "**Records**") and project sites directly pertinent to this Agreement for monitoring, audits, inspections, examinations and making excerpts and transcriptions by the City, HUD, and the Comptroller General of the United States, at all reasonable times. The Subrecipient shall make available all such Records, in their entirety, including all identifying labels and case names, with no deletions, for all such monitoring, audits, inspections, examinations, and making of excerpts and transcriptions. The Subrecipient shall keep full and complete records documenting all Services performed or payments made under this Agreement including, but not limited to, records of all activities performed pursuant to this Agreement and all financial records associated therewith. The Subrecipient shall require compliance with this Article in all agreements with Subcontractors and sub-Subrecipients to permit monitoring access by the City to all relevant books and records and to the site of any construction or other work performed hereunder. Any deficiencies noted in any audit report related to this Agreement must be fully cleared by the Subrecipient of the notice of the deficiency within thirty (30) days after receipt by the Subrecipient.

Failure of the Subrecipient to comply with the above audit requirements will constitute a violation of this Agreement and may result in the withholding of future payment. All access rights to Records, which are set forth in this Section, shall survive the expiration or effective termination date of this Agreement and shall last at least as long as the record retention period specified in Section 8.04 hereof.

8.03 Nothing contained herein shall be construed or permitted to operate as any restriction upon the power granted to the City Council by the Detroit City Charter to audit and allow all accounts chargeable against the City. The City shall have the right to examine and audit all books, records documents and other such supporting data as the City may deem necessary of the Subrecipient and any Subcontractors or sub-Subrecipient's rendering Services under this Agreement whether direct or indirect which will permit adequate evaluation of the cost or pricing data submitted by the Subrecipient. The Subrecipient shall include or cause to be included a similar covenant allowing for City and Federal audit and monitoring in all Subcontractors and sub-Subrecipient's contracts whose services will be charged directly or indirectly to the City, as is hereby required by the City and/or as may be required by Federal regulations. The City may delay payment to the Subrecipient pending the results of any such audit or monitoring without penalty or interest.

8.04 **Records Retention:** All financial Records pertinent to this Agreement shall be kept in accordance with generally accepted accounting practices and with the Federal regulations at 2 CFR 200.302 "Financial Management." The Subrecipient shall keep a property inventory for all property purchased in whole or in part with CDBG-DR funds consistent with all Federal property management requirements and with all other applicable terms of this Agreement, as provided in Exhibit C.

The Subrecipient shall maintain all records in accordance with 24 CFR 570.503(7) and 24 CFR 570.506 for the purpose of determining compliance with the requirements of this Agreement. All records shall be retained for not less than three (3) year after final completion of the Services under this Agreement or when the Subrecipient no longer receives, uses, or retains program income and/or miscellaneous revenue, irrespective of whether said date occurs after the expiration date or termination date of this Agreement. The Subrecipient shall follow the retention requirements under § 200.333 (Retention requirements for records); § 200.334 (Request for transfer of records; § 200.335 (Methods for collection); § 200.336 (Access to records), and § 200.337 (Restriction on public access to records).

8.05 **Monitoring:** The Subrecipient agrees to allow representative(s) of the City to make periodic inspections with reasonable notice to the Subrecipient for the purpose of ascertaining that the Subrecipient is properly performing the Services set forth in Exhibit A. Such inspections shall be made at any time during normal business hours of the Subrecipient. If during such inspections, the representative(s) of the City and/or representatives of HUD should note any deficiencies or substandard performance in the compliance of this Agreement, , such deficiencies or substandard performance will be reported promptly to the Subrecipient in writing. The Subrecipient agrees to promptly remedy and correct any such reported deficiencies within ten (10) days of notification by the City. If action to correct such deficiencies or substandard performance is not taken by the Subrecipient within a reasonable time in the City's discretion, and after being notified by the City, contract suspension or termination procedures will be initiated.

8.06 Tracking and Reports: The Subrecipient shall prepare, complete and submit performance reports and other information to the City in order to demonstrate compliance with the applicable regulations and requirements outlined in Exhibit E. Failure to timely prepare and submit the required reports and documents will constitute a breach of performance and may lead to suspension and/or termination of this Agreement.

8.07 In addition to the above reporting requirements, the Subrecipient shall, upon request by the City, provide to the City all data and information as necessary to allow the City to meet the City's reporting obligations to the Federal grantor agency, including but not limited to data and information needed by the City for closeout submissions, if any, to the Federal grantor agency.

The Subrecipient shall comply with the financial responsibility requirements set forth in Article 6, 7 and 8 of this Agreement.

8.08 Client Data. During the term of this Agreement, if the Subrecipient collects or has access to any a information, including, but not limited to personal information, any of the City's information and any other information uploaded or transmitted to or stored by the City or the Subrecipient pursuant to this Agreement (collectively "Data"), the following provisions shall apply:

- a. The Subrecipient acknowledges that the Data created on behalf of the city is solely owned by the City.
- b. The Subrecipient further acknowledges and agrees that it shall not access, use, disclose, sell, rent, transfer or copy the Data for any purpose (or authorize or permit a third party to perform such acts) except as may be necessary to fulfill its obligations under this Agreement. The Subrecipient is prohibited from using, transferring or disclosing any of the Data without specific written approval from the City. The Subrecipient hereby acknowledges that it does not currently have, nor will it ever have, a property interest in the Data and may not assert a lien or right to withhold Data from the City.

In such cases where client data is collected, the Subrecipient understands that client information collected under this Agreement is private and the use or disclosure of such information, when not directly connected with the administration of the Subrecipient's responsibility with respect to Services provided under this Agreement, is prohibited, unless written consent is obtained from such person receiving service, and in the case of a minor, that of a responsible parent or guardian.

8.09 Close-outs. The Subrecipient's obligations under this Agreement shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but not limited to: making final payments, disposing of program assets (including the return of all unused material, equipment, unspent funds, program income balances, and accounts), and determining the custodianship of records. Notwithstanding the forgoing, the terms of this Agreement shall remain in effect during any period that Subrecipient has control over CDBG-DR funds, including program income, but shall not extend beyond ninety (90) days after the termination date of this Agreement.

8.10 Survival of Terms During Project Loans. Notwithstanding the foregoing, the City and Subrecipient agree that the terms of this agreement regarding (a) ongoing compliance and monitoring obligations, (b) the handling of Program Income, (c) hold harmless and recapture obligations; and (d) federal requirements and regulations which may be applicable during the term of the loan to a Project, as provided in Sections 6, 7, 8, 9, 10, 12 and 13 and Exhibit A of this Agreement shall survive the term of this Agreement and shall remain in place as long as any CDBG-DR loans are outstanding between Subrecipient and the owners of any Projects (including any loans that are made with CDBG-DR funds which were received by Subrecipient as Program Income and permitted by the City to be redeployed), which extend longer than the terms of this Agreement.

In addition to the foregoing, and if deemed necessary by the City, the City and Subrecipient will enter into a separate agreement regarding ongoing compliance, monitoring, and handling of program income after the expiration of this Subrecipient Agreement to ensure compliance with all federal requirements for loans to a Project (as defined in Exhibit A) that extend longer than the term of this Agreement.

9. COMPLIANCE WITH FEDERAL AND LOCAL LAWS, RULES, AND SECURITY REGULATIONS

9.01 The Subrecipient shall comply, and shall require all Employees, Subcontractors, and sub-Subrecipients to comply, with all applicable Federal, State and local laws, ordinances, codes, regulations, and policies, including, but not limited to, all security regulations in effect from time to time on the City of Detroit's premises; codes and regulations for materials belonging to the City or developed in relationship to the Service rendered externally; where applicable and where not prohibited by state or Federal law, all applicable City of Detroit Human Rights requirements, including without limitation 2019 Detroit City Code, Section 23-1-1 et. seq.; and all assurances and regulations pursuant to Title I of the Housing and Community Development Act of 1974, as amended; HUD's implementary regulations at 24 CFR Part 570; 2 CFR Part 200, as applicable; cost principles applicable to all requirements imposed by the City on the Subrecipient due to the City's obligations under 24 CFR 570, and 2 CFR Part 200 or the applicable CDBG provision as found under (1) Subpart B "General", (2) Subpart C "Pre-Federal Award Requirements and Contents of Federal Awards," and (3) Subpart D "Post Federal Award Requirements," and other related statutes and regulations.

9.02 Lead Based Paint and Other Environmental Concerns. The Subrecipient shall carry out the Services required hereunder in compliance with all laws and regulations described in Subpart K of 24 CFR Part 570, including but not limited to the regulations found at 24 CFR 570.608, "Lead based paint", as applicable, and the regulations found at 24 CFR 570.605, "National Flood Insurance Program", as applicable; however, the Subrecipient shall not assume the City's environmental responsibilities described at 24 CFR 570.604 and the Subrecipient shall not assume the City's responsibility for initiating the environmental review process under the provisions of 24 CFR Part 52.

9.03 CDBG Acquired Property. The Subrecipient shall use any real property under the control of the Subrecipient, that was acquired or improved in whole or in part with CDBG-DR funds in

excess of \$25,000, in such a manner so that such use, for at least five (5) years after expiration of this Agreement, shall meet one of the three national objectives required by the Federal regulations at 24 CFR 570.208; or, with prior written City approval, dispose of such real property in a manner that results in the City being reimbursed in the amount of the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG-DR funds for acquisition of, or improvement to, the property. The City may, at its sole option, waive reimbursement after the five (5) year period mentioned above in this paragraph, only if all national objectives have been met during the five (5) year period.

In the event that, pursuant to the regulations at 24 CFR 570.503(b)(7), the Subrecipient is required to ensure that any real property that was acquired or improved, in whole or in part, with CDBG-DR funds in excess of \$25,000, shall be used and/or disposed of in compliance with 24 CFR 570.503(b)(7), then the Subrecipient shall comply with all requirements of this Agreement applicable to use and/or disposition of such real property, including record keeping requirements, for five (5) years after the expiration or termination of this Agreement.

9.04 Davis-Bacon Act and Related Statutes. In the event, the construction contracts exceed \$2,000 in federal assistance, and involves the employment of laborers and/or mechanics to perform the work, the Subrecipient shall comply with the requirements of 29 CFR Part 1, 29 CFR Part 5.1 entitled “**Davis-Bacon Act**”, which provides for the payment of minimum wages, including fringe benefits, and related statutes listed in Appendix A to Part 1. The Subrecipient shall comply with 29 CFR Part 3 entitled “**Copeland “Anti-Kickback” Act**”, which applies to any contract that is subject to Federal wage standards and which involves the construction, completion, or repair of public buildings, public works or buildings or works financed in whole or in part by federal loans or grants.

All federally funded contractors, subrecipients, and subcontractors shall agree as follows:

1. Will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, disability, or national origin. The contractor, subrecipient and subcontractor 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. The contractor, subrecipient and subcontractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
2. Will, in all solicitations or advancements for employees placed by or on behalf of the contractor, subrecipient and subcontractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, disability, or national origin.
3. Will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the

compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

4. Will monitor all construction work performed with assistance provided under this agreement for compliance with all applicable Federal Labor Standards, as set forth in the regulations described at 2 CFR Part 200 Appendix A, Sections 1-4 thereof and shall report any noncompliance to the Housing and Revitalization Department, as required by the 2 CFR 200 and regulations.

9.05 **Clean Air and Water.** If the compensation of this Agreement exceeds \$100,000, the Subrecipient shall comply with all applicable standards, orders or requirements issued under Section 306 of the Clean Air Act (42 USC 1857 (h)), Section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738, and Environmental Protection Agency Regulations (40 CFR, Part 15), which prohibit the use under non-exempt Federal contracts, grants or loans of facilities included on the EPA List of Violating Facilities. The Subrecipient shall report all violations to HUD, to the USEPA Assistant Administrator for Enforcement (EN-329), and to the City.

9.06 The Subrecipient shall comply with and recognize mandatory standards and policies relating to energy efficiency which are contained in the State Energy Conservation Plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163).

9.07 **CDBG-DR Contract Compliance.** The Subrecipient shall include in all procurement contracts under this Agreement and cause to be included in all subcontracts under such contracts the provisions of the Federal regulations at 24 CFR 200.326, including without limitation those set forth in Appendix II of Part 200, as applicable, including, but not limited to:

- a. maintain written standards of conduct for conflicts of interest, or organizational conflicts of interest, pursuant to 2 CFR 200.318; organizational conflict of interest is defined as a situation in which the nature of work under this Agreement and the Subrecipient's organizational, financial, contractual or other interests are such that:
- b. award of the contract may result in an unfair competitive advantage; or
- c. the Subrecipient's objectivity in performing the contract work may be impaired.
- d. encourage intergovernmental or inter-agency agreements to procure common goods and services, as described in 2 CFR 200.29 and 2 CFR 200.318;
- e. the Subrecipient shall, when conducting procurement, use fair and reasonable methodology to avoid state or local preferences, as described in 2 CFR 200.319.

9.08 Lobbying. The Subrecipient shall comply with all requirements of the rule entitled "New Restrictions On Lobbying" found at 24 CFR 87 (the "Lobbying Rule", hereinafter). The parties hereto acknowledge that said rule requires, but is not limited to requiring, that the Subrecipient and all parties at lower tiers, including sub-Subrecipient's, contractors and subcontractors, not use any Federal appropriated funds to pay for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, including subawards at all tiers, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement, including subawards at all tiers. The parties hereto further acknowledge that said rule requires that under certain conditions, specified therein, affected parties make certifications, file statements, and make disclosures, regarding the use of appropriated Federal funds, and regarding the use of funds which are other than appropriated Federal funds, in regard to the above described lobbying activities. The language of the certification required from the Subrecipient and from all affected parties, including but not limited to the parties at all lower tiers, is attached to this Agreement as Exhibit M. The meaning of the terms in this Section and in said certification shall be construed pursuant to the definitions of said terms as they are defined in the Lobbying Rule. The Subrecipient shall require all parties at all lower tiers to comply with all requirements of the Lobbying Rule applicable to said parties and shall include the language of the certification, and require that the language of the certification be included, in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements). The Subrecipient shall adhere to the terms of the certification and shall require all parties at lower tiers to so adhere. Notwithstanding the above described lobbying requirements, it is understood by the parties hereto that the submission of the certifications described above is required only if the compensation of this Agreement, as it may be amended, exceeds \$100,000.00, although all other requirements of this Section are applicable, irrespective of the amount of said compensation.

9.09 Records Compliance. The Subrecipient shall comply with the requirements of the HUD Reform Act of 1989, as set forth in the Federal regulations located at 24 CFR Part 4, as applicable in regard to all applications received by the Subrecipient in performance of the Services required hereunder, shall keep records on such compliance, shall make such records available for audit, examination, and monitoring, and, if required by the City, shall report on such compliance to the City in a manner as may be required by the City.

9.10 Religious Activities. The Subrecipient shall comply with all federal requirements regarding separation of church and state as provided in Exhibit N. The Subrecipient warrants that the Services being provided with grant funds are not used to support any inherently religious activities, such as worship, religious instruction, or proselytization or other sectarian purposes

In addition to, and not in substitution for, other provisions of this Agreement regarding the provision of services with CDBG-DR funds, pursuant to Title I of the Housing and Community Development Act of 1974, as amended, the Subrecipient:

1. Agrees that, in connection with the CDBG-DR funded services being provided:

- a) it will not discriminate against any employee or applicant for employment on the basis of religion; and will not limit employment to persons on the basis of religion; and will not limit such services or give preference to persons on the basis of religion;
- b) it will not discriminate against any person applying for any CDBG-DR funded eligible activity or give preference to persons on the basis of religion;
- c) it will provide no religious instruction or counseling, conduct no religious worship or services, engage in no religious proselytizing, and exert no other religious influence in the provision of such services assisted with federal funds;
- d) the funds received under this Agreement shall not be used to construct, rehabilitate, or restore any facility (including historic preservation and removal of architectural barriers) of structures to be used for religious purposes or which will otherwise promote religious interests, unless the CDBG-DR funds will be used for a wholly secular purpose as described under 24 CFR 570.200(j), unless the grant funds will be used for wholly secular purpose as described under 24 CFR 570.200 (j) and 24 CFR 5.109;
- e) the portion of the facility used to provide services assisted in whole or in part under this Agreement shall contain no religious symbols or decorations; and

Provided that, minor repairs may be made if such repairs are directly related to the CDBG-DR Services, are located in a structure used exclusively for non-religious purposes, are budgeted herein, and constitute in dollars terms only a minor portion of the CDBG-DR expenditure for the services.

9.11 Drug-Free Workplace. The Subrecipient shall maintain a drug-free workplace in accordance with the requirements of 2 CFR 2424. The Subrecipient shall certify and carry out the drug-free workplace requirements

9.12 Environmental Review. Notwithstanding any provision of this Agreement, the parties hereto agree and acknowledge that this Agreement does not constitute a commitment of funds or site approval, and that such commitment of funds or approval may occur only upon satisfactory completion of environmental review and receipt by the City of Detroit of a "Release of Funds" from the U.S. Department of Housing and Urban Development under 24 CFR Part §58. The parties further agree that the provision of any funds to the project is conditioned on the City of Detroit's determination to proceed with, modify or cancel the project based on the results of a subsequent environmental review. In addition, the Subrecipient or subcontractor is prohibited from undertaking or committing any funds to physical or choice-limiting actions, including, but not limited to, property acquisition, demolition, movement, rehabilitation, conversion, repair or construction prior to the environmental clearance. Violation of this provision may result in the denial of any funds under this Agreement.

9.13 Women and Minority-Owned Businesses (W/MBE). The Subrecipient shall comply with 2 CFR 220.321(b) (1) through (5) to assure that minority business, women's business enterprise,

and labor surplus area firms are used when possible when the Subrecipient procures property or services under this Agreement.

9.14 Hatch Act. The Subrecipient shall comply with all provisions of the Hatch Act and that no part of the activity will involve political activities, nor will personnel employed in the administration of the activity be engaged in activities in contravention of Title V, Chapter 15, of the United State Code.

9.15 American with Disabilities Act “ADA”. Title II of the ADA prohibits discrimination against persons with disabilities in all services, programs, and activities made available by State and local governments. The Department of Justice (DOJ) has coordination authority for the ADA in accordance with Executive Order 11250. The DOJ regulations cover all State and local governments and extend the prohibition of discrimination in Federally- assisted programs established by Section 504 of the Rehabilitation Act of 1973 to all activities of State and local governments, including those that do not receive Federal financial assistance. HUD is the designated agency for all programs, services and regulatory activities relating to State and local public housing, and housing assistance and referrals. In addition, HUD has jurisdiction over a State or local government activity when HUD has jurisdiction under Section 504 of the Rehabilitation Act of 1973.

9.16 The Architectural Barrier Act of 1968. The Architectural Barriers Act (ABA) requires buildings and facilities that are constructed by or on behalf of, or leased by the United States, or buildings financed, in whole or in part, by a grant or loan made by the United States to be accessible to persons with mobility impairments. The Architectural and Transportation Barriers Board (ATBCB) has coordination authority for the ABA.

9.17 Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794) and implementing regulation at 24 CFR 8. Section 504 of the Rehabilitation Act of 1973 prohibits discrimination against persons with disabilities in any program or activity receiving Federal financial assistance. In addition, it is the policy of HUD that all electronic information and communications technology used in HUD-assisted programs must be accessible to individuals with disabilities. Section 504 and the ADA also require such electronic information and communications to be accessible to ensure effective communication. For specific requirements for accessible electronic information and communications technology, please see HUD’s policy implementing Section 508 of the Rehabilitation Act.

9.18 Age Discrimination. The Age of Discrimination Act of 1975, prohibits discrimination on the basis of age in programs or activities receiving Federal financial assistance, directly or through contractual, licensing, or other arrangements use age distinctions or take any other actions which have the effect, on the basis of age of: (a) excluding individuals from denying them the benefits subjecting them to discrimination under, a program or activity receiving Federal financial assistance; or (b) denying or limiting individuals their opportunity to participate in any program or activity receiving Federal financial assistance.

9.19 Uniform Relocation Act. The Uniform Act, passed by Congress in 1970, is a federal law that establishes minimum standards for federally funded programs and projects that require the acquisition of real property (real estate) or displace persons from their homes, businesses, or farms.

The Uniform Act's protections and assistance apply to the acquisition, rehabilitation, or demolition of real property for federal or federally funded projects. Government wide regulations that implement URA can be found at 49 CFR Part 24.

9.20 **OSHA.** Congress passed the Occupational and Safety Health Act to ensure worker and workplace safety. Their goal was to make sure employers provide their workers a place of employment free from recognized hazards to safety and health, such as exposure to toxic chemicals, excessive noise levels, mechanical dangers, heat or cold stress, or unsanitary conditions.

9.21 **Section 3 Clause.** The Subrecipient shall include or cause to be included the following language (referred to as the "Section 3 clause") in all Section 3 covered contracts and subcontracts under this Agreement and shall comply with the Federal regulations at 24 CFR Part 75, which implement Section 3. All Section 3 covered contracts shall include the following clause (referred to as the Section 3 Clause):

9.22 **Domestic Preferencing.** Except to the extent that the City issues a written waiver thereof, the Subrecipient shall comply, and shall ensure that all of its Subcontractors comply, with all applicable domestic preference requirements, including but not limited to:

1. **Buy America.** The domestic preference procurement requirements of 49 U.S.C. § 5323(j), and HUD regulation, "Buy America Requirements," 49 CFR Part 661, to the extent consistent with 49 U.S.C. § 5323(j).
2. **Build America, Buy America Act.** Construction materials used in the Project are subject to the domestic preference requirement of the Build America, Buy America Act, Pub. L. 117-58, div. G, tit. IX, §§ 70927 (2021), as implemented by the U.S. Office of Management and Budget, the U.S. Department of Housing and Urban Development and the City.

9.23 **Flood Disaster Protection.** The Subrecipient shall comply with the mandatory flood insurance purchase requirements of Section 102 of the Flood Disaster Protection Act of 1973, as amended by the National Flood Insurance Reform Act of 1994, 42 USC 4012a. Additionally, the Subrecipient shall comply with Section 582 of the National Flood Insurance Reform Act of 1994, as amended, (42 U.S.C. 5154a), which includes a prohibition on the provision of flood disaster assistance, including loan assistance, to a person for repair, replacement, or restoration for damage to any personal, residential, or commercial property if that person at any time has received Federal flood disaster assistance that was conditioned on the person first having obtained flood insurance under applicable Federal law and the person has subsequently failed to obtain and maintain flood insurance as required under applicable Federal law on such property. Section 582 also includes a responsibility to notify property owners of their responsibility to notify transferees about mandatory flood purchase requirements. More information about these requirements is available in the Federal Register notices governing the CDBG-DR award.

9.24 **Other Federal Requirements.** Subrecipient acknowledges there may be additional federal requirements, which are not yet established at the time of execution of this Agreement, yet which may be established at a future date. In the event such requirements emerge, City will notify Subrecipient, and Subrecipient shall comply, with such requirements to the extent required by law.

9.25 24 CFR 75 – Section 3 Clause

A. The work to be performed under this Contract is subject to the requirements of Section 3 the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low and very low income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 75, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with Part 75 regulations.

C. The Subrecipient and subcontractors agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The Subrecipient and subcontractors agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 75, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 75. The contractor will not subcontract with any subcontractor where the contractor has received notice or has knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 75.

E. The Subrecipient and subcontractors will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 75 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 75.

F. Noncompliance with HUD's regulations in 24 CFR Part 75 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

G. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires

that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

H. The Subrecipient and subcontractor agrees to comply with the recordkeeping and reporting requirements found at 24 CFR § 75.15 and 24 CFR § 75.31. The contractor is required to maintain documentation to demonstrate compliance with the regulations and is responsible for requiring their subcontractors to maintain or provide any documentation that will assist the City in demonstrating compliance, including documentation that shows hours worked by Section 3 and Section 3 Targeted workers. The Subrecipient and subcontractor may also be required to meet additional requirements as outlined in the Housing and Revitalization Department Section 3 Programs Policy and 24 CFR Part 75.

10. FAIR EMPLOYMENT PRACTICES, NON-DISCRIMINATION REQUIREMENTS AND DENIAL OF SERVICES

10.01 **Nondiscrimination.** The Detroit City Council hereby finds and declares that prejudice, intolerance, bigotry, discrimination, and the disorder occasioned thereby, threaten the civil rights and privileges of the people of the city and menace their institutions. The Civil Rights, Inclusion and Opportunity Department (“CRIO”) is authorize to investigate claims of discrimination, to prevent discrimination in: education, employment, medical care facilities, housing accommodations, commercial space, places of public accommodation, public service, resort or amusement, or other forms of discrimination prohibited by law, based upon race, color, religious beliefs, national origin, age, marital status, disability, public benefit status, sex, sexual orientation, or gender identity or expression; to take such action as necessary to secure the equal protection of civil rights. (Detroit City Code, Section 23-2-1 *et. seq.*), and the responsibility to enforce the Americans with Disabilities Act (ADA), and Title VI of the Civil Rights Act of 1964, including the following:

- Fair Housing Act (42 U.S.C. 3601 et seq.) and implementing regulations at 24 CFR Part 100
- Nondiscrimination and Equal Opportunity in Housing under Executive Order 11063 and implementing regulations at 24 CFR Part 107
- Nondiscrimination in Federally Assisted Programs - Title VI of the Civil Rights Act of 1964 (42 U.S.C. 200d-200d-4) and implementing regulations at CFR part 1
- Age Discrimination Act of 1975 (42 U.S.C. 6101-6107) and implementing regulations CFR 146
- Nondiscrimination Based on Handicap in Federally Assisted Programs - Sections 504 of the Rehabilitation Act of 1973 (29 U. S. C. 794) and implementing regulations at 24 CFR 8
- the regulations issued at 41 CFR Chapter 60
- Executive Orders 11625, 12432, and 12138
- H. Elliot-Larsen Civil Rights Act, Act No 453, MCL 37.2101 et. seq., Open Meetings Act, Michigan Public Acts of 1976, MCL 15.261 et. seq. as amended.

10.02 In accordance with the United States Constitution and with all Federal legislation and regulations governing fair employment practices and Equal Employment Opportunity, including, but not limited to, Title VI of the Civil Rights Act of 1964 (P.L. 88-352, 78 STAT. 252), and United States Department of Justice Regulations (28 CFR Part 42) issued pursuant to that Title; Title VII of the Civil Rights Act of 1964 (42 USC Sec. 2000(e) et seq., {Section 504 of the Federal Rehabilitation Act of 1973, P.L. 93-112, 87 Stat. 394, which states that no employee or client or otherwise qualified handicapped individual will be excluded from participation solely by reason of his or her handicap, will be denied the benefits of, or will be subjected to discrimination under any program or activity receiving Federal financial assistance,} and in accordance with the Michigan Constitution and all state laws and regulations governing fair employment practices and equal opportunity, including but not limited to, the Michigan Civil Rights Act (P.A. 1976 No. 453, including Section 209) and the Michigan Handicappers Civil Rights Act (P.A. 1976 No. 220), the Subrecipient agrees that it will not discriminate against an employee or application for employment with respect to hire, tenure, terms, conditions or privileges of employment with respect to race, color religion, national origin, age, sex, height, weight, marital status, or handicap that is unrelated to the individual's ability to perform the duties of a particular assignment or position. Also in performance of this Agreement, the Subrecipient shall comply with the Americans Disabilities Act of 1990, P.L. 101-336, 104 Stat. 328, which prohibits discrimination against individuals with disabilities and provides enforcement standards. The Subrecipient hereby recognizes the right of the United States and the State of Michigan to seek judicial enforcement of the foregoing covenants against discrimination, against itself or its contractors and/or subcontractors connected directly or indirectly with the performance of this Agreement.

10.03 The Subrecipient agrees that it will notify, or cause to be notified, Subcontractors of the obligations relative to nondiscrimination under this Agreement when soliciting same, and will include or cause to be included the provisions of this Article in all contracts and/or subcontracts, as well as provide the City a copy of any contract upon request.

10.04 Breach of the terms and conditions of this Article shall constitute as a material breach of this Agreement and, as such, are governed by the provisions for termination as set forth herein.

10.05 **Denial of services.** The Subrecipient shall not deny service to any person unless, in the reasonable judgment the Subrecipient, such person refuses to cooperate with program goals, creates conflict among the staff or other participants, abuses the program and/or is physically or verbally threatening to the Subrecipient staff or to participants. The Subrecipient shall provide the City with written notification of the full circumstances of each situation where it has found it necessary to deny services for these reasons.

11. CONFLICT OF INTEREST

11.01 The Subrecipient warrants that its participation in this Agreement will conform to the requirements of the 2019 Detroit City Code, Section 2-5-34 "Disclosure by Contractors", and all applicable Federal Regulations, including the Uniform Administrative Requirements (2 CFR 200.318) and Conflict of Interest (24 CFR 570.611), CDBG-DR regulations, and further warrants that such participation will not result in any Organizational Conflict of Interest (as defined

herein).

11.02 In the event the Subrecipient has any conflict of interest as defined herein, the Subrecipient shall disclose to the City such conflict of interest fully in the submission of the proposal and/or during the life of this Agreement.

11.03 The Subrecipient agrees that if he or she discovers any conflict of interest or potential conflict of interest with respect to this Agreement, he or she shall make an immediate and full disclosure in writing to the Director of Housing and Revitalization Department or the HRD Program Manager, which shall include a description of the action which the Subrecipient has taken or intends to take to eliminate or neutralize the conflict. The Housing and Revitalization Department may seek a waiver/exception from HUD or terminate this Agreement if it is in the best in of the City.

11.04 In the event the Subrecipient was aware of any conflict of interest or potential conflict of interest before the award of this Agreement and intentionally did not disclose the conflict, the Housing and Revitalization Department may terminate this Agreement for default, and/or be subject to debarment or other applicable penalties.

11.05 The provisions of this Article shall be included in all subcontracts and consulting agreements.

11.06 No federal, state, or local elected official nor any member of the City of Detroit Planning Commission or employee of the Housing and Revitalization Department nor any corporation owned or controlled by such person, shall be allowed to participate in any share or part of this Agreement or to realize any benefit from it.

11.07 No employee of the City of Detroit, or member of the governing body of the City of Detroit or any other local government, and no other elected official of such locality or localities (the "Public Servant") who exercises any functions or responsibilities with respect to the project or services provided under this Agreement, shall, during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in this Agreement or the proceeds thereof. In the event, a conflict of interest or potential conflict of interest is discovered, the Public Servant shall make an immediate and full disclosure in writing to the Director of Housing and Revitalization Department and the Detroit Board of Ethics, which shall include a description of the conflict of interest and the actions taken or intends to take to eliminate or neutralize the conflict. The Housing and Revitalization Department may seek a waiver/exception from HUD or terminate this Agreement if it is in the best interest of the City.

11.08 The Detroit Board of Ethics reserves the discretion to determine the proper treatment of any conflict of interest disclosed under Detroit City Code Section 2-5-1 *et seq.*

11.09 The Subrecipient covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of the Services under this Agreement. The Subrecipient further covenants that in the performance of this Agreement, no person having any such interest shall be employed. The Subrecipient

further covenants that no elected or appointed official, or employee of the City and no other public official who exercises any function or responsibilities in the review or approval of the undertaking or performance of this Agreement has any personal or financial interest, direct or indirect in this Agreement or the proceeds thereof.

11.10 The Subrecipient also hereby warrants that it shall not and has not employed any person to solicit or secure this Agreement upon any agreement or arrangement for payment of a commission, percentage, brokerage or contingent fee, either directly or indirectly, and that if this warranty is breached, the City may, at its option, terminate this Agreement without penalty, liability or obligation and, in addition, may, at its election, deduct from any amounts owed to the Subrecipient hereunder, the amounts of any such commission, percentage, brokerage or contingent fee.

12. HOLD HARMLESS AND DAMAGES; RECAPTURE

12.01 The Subrecipient agrees to hold harmless and defend the City from and against any and all violations, liabilities, judgments, settlements, obligations, damages, penalties, claims, costs, charges, losses and expenses including without limitation, reasonable fees and expenses for attorneys, expert witnesses, and other consultants, at the prevailing market rate for such legal services, expert witnesses, and other consultants, which may be imposed upon, incurred by, or asserted against the City by reason of any of the following arising from this Agreement:

- a. Any negligent or tortuous act, error or omission of the Subrecipient or any of its Associates for whose acts any of them may be liable, regardless of whether or not it is caused in part by a person held harmless hereunder.
- b. Any failure by the Subrecipient or any of its Associates to perform its obligations either expressed or implied under this Agreement.

The Subrecipient also agrees to hold harmless and defend the City from any and all injury to the person, or damage to property of, or any loss or expense incurred by, an employee of the City which arises out of or pursuant to the Subrecipient's performance, or that of its Associates under this Agreement.

12.02 In addition to and not in limitation of the foregoing, the Subrecipient further agrees that it will immediately pay to the City upon demand any CDBG-DR funds which become subject to repayment by the City to HUD due to (a) any use of the CDBG-DR funds by Subrecipient or a Developer for costs which are ineligible under applicable federal regulations or requirements, (b) any failure by Subrecipient or a Developer to comply with any provision, rule, or regulation applicable to Community Development Block Grant Disaster Recovery program. Subrecipient shall be responsible for and shall indemnify and hold the City harmless for any and all loss, damage, cost, expense, injury, or liability which the City may suffer due to Subrecipient's breach of this Section 12.02.

12.03 The Subrecipient agrees that it is its responsibility and not the responsibility of the City to safeguard the property and materials that it or its Associates use or have in their possession while

performing this Agreement. Further, the Subrecipient agrees to hold the City harmless for any loss of such property and materials used by any such person pursuant to the Subrecipient's performance under this Agreement or which is in their possession.

12.04 In the event of any claim, action, or proceeding, by any third party against the City, arising from the performance of the Subrecipient, and/or its contractors, subcontractors and/or sub-Subrecipient's, hereunder, upon Notice from the City the Subrecipient shall pay for the full reasonable cost of the City defending such claims, actions or proceedings, and the Subrecipient shall indemnify the City against any loss, cost, expense, liability or settlement arising out of such claim, action or proceeding, whether or not such claim, action or proceeding, is successful.

12.05 The hold harmless obligation under this Article shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for the Subrecipient under Workers Compensation Acts or other employee benefit acts. In addition, the Subrecipient agrees to hold the City harmless from the payment of any deductible on any insurance policy.

12.06 The Subrecipient agrees that this Article 12 "Hold Harmless and Damages; Recapture" shall apply to all matters described herein (whether the matter is litigated or not) which occur or arise between the Subrecipient or its Associates, and the City, and agrees to hold the City harmless there from as provided in this Article.

12.07 The Subrecipient shall hold the City harmless with respect to any damages arising from any violation by it or its Associates of all laws, regulations, codes and policies named or referred to in Article 9 and 10. The Subrecipient shall require as part of any contractual and/or sub-contractual agreement entered into under this Agreement, that the Subcontractors or sub-Subrecipient comply with all such laws and regulations as are applicable to them hereunder and require them to perform in such a manner so as to allow the Subrecipient and the City to remain in compliance with such laws and regulations as apply to the Subrecipient and the City hereunder. The Subrecipient shall commit no trespass on any public or private property in performing any of the Services hereunder.

12.08 Notwithstanding anything to the contrary in this Agreement, Subrecipient's hold harmless obligations set forth in this Agreement including, but not limited to, those described in this Article shall survive the termination of this Agreement.

12.09 **Liquidated Damages.** The Subrecipient shall pay to the City, as liquidated damages, one hundred dollars (\$100) for each calendar day that any task deliverable required is late until deemed in compliance subject to a maximum of one thousand dollars (\$1,000.00) established in this Agreement between the City and Subrecipient, in accordance with Exhibit, A Scope of Services. Said sum, in view of the difficulty of accurately ascertaining the loss with which City will suffer by reason of delay in the completion of the Services hereunder, is hereby fixed and agreed as the liquidated damages that the City will suffer by reason of such delay. Liquidated damages received hereunder are not intended to be nor shall they be treated as either a partial or full waiver or discharge of the City's right to be held harmless, or the Subrecipient's obligation to hold harmless the City pursuant to this Agreement, or to any other remedy provided for in this Agreement or by law. Liquidated damages may be assessed at the sole discretion of the City. For the purposes of

applying and calculating such liquidated damages, a grace period of ten (10) days shall be observed. The City may deduct and retain out of the monies which may become due hereunder, the amount of any such liquidated damages; and in case the amount which may become due hereunder shall be less than the amount of liquidated damages due to the City per the above formula above, the Subrecipient shall be liable to pay the difference.

12.10 The terms of this Section 12 shall survive the termination or sooner expiration of this Agreement for the period provided in Section 8.10 hereof.

13. INSURANCE

13.01 The Subrecipient shall maintain, during the term of this Agreement the following insurance:

a.

Worker's Compensation Insurance for Employees which meets the State of Michigan's statutory requirements and Employer's Liability Insurance with minimum limit of five hundred thousand dollars (\$500,000.00) each accident, person and disease. The Subrecipient agrees that it shall obtain a similar covenant from any consultant or contractor retained by it to perform any of the Services under this Agreement and shall require all such consultants or contractors to obtain such a covenant from all subcontractors, if any.

- (1) Workers Compensation and Employers Liability Insurance will only be required for those Subrecipient's which employ or will employ one or more employees during the term of this agreement (including any amendment or extension). If a Subrecipient has no employees and will not have any during the term of this Agreement, it shall so certify on a form prescribed by the Housing and Revitalization Department, which shall be attached to this agreement as **Exhibit O**.
- (2) Any Subrecipient which has provided such a certification and which later (but still during the term of this Agreement) intends to employ one or more persons, must provide the City notice of its intention at least thirty (30) days prior to employing any such person. Along with such notice, or as soon thereafter as may be feasible within the judgment of the Housing and Revitalization Department, the Subrecipient shall provide the City with satisfactory evidence of Workers Compensation and Employers Liability Insurance, which complies with the terms of subparagraph a, above.

b. **Commercial General Liability Insurance**, which conforms to the following minimum requirements:

- (1) Names the "**City of Detroit**," as its respective interest may appear as an additional insured.
- (2) The **policy** limits shall be one million dollars (\$1,000,000.00) each occurrence; two million dollars (\$2,000,000.00) minimum aggregate.

- c. **Automobile Liability Insurance** covering all owned, hired, and non-owned vehicles with personal protection insurance to comply with the provisions of the Michigan No Fault Insurance Act, including residual liability insurance, with minimum combined single limit of one million dollars (\$1,000,000.00) per occurrence.

(1) Automobile Liability Insurance covering owned automobiles will only be required for those Subrecipient's which own or will own, one or more automobiles during the term of the agreement (including any amendment or extension). If a Subrecipient does not own an automobile and will not have any during the term of this agreement, it shall so certify on a form prescribed by the Housing and Revitalization Department, which shall be attached to this agreement as an Exhibit P.

(2) Any Subrecipient which has provided such a certification and which later (but still during the term of this Agreement) intends to acquire one or more automobiles, must provide the Department notice of its intention at least thirty (30) days prior to taking title to any such automobile. Along with such notice, or as soon thereafter as may be feasible within the judgment of the Housing and Revitalization Department, the Subrecipient shall provide the Department with satisfactory evidence of insurance, including owned auto coverage, which complies with the terms of subparagraph c, above.

- d. The Subrecipient shall obtain sufficient **Fidelity Bonds** or other similar dishonesty protection insurance to protect grant funds from loss due to theft, fraud and/or undue physical damage such fidelity bonding or dishonesty protection shall cover employees in an amount equal to the cash advances from the City, as provided in Exhibit C attached hereto.

13.02 The Subrecipient shall be responsible for payment of all deductibles contained in any insurance required hereunder.

13.03 If during the term of this Agreement, changed conditions or other pertinent factors should in reasonable judgment of the City render inadequate the insurance limits, or types of coverage, the Subrecipient shall furnish on demand such additional coverage as may reasonably be required under the circumstances. All such insurance shall be affected at the Subrecipient's expense, under valid and enforceable policies issued by insurers of recognized responsibility which are well rated by national rating organizations and are acceptable to the City.

13.04 Certificates of Insurance evidencing the required insurance coverage shall be submitted by the Subrecipient at the time it executes this Agreement or at such later time, prior to the commencement of any services under this agreement, as may be appropriate within the judgment of the City. Any agreement by the City to a delayed submission of insurance certificates shall be evidenced by a form prescribed by the City and signed by the project manager which shall be attached to this Agreement as an Exhibit. All policies shall name the Subrecipient as the insured and shall be accompanied by a commitment from the insurer that such policies shall not be canceled or reduced without at least thirty (30) days prior notice to the City.

The comprehensive liability insurance certificate and policy shall name the additional insured required by Section 13.01 b (1) hereof. Certificates of Insurance evidencing all required coverage's shall be submitted to the Office of the Chief Financial Officer, Office of Contracting and Procurement, Suite 1008, Coleman A. Young Municipal Center, Detroit, Michigan 48226 prior to the commencement of performance under this Agreement and at least fifteen (15) days prior to the expiration dates of expiring policies.

13.05 The Subrecipient shall cause all contracts and subgrants under this Agreement which are between the Subrecipient and its contractors, including subcontracts at lower tiers, and all subgrants, if any, to require that the contractors, subcontractors, and subgrantees, if any, shall maintain all of the insurance required by this Article and that the liability insurance shall name as an additional insured the City as defined in Section 13.01 b. (1).

13.06 The provisions of this Agreement requiring the Subrecipient to carry said insurance shall not be construed in any manner as waiving or restricting the liability of the Subrecipient under this Agreement.

13.07 In addition to the above requirements, the Subrecipient shall, if applicable, comply with the bonding and insurance requirements set forth in 2 CFR 200; specifically, 2 CFR 200.325, including without limitation those regarding bonding insurance.

13.08 Future Increase in Coverage. The Subrecipient shall, upon the request of the City, provide additional insurance and/or increase the coverage amounts described in the preceding sections to be consistent with general insurance requirements of the City and HUD, as established from time to time by the OCFO-Office of the Controller, Compliance and Risk Management, or HUD or successor agency fulfilling substantially the same function, provided that such insurance is commercially available. Any such increase in coverage shall be required upon expiration of the insurance policy then in effect, or one year from the date the City notifies the Subrecipient of the requirement of additional or increased coverage, whichever occurs earlier.

13.09 The terms of this Section 13 shall survive the termination or sooner expiration of this Agreement for the period provided in Section 8.10 hereof.

14. TERMINATION AND REVERSION OF ASSETS

14.01 The City may terminate this Agreement for cause upon giving written notice of termination to the Subrecipient at least twenty-four (24) hours before the effective date of the termination, should the Subrecipient: (1) fail to fulfill in a timely and proper manner its obligations under this Agreement; or (2) violate any of the covenants, agreements, or stipulations of this Agreement; the Subrecipient shall be liable to the City for any damages it sustains by virtue of this Subrecipient's breach or any reasonable costs the City might incur enforcing or attempting to enforce this Agreement, including reasonable attorney's fees. The City may withhold any payment(s) to the Subrecipient for the purpose of setoff until such time as the exact amount of damages due to the City from the Subrecipient is determined. It is expressly understood that the Subrecipient will remain liable for any damages the City sustains in excess of any setoff. If the Agreement is so

terminated, the City may take over the performance of the Services and prosecute the same to completion by contract or otherwise, and the Subrecipient shall be liable to the City for any costs occasioned to the City, thereby.

14.02 In accordance with 2 CFR Part 200 Subpart D, the City or the Subrecipient may terminate this Agreement without cause or for convenience at any time, without incurring any further liability whatsoever, other than as stated in this Article, by giving written notice of such termination (herein called a "**Notice of Termination**"), specifying the effective date thereof, at least twenty-four (24) hours prior to the effective date of such termination. The amount of the payment shall be computed by the City on the basis of the Services provided, which, in the judgment of the City, represents a fair value of the Services provided, less the amount of any previous payments made, which final payment the Subrecipient agrees shall constitute full and complete payment and satisfaction under this Agreement. Should the City or the City's designee undertake any part of the Services which are to be performed by the Subrecipient, the Subrecipient shall not be entitled to any compensation for the Services so performed. This Section is subject to the maximum sum payable provision in Section 5.01.

14.03 After receipt of a Notice of Termination and except as otherwise directed by the City, the Subrecipient shall:

- a. Stop work under the Agreement on the date and to the extent specified in the Notice of Termination;
- b. Obligate no additional CDBG-DR funds for costs beyond such date as the City shall specify except as necessary and with written approval from the City, and place no further orders on contractors for materials, services, or facilities, except as may be necessary for completion of such portion of the work under this Agreement as is not terminated; and require all contractors to place no further orders on subcontractors for materials, services, or facilities, except as may be necessary for completion of such portion of the work under Agreement as is not terminated;
- c. Terminate all orders and contracts to the extent that they relate to the portion of work so terminated, and cause to be terminated all subcontracts, if any, to such extent;
- d. As of the date the termination is effective, preserve all Records and submit to the City such records and reports as the City shall specify, and furnish to the City an inventory of all furnishings, equipment and other property purchased for the Project (if any), and all pertinent keys to files, buildings and property and carry out such directives as the City may issue concerning the safeguarding or disposition of files and property; and
- e. Submit within thirty (30) days a final report of receipts and expenditures of funds relating to this Agreement, and a listing of all creditors, contractors, lessors, and/or other parties with which the Subrecipient has incurred financial obligations pursuant to this Agreement (if any), and a listing of all subcontractors, if any.

14.04 Upon completion or other termination of this Agreement all finished or unfinished original documents or copies (when originals are unavailable), ata, studies, surveys, drawings, maps, models, photographs, files, intermediate materials, supplies, notes, reports or other materials (herein collectively called the "**Work Product**") prepared by the Subrecipient under this Agreement or in anticipation of this Agreement shall become the sole and exclusive property of the City, whether or not in the Subrecipient's possession, free from any claim or retention of rights thereto on the part of the Subrecipient, except as herein specifically provided, and shall promptly be delivered to the City upon the City's request and the City shall return all Subrecipient's properties to it. The Subrecipient acknowledges that any intentional failure or intentional delay on its part to deliver the Work Product to the City may cause irreparable harm to the City, if not adequately compensable in damages and for which the City has no adequate remedy at law the Subrecipient accordingly agrees that the City shall in such event seek and obtain injunctive relief in a court of competent jurisdiction and compel delivery of the Work Product the Subrecipient hereby consents to as well as all applicable damages and costs. The City shall have full and unrestricted use of the Work Product for the purpose of completing the Services. In regard to the property so purchased on a cost basis, the City may at its sole option setoff against any Agreement payments due to the Subrecipient hereunder, the actual amount(s) which had been reimbursed by the City to the Subrecipient for the cost(s) of all such property acquired on a cost basis less the amount as determined by the City for any such property delivered to the City.

14.05 Each party shall assist the other party in the orderly termination of this Agreement and the transfer of all aspects hereof, tangible or intangible, as may be necessary for the orderly, non-disrupted business continuance of each party.

14.06 In accordance with the Federal regulations at 2 CFR Part 200 Subpart D, the City may suspend or terminate this Agreement if the Subrecipient materially fails to comply with any term of this Agreement, and the City may terminate this Agreement for convenience in accordance with the Federal regulations at 2 CFR Part 200. In the event that the City so suspends or terminates this Agreement then the City shall so suspend or terminate this Agreement pursuant to said Federal regulations and pursuant to Sections 14.01, 14.02, 14.03, 14.04, and 14.05 hereof, except that if there is any conflict between the said Federal regulations and the said sections of this Agreement, then the said Federal regulations shall govern.

14.07 It is understood by the parties hereto that Federal regulations require that this Agreement remain in force for so long as the Subrecipient has control over CDBG-DR funds, including program income. Therefore, notwithstanding the other requirements set forth herein regarding (1) termination of this Agreement and (2) the expiration date of this Agreement, the Subrecipient shall comply with all requirements of this Agreement for a period which shall extend beyond the expiration date and/or termination date of this Agreement for so long as the Subrecipient shall continue to maintain control over such funds.

15. PROCEDURES FOR FILING AN APPEAL

15.01 In the event that the Subrecipient disagrees with the decision of the City concerning the following:

1. Bias, discrimination or conflict of interest on the part of the City;
2. City's claim of Subrecipient's failure to comply with the procurement process;
3. City's claim of Subrecipient's errors in computing reimbursement payment requests;
4. City's denial of payments due to Ineligible expenses; City's denial of contract/agreement amendment request;
5. City's denial of contract modification request; and/or,
6. City's claim of Subrecipient's failure to comply any other City/HUD regulations or procedures described in the agreement.

The Subrecipient may file a written appeal of that determination with the City. All appeals must state the grounds for the appeal with specific facts and complete statements of the action(s) being appealed. Appeals must include a description of the relief or corrective action sought. Appeals will be rejected, as without merit, if they address non-procedural issues such as:

1. A program manager's professional judgment on the administration of this Agreement, and
2. The City's assessment of its own and/or other agencies needs requirements.

15.02 All appeals must be submitted in writing, and addressed and mailed or hand delivered to the Housing and Revitalization Director:

Director
Housing and Revitalization Department
Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 908
Detroit, MI 48226

E-mails or fax copies will not be accepted.

15.03 All appeals must be signed by the appealing party or authorized agent and must include return address and telephone number of the appealing agency. Appeals regarding Subrecipient's agreement can be made any time after this Agreement has been approved by the City of Detroit.

15.04 Appeals that do not follow this procedure will not be considered. This appeal procedure will be the only administrative remedy available to organizations having approved Subrecipient Agreements with the City of Detroit.

16. ASSIGNMENT, CONTRACTING, OR SUBCONTRACTING

16.01 The Subrecipient shall not assign or encumber directly or indirectly any interest whatsoever in this Agreement and shall not transfer any interest in the same (whether by assignment or novation), without the prior written consent of the City thereof. Any such consent given in any one instance shall not relieve the Subrecipient of its obligation to obtain the prior written consent of the City to any further assignment. All assignment, contracts and subcontract shall follow the Procurement process under Article 7, "Procurement," and 2 CFR 200.317 – 200.326.

16.02 None of the Services covered by this Agreement shall be subcontracted out by the Subrecipient without prior review and approval by the City. Such approval shall not constitute a basis for privity between the City and any subcontractors of the Subrecipient, and the Subrecipient agrees to indemnify and hold the City harmless from such claims initiated pursuant to any such contracts it enters into in performance of this Agreement.

16.03 This Agreement shall inure in all particulars to the City, its agents, successors, and assigns.

16.04 In the event that the Subrecipient, under this Agreement, enters into contract(s) with subcontractor(s), the Subrecipient shall obtain or include under its General Liability policy independent contractors liability insurance coverage in addition to all other types of coverage required hereunder.

16.05 The parties hereto acknowledge that HUD requires all CDBG-DR recipients and Subrecipient's to keep records and report on the use of CDBG-DR funds. Therefore the Subrecipient shall ensure that for all contracts and subcontracts enter into for Services under this Agreement that each sub-contractor or sub-Subrecipient maintain and submit records and report in sufficient detail on all use of CDBG-DR funds, so as (1) to enable the City to meet all of its Federal reporting and monitoring obligations and (2) to enable the Subrecipient to meet all of its reporting and monitoring obligations under this Agreement and/or as required by Federal regulations. At a minimum, all record keeping and reporting requirements imposed on the contractor by the Subrecipient shall include all record keeping and reporting requirements similarly required of the Subrecipient herein, unless otherwise specifically provided for in this Agreement. In the event of any dispute between the parties hereto as to reporting requirements required hereunder or to be required of contractors and/or subcontractors, the reasonable determination of the City shall govern.

16.06 Costs to be paid under this Agreement which are the result of costs incurred under:

- (1) Cost type contracts with for-profit organizations, or cost type portions of contracts with for-profit organizations shall be allowable only if such costs are consistent with the Federal cost principles set forth at 48 CFR Part 31 and 2 CFR Part 200.

16.07 The Subrecipient shall include in all contracts under this Agreement, and cause to be included in all subcontracts under such contracts, all clauses described in the Federal regulations at 24 CFR 570, and 2 CFR 200, including without limitation those set forth in Appendix A (I-XII) of said Part 200, as applicable.

17. AMENDMENTS AND BUDGET MODIFICATIONS

17.01 The City may consider it in its best interest to change, modify, or extend a term or condition of this Agreement. Any such change, extension, or modification, which is mutually agreed upon by the City and the Subrecipient, shall be incorporated in written amendment(s) (hereinafter called "Amendment(s)") to this Agreement. Such Amendments shall not invalidate this Agreement, nor relieve or release the Subrecipient or the City from any of its obligations under this Agreement, except for those parts thereby amended.

An amendment to this Agreement shall be required if a major revision is needed to be made in the Subrecipient's approved scope of work. A major revision means that circumstances very different from what was stated in the original agreement are about to occur. Such major changes shall include but not limited to:

- Any amendments or extension to the time needed to perform the services beyond the Agreement expiration date.
- A new activity is proposed.
- An entirely new population is targeted or is proposed to be served.
- An entirely different method of doing business will be used.
- Additional money to be added to this agreement, more work to be performed, and more people to be hired

17.02 Intentionally Omitted.

17.03 **Intentionally Omitted.**

17.04 No Amendment to this Agreement shall be effective and binding upon the parties unless it expressly reference this Agreement, is in writing, is signed and acknowledged by duly authorized representatives of both parties is approved by the appropriate City departments, and approved by City Council.

18. CONFIDENTIALITY

18.01 In order that the Subrecipient effectively fulfill its covenants and obligations to the City under this Agreement, it may be necessary or desirable for the City to disclose confidential and proprietary information to the Subrecipient's Employees pertaining to the City's past, present, and future activities. Since it is difficult to separate confidential and proprietary information from that which is not, the Subrecipient shall instruct its personnel and consultants to regard all information gained by each such person, as a result of the Services to be performed hereunder, as information which is proprietary to the City and not to be disclosed to any organization or individual without prior consent of the Director of the Housing and Revitalization Department.

18.02 The Subrecipient agrees to take appropriate action with respect to its personnel to insure that the obligations of non-use and nondisclosure of confidential information concerning this Agreement can be fully satisfied.

18.03 All of the reports, information, data, etc., prepared or assembled by the Subrecipient under this Agreement are confidential and the Subrecipient agrees that they shall not be made available to any individual or organization without prior written consent of the Director of the Housing and Revitalization Department except as required by Federal law pursuant to Article 9 herein, and except as required by any other requirements or provisions of this Agreement. The reports and documents reference in this paragraph may also be subject to disclosure under the Michigan Freedom of Information Act.

18.04 The use or disclosure of information concerning services, applicants or recipients obtained in connection with the performance of this Agreement shall be restricted to purposes directly connected with the administration of the programs implemented by this Agreement.

19. DUPLICATION OF BENEFITS

19.01 The U.S. Congress appropriated supplemental Community Development Block Grant Disaster Recovery (CDBG-DR) funding for the 2021 and 2023 disasters through Public Law 117-43, 117-180, and Public Law 118-158 to support long-term recovery efforts following FEMA# 4607 & 4757 - Michigan Severe Storms, Tornadoes, and Flooding.

The CDBG-DR Provides that the Secretary of Housing for Urban Development (HUD) requires that each grantee and subrecipient have procedures to prevent the duplication of benefits when it provides financial assistance with CDBG-DR funds, as required under section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, (42 U.S.C. 5155) as amended by section 1210 of the Disaster Recovery Reform Act of 2018 (division D of Public Law 115-254; 132 Stat. 3441).

19.02 Subrecipient shall not carry out any of the activities under this Agreement in a manner that results in a prohibited duplication of benefits as defined by Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 USC 5155). The Subrecipient must comply with HUD's requirements for duplication of benefits, imposed by all Federal Register notices, which include FR 6489-N-01 and all other applicable rules and regulations. The Subrecipient shall carry out the activities under this Agreement in compliance with the City's policy and procedure to prevent duplication of benefits in Exhibit U, Duplication of Benefits Certification.

20. HIRING POLICY

20.01 In accordance with the 2019 Detroit City Code, Chapter 17, Finance and Taxation, Article V, Purchases and Supplies, Division 6, Criminal Conviction Questions for City Contractors, Sections 17-5-261 *et seq.*, which prohibits City contractors from inquiring regarding criminal conviction questions for applicants to fulfill City contracts until the contractor interviews the applicant or determines the applicant is qualified.

20.02 The Subrecipient agrees to establish a hiring policy in compliance with the Detroit City Code, such policy shall be submitted to the City of Detroit prior to the approval of this agreement by both parties.

21. OFFICE OF THE INSPECTOR GENERAL AND THE BOARD OF ETHIC

A. OFFICE OF THE INSPECTOR GENERAL

21.01 In accordance with Section 2-106.6 of the City Charter, this Agreement shall be voidable or rescindable at the discretion of the Mayor or Inspector General at any time if a Public Servant

who is a party to this Agreement has an interest in this Agreement and fails to disclose such interest.

21.02 This Agreement shall also be voidable or rescindable if a lobbyist or employee of the contracting party offers a prohibited gift, gratuity, honoraria or payment to a Public Servant in relation to this Agreement.

21.03 A fine shall be assessed to the Subrecipient in the event of a violation of Section 2-106.6 of the City Charter. If applicable, the actions of this Agreement, and its representative lobbyist or employee, shall be referred to the appropriate prosecuting authorities.

21.04 Pursuant to Section 7.5-306 of the City Charter, the Inspector General shall investigate any Public Servant, City agency, program or official act, contractor and subcontractor providing goods and services to the City, business entity seeking contracts or certification of eligibility for City contracts and person seeking certification of eligibility for participation in any City program, either in response to a complaint or on the Inspector General's own initiative in order to detect and prevent waste, abuse, fraud and corruption.

21.05 In accordance with Section 7.5-310 of the City Charter, it shall be the duty of every Public Servant, contractor, subcontractor, and licensee of the City, and every applicant for certification of eligibility for a City contract or program, to cooperate with the Inspector General in any investigation pursuant to Article 7.5, Chapter 3 of the City Charter.

21.06 Any Public Servant who willfully and without justification or excuse obstructs an investigation of the Inspector General by withholding documents or testimony, is subject to forfeiture of office, discipline, debarment or any other applicable penalty.

21.07 As set forth in Section 7.5-308 of the City Charter, the Inspector General has a duty to report illegal acts. If the Inspector General has probable cause to believe that any Public Servant or any person doing or seeking to do business with the City has committed or is committing an illegal act, then the Inspector General shall promptly refer the matter to the appropriate prosecuting authorities.

B. BOARD OF ETHICS

21.08 In accordance with Section 2-106.10 of the City Charter, it shall be the duty of every Public Servant, contractor and subcontractor and licensee of the City, and every applicant for certification of eligibility for a City contract or program, to cooperate with the Board of Ethics in any investigation pursuant to this article.

21.09 Any Public Servant who willfully and without justification or excuse obstructs an investigation of the Board of Ethics by withholding documents or testimony is subject to forfeiture of office, discipline, debarment or any other applicable penalty.

21.10 In accordance with Section 2-5-106 of the City Code, it shall be the duty of every Public Servant, contractor, subcontractor, vendor and licensee of the city, and every applicant for

certification of eligibility for a city contract or program, to cooperate with the Board of Ethics in any investigation pursuant to this article.

21.11 Any public servant who willfully and without justification or excuse obstructs an investigation of the Board of Ethics by withholding documents or testimony is subject to forfeiture of office, discipline, or any other applicable penalty.

21.12 Any contractor, subcontractor, vendor, or licensee who willfully and without justification or excuse obstructs an investigation of the Board of Ethics by withholding documents or testimony is subject to debarment or any other applicable penalty.

21.13 Subject to state law, for one (1) year after employment with the City, a public servant shall not lobby or appear before the City Council or any City department, agency, board, commission or body, or receive compensation for any services in connection with any matter in which he or she was directly concerned, personally participated, actively considered or acquired knowledge while working for the City.

21.14 Subject to state law, for a period of one (1) year after employment with the City, a public servant shall not accept employment with any person or company that did business with the City during the former public servant's tenure if that public servant was in any way involved in the award or management of that contract or the employment would require the sharing of confidential information.

22. NOTICES

22.01 All notices, consents, approvals, requests and other communications (herein collectively called "Notice(s)") required or permitted under this Agreement shall be given in writing, and, when given by the Subrecipient, signed by an authorized representative of the Subrecipient, and delivered, or mailed by first -class mail and addressed as follows:

If to the City: Housing & Revitalization Department
Coleman A. Young Municipal Center
2 Woodward Avenue, Suite 908
Detroit, Michigan 48226
Attention: Gordon Pearson
Email: pearsong@detroitmi.gov

If to the Subrecipient: Detroit Housing Commission
1301 East Jefferson Detroit, MI 48207
Attention: James Arthur Jemison
Email:

22.02 All notices shall be deemed given on the day of mailing. Either party to this Agreement may change its address for the receipt of notices at any time by giving notice thereof to the other as herein provided. Any notice given by a party hereunder must be signed by an authorized representative of such party.

22.03 Notwithstanding the requirement above as to the use of first-class mail, changes of address notices, termination notices, notices to proceed and all legal notices of a pending action (complaint, summons, etc.) or failure to comply notices, shall be sent by registered first class mail, postage prepaid, return receipt requested.

23. MISCELLANEOUS

23.01 No failure by the City to insist upon the strict performance of any covenant, agreement, term or condition of this Agreement or to exercise any right, term, or remedy consequent upon a breach thereof, shall constitute a waiver of such breach of such covenant, agreement, term or condition. No waiver of any breach shall affect or alter this Agreement, but each and every covenant, agreement, term and condition of this Agreement shall constitute in full force and effect with respect to any other then existing or subsequent breach thereof.

23.02 Each party reserves and shall have the exclusive right to waive, at its sole discretion, and to the extent permitted by law, any requirement, or provision, in its favor, under this Agreement unless such waiver is specifically prohibited herein. No act by or on behalf of the party shall be, or shall be deemed to be, a waiver of any such requirement or provision, unless the same be in writing, signed by the authorized representative of the party and expressly stated to constitute a waiver.

23.03 This instrument, including all exhibits and attachments as specified in Section 1.01 hereof, which are attached hereto and are made a part of this Agreement, and all prior negotiations and agreements are merged herein. Neither the City nor the City's agents have made any representations except those expressly set forth herein, and no rights or remedies are or shall be acquired by the Subrecipient by implication or otherwise unless expressly set forth herein. The Subrecipient shall comply with all terms and conditions set forth in all Exhibits as attached hereto and shall utilize all sample forms included as Exhibits, as applicable, unless allowed otherwise by the City.

23.04 Unless the context otherwise expressly requires, the words "herein", "hereof", and the words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision.

23.05 All the terms and provisions of this Agreement shall be deemed and construed to be "covenants" and "conditions" as though the words specifically expressing or imparting covenants and conditions were used in each separate term and provision.

23.06 The headings of the sections in this Agreement are for convenience only and shall not be used to construe or interpret the scope of intent of this Agreement or in any way affect the same.

23.07 The rights and remedies set forth herein are not exclusive and are in addition to any of the rights and remedies provided by law or equity. This Agreement shall be governed by, subject to, and construed according to the laws of the State of Michigan. The parties agrees, consents and submits to the personal jurisdiction of the U.S. District Court for the Eastern District of Michigan or of any competent court in Wayne County, Michigan, for any action brought against it arising out of this Agreement. The parties agrees that service of process at the address and in the manner specified in Article 22 herein, will be sufficient notice and hereby waives any and all claims relative to such notice. The parties also agrees that it will not commence any action against the other because of any matter whatsoever arising out of or relating to the validity, construction, interpretation and enforcement of this Agreement, in any Courts other than those in the County of Wayne, State of Michigan, unless original jurisdiction can be had in either the Michigan Court of Appeals or the Michigan Supreme Court.

23.08 If any Affiliate (as hereinafter defined) of the Subrecipient shall take any action which, if done by a party, would constitute a breach of this Agreement, the same shall be deemed a breach by the Subrecipient with right legal effect. "Affiliate" shall mean a "parent", subsidiary or other company controlling, controlled by or in common control with the Subrecipient.

23.09 Neither party shall be responsible for force majeure events. In the event of a dispute between the parties with regard to what constitutes a force majeure event, the City's determination shall be controlling. Except, that in the event of an occurrence beyond the control of the parties hereto, the City may, at its sole option, terminate this Agreement. Such termination shall be made in accordance with the provisions of Article 14 herein.

23.10 The Subrecipient warrants that any products sold or processes used in the performance of this Agreement do not infringe upon or violate any patent, copyright, trademark, trade secret or any other proprietary rights of any third party. In the event of any claim by any third party against the City, the City shall promptly notify the Subrecipient and the Subrecipient shall pay for the full reasonable cost of the City defending such claims, but at the Subrecipient's expense, and shall indemnify the City against any loss, cost, expense or liability arising out of such claim, whether or not such claim is successful.

23.11 The Subrecipient covenants that it is not, and will not become, in arrears to the City upon any contract, debt or other obligation to the City, including real property, personal property and income taxes. The Subrecipient shall require that, as a condition of contracting and/or subcontracting, that any and all Subcontractors shall also agree to be bound by the provisions of this Section.

23.12 This Agreement may be executed in any number of counterparts and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Promptly after the execution thereof, the City shall submit to the Subrecipient a confirmed copy of this Agreement.

23.13 As used herein, the singular shall include the plural, the singular, and the use of any gender shall be applicable to all genders.

23.14 For purposes of the hold harmless provision contained herein, the term "City" shall be deemed to include the City of Detroit, and all other associated, affiliated, allied, or subsidiary entities now existing or hereafter created, their agents and employees, but shall not include the Subrecipient or any Subcontractors or sub-Subrecipient's.

23.15 If any provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such provisions to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

23.16 The Subrecipient shall not, directly or indirectly, employ, award contracts to, or otherwise engage the services of, or fund any contractor, or subcontractor or Subrecipient, or principal as defined in the Federal regulations at 2 CFR 2424.300, during any period of debarment, suspension, or placement in ineligibility status or during any period during which said contractor or subcontractor or Subrecipient, or principal is proposed for debarment under 48 CFR Part 9, subpart 9.4 and 2 CFR Part 180, under the provisions of 2 CFR Part 2424. If during the term of this Agreement, the Subrecipient is placed on the HUD debarred list, or is placed in ineligibility status, or is suspended, pursuant to the regulations at 2 CFR 2424, the Subrecipient shall immediately notify the City. The requirements of this Section shall apply equally to (1) all government-wide debarment, suspension, placement in ineligibility status, or proposal for debarment whether due to such statuses under action taken by HUD pursuant to the regulations at 2 CFR 2424, or by any other comparable Federal government action and to (2) such statuses which are not government-wide but which rather are limited to inclusion on a comparable department-wide HUD list.

The Subrecipient shall submit to the City a certification regarding debarment or proposed debarment under 48 CFR Part 1, subpart 9.4, suspension, ineligibility and voluntary exclusion utilizing the form attached hereto as Exhibit L, and in conformance to the instructions thereon.

The Subrecipient shall require all parties who stand in a lower tier relationship to the Subrecipient, if any, to submit said certification to the Subrecipient, if such lower tier relationship is a covered transaction defined at 2 CFR 2424.300. The Subrecipient shall also require all parties who occupy a position with the Subrecipient defined at 2 CFR 2424.300 as a principal to submit said certification to the Subrecipient. The Subrecipient shall immediately notify the City if, pursuant to the requirements of any such certification received by the Subrecipient the party who had submitted said certification notifies the Subrecipient, or the Subrecipient otherwise learns that said certification is erroneous or has become erroneous by reason of changed circumstances.

The Subrecipient shall require all Subrecipient agreements, contracts, and subcontracts under this Agreement to contain a provision comparable to this Section.

23.17 The payments under this Agreement are contingent upon receipt of grant funds by the City. The City of Detroit reserves the right to delay payment until receipt of adequate funds from the government grantor agency, without penalty or interest.

23.18 It is understood that this is not an exclusive service contract, and that during the term of this Agreement, the City may contract with other consulting firms and that the Subrecipient is free to render the same or similar advisory services to other clients.

23.19 The Subrecipient warrants that it is currently registered to do business in the State of Michigan and is amenable to service or process at the address stated in Section 22.01, "Notices."

[Signature is on the following page]

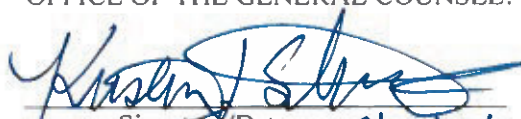
IN WITNESS WHEREOF, the City and the Subrecipient, by and through their duly authorized officers and representatives, have executed this Agreement as of the date first above written.

SUBRECIPIENT:
DETROIT HOUSING COMMISSION,
a Michigan public body corporate

By: 
Name: James Arthur Jemison
Its: Executive Director

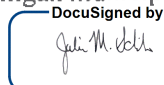
9/25/25

APPROVED AS TO FORM BY THE DHC
OFFICE OF THE GENERAL COUNSEL:


Signature/Date 9/25/25

CITY:
CITY OF DETROIT,
a Michigan municipal corporation

DS
MU

DocuSigned by:

By: E17650515DAF4C9... 9/25/2025
Julie Schneider
Its: Director

THIS AGREEMENT WAS APPROVED BY
THE CITY COUNCIL ON:
10/14/2025

APPROVED BY LAW DEPARTMENT
PURSUANT TO SECTION 7.5-206 OF THE
CHARTER OF THE CITY DETROIT

Sandra Yu Stahl  10/16/2025
Director, 333671204FFE45A... Date

10/1/2025
Corporation Counsel Date

Office of Contracting & Procurement

**THIS AGREEMENT IS NOT VALID OR AUTHORIZED UNTIL APPROVED BY
RESOLUTION OF THE CITY COUNCIL AND SIGNED BY THE PURCHASING DIRECTOR.**

EXHIBIT A SCOPE OF SERVICES

I. GENERAL DESCRIPTION OF SERVICES

The CDBG-DR funds received by Subrecipient shall be used for the purpose of making loans to entities affiliated with the Detroit Housing Commission (each a “Developer”) for the construction, renovation, rehabilitation and redevelopment of affordable housing projects (each a “Project”) within the City of Detroit.

The actual allocation of CDBG-DR Funds to specific Projects and the Projects receiving CDBG-DR Funds may be adjusted from the foregoing allocations at the discretion of the City and Subrecipient. The allocation of CDBG-DR funds to specific affordable housing Projects shall be subject to the approval of the City following satisfaction of the underwriting requirements set forth in Section II of this Exhibit A and Exhibit B.

II. UNDERWRITING REQUIREMENTS

Subrecipient shall adopt and implement the following underwriting procedures for any award of CDBG-DR funds to an affordable housing Project, including initial awards of CDBG-DR funds to a Project, and any increases in the amount of CDBG-DR funds to a Project that was previously awarded CDBG-DR funds:

A. Underwriting & Commitment of CDBG-DR Funds

Subrecipient will collect, analyze, and update all documents and materials required from the Developer as necessary to sufficiently underwrite a Project for the receipt of CDBG-DR Funds. Subrecipient must conduct a subsidy layering and underwriting review for each Project to determine that it did not invest any more CDBG-DR funds than necessary to provide quality affordable housing that is financially viable for a reasonable period (at a minimum, the period of affordability equal to the term of the loan) and that will not provide a profit or return on the owner’s or developer’s investment that exceeds the City’s established standards for the size, type, and complexity of the Project. Subrecipient must complete all underwriting, including receiving approval from Subrecipient’s internal award committee and the City, prior to executing any loan documents which commit CDBG-DR funds to a Project. Subrecipient’s underwriting process prior to the commitment of CDBG-DR funds must include, at a minimum, the analysis, completion, and approval by Subrecipient of the following items:

- 1. Budget / Sources and Uses:** A detailed list of all reasonable project costs, and the funds used to pay for all costs, at the time the Project is originated, as required per 24 CFR 92.250(b), 24 CFR 92.504(c)(3)(i) and 24 CFR 92.508.
- 2. Market Assessment:** Proof of market demand in the area where the Project is located, at the time the Project was originated as required per 24 CFR 92.250(b) and 24 CFR 92.508.

3. Developer/Project Owner's Experience: Proof of relevant experience in affordable housing development and strong financial capacity of the Developer as required per 24 CFR 92.250(b) and 24 CFR 92.508.

4. Financial Commitments: Firm proof of all funds committed by other lenders/investors into the Project, in the form of term sheets and legal documents, as required per 24 CFR 92.2, 24 CFR 92.250(b) and 24 CFR 92.508.

5. Environmental Review: Signed completion of environmental review, as required per 24 CFR 92.352(b) or a signed Determination of Exemption from Environmental Review or of Categorical Exclusion Not Subject to Related Laws or Authority to Use Grant Funds (Form 7015.16) as required per 24 CFR 92.508.

6. Cost Reasonableness: A written determination from an independent third-party cost analyst that costs were reasonable at the time the Project was originated, as required per 24 CFR 92.250(b) [New Construction: 24 CFR 92.251(a)(2)(iv); Rehabilitation: 24 CFR 92.251(b)(2)].

7. Debarment: Developer must provide a signed Debarment, Suspension, Ineligibility and Voluntary Exclusion Certification indicating neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in the transaction by any federal department or agency. To verify eligibility and non-debarment, the development team, including the Developer entity itself and any beneficial owners of Developer, the architect, the general contractor, and other entities who will be paid with CDBG-DR funds must be registered the federal System for Award Management (SAM.gov), and Subrecipient must complete a search of SAM.gov to verify the eligible status of the members of the development team and prepares a signed and dated certification that such search was performed.

8. Development Schedule: A timeline of deliverables of the development, from concept to completion. This includes a construction start date of no later than 12 months from the date of the written agreement, as required per 24 CFR 92.2 and 92.508.

9. Site Selection: for new construction, an analysis of site selection and neighborhood standards review in accordance with 24 CFR 983.57(e)(2) and (3), as required per 24 CFR 92.2, 24 CFR 92.202(b) and 24 CFR 92.508.

10. Floor Plan/Initial Rent Roll: A plan of the building which includes the unit size of each unit, identification by the owner or developer of the unit number of each unit, which units are being designated as CDBG-DR-assisted units, and the initial rents that will be charged for each unit.

11. Procedures for Rent Increases: Rent charged for all units constructed in whole or in part with CDBG-DR funds must comply with procedures that comply with 24 CFR 92.252(e)(2-3) and which are developed and monitored by Subrecipient.

12. Operating Costs: Description of allowable costs when the Project is in operation. Subrecipient must review and approve projected Operating Costs for reasonableness.

13. Allowable Costs: Before including in Eligible Project Costs (as defined herein) Subrecipient must collect proof that the following costs are allowable under any regulations

applicable to the CDBG-DR funds pursuant to Public Law 118-158 (the “Appropriations Act”) and the Federal Register Notice dated March 19, 2025 (90 FR 1754 as amended) (collectively referred to herein as the “Universal Notice”): (i) costs necessary to determine project feasibility, (ii) consulting fees, (iii) costs of preliminary financial applications, (iv) legal fees, (v) architectural/engineering fees, (vi) engagement of a development team, (vii) option to acquire property, (viii) site control, (ix) title clearance, (x) firm construction loan fees, (xi) architectural plans/specifications, (xii) zoning approvals, and (xiii) engineering studies. If CDBG-DR funds are to be used to pay for costs incurred up to 24 months before the date the CDBG-DR funds were committed to the Project, those costs must be limited to architectural, engineering or related professional services required to prepare plans, drawings, specifications or work write-ups, and Subrecipient must have expressly permitted the use of CDBG-DR funds for such costs in the written agreement as required per 24 CFR 92.206(d)(1). In no event shall Allowable Costs include any costs incurred prior to August 24, 2023.

14. Maximum CDBG-DR Investment: The amount of CDBG-DR funds invested in the Project will not exceed \$15,000,000 unless approved by Subrecipient and the City.

15. Affordability: The CDBG-DR investment must be made to create long-term additional affordable units to help the City of Detroit recover from Presidentially declared disasters, as set forth in the City’s CDBG-DR Action Plan (the “CDBG-DR-Action Plan”) as approved by the U.S. Department of Housing and Urban Development when awarding the City with \$346,864,000 (2023 Disaster) CDBG-DR funds through the Disaster Relief Supplemental Appropriations Act for the 2023 Disaster (the “2023 Disaster”). The required period of affordability (“Period of Affordability”) must be at least as long as the term of the loan of the CDBG-DR Funds to the Project. The affordability period must be enforced using a deed restriction, covenant running with the land, use restriction, or other mechanism approved by HUD, per 24 CFR 92.252(d)

16. Geographic Requirements; Project Not in a Flood Zone: The Project must be located within the City of Detroit and not located within a Special Flood Hazard Area (SFHA) or federally designated flood zone, as specified by the City’s guidelines.

17. Title and Survey. If CDBG-DR funds are to be used for acquisition of a Project, an updated title commitment, valid purchase agreement and possibly a survey must be provided.

18. Additional Underwriting Requirements:

- a. The CDBG-DR funds to a Project must be provided in the form of a loan.
- b. Subrecipient must complete a subsidy layering review.
- c. If fewer than 100% of the units are CDBG-DR assisted or the Project is a mixed-use property that includes commercial space, Subrecipient must appropriately determine the actual CDBG-DR eligible development costs of the CDBG-DR assisted units by subtracting CDBG-DR ineligible costs from the total development cost.
- d. Subrecipient must determine the actual costs of the CDBG-DR assisted units by prorating the total CDBG-DR eligible development costs of the Project. The

CDBG-DR assisted units must be comparable in terms of bedroom size, square footage and level of amenities per 24 CFR 92.205(d).

e. CDBG-DR funds may not be used to refinance any single-family or multi-family housing loans made or insured by any Federal program, including CDBG.

B. Project Leasing Requirements

Subrecipient must verify that the Developer complies with the following leasing requirements upon closing on the commitment of CDBG-DR funds to a Project and during the term of the CDBG-DR loan to Developer:

1. The specific CDBG-DR-assisted units must be identified no later than the time of initial unit occupancy, per 24 CFR 92.252(j).

2. The Project's initial rent schedule must comply with the affordability requirements approved by Subrecipient and set forth in the Affordable Housing Restriction (i.e., rents no greater than defined AMI rents). Subrecipient must review and approve the initial Project rents per 24 CFR 92.252(c).

3. Utilities:

a. If the tenants pay utilities, the rent charged by Developer must use the Subrecipient's Utility Schedule Model or otherwise comply with the utility allowance for the Project based on the type of utilities used at the Project, per 24 CFR 92.252(d)(1).

b. If tenants will pay utilities and services, Developer must subtract the utility allowance from the maximum rent to determine the initial Project rents, per 24 CFR 92.252(d)(2).

4. **Tenant Selection Policies:** The Developer has adopted written tenant selection policies and criteria that address all of the following, per 24 CFR 92.253(d):

a. Limits housing to very low- and low-income households that are permitted in its written agreement with Subrecipient, (and only if described in the City's consolidated plan), limits eligibility or gives preference to a particular population in accordance with 24 CFR 92.253(d)(3).

b. Does not exclude an applicant because the applicant is a holder of a certificate or voucher under the Section 8 Tenant-based assistance or Housing Choice Voucher program, or comparable HOME TBRA document.

c. Provides for the selection of tenants from a written waiting list for the Project maintained by Subrecipient in the chronological order of their application insofar as is practicable.

d. Gives applicants prompt written notification of rejection and the reason for rejection.

5. **Violence Against Women Act Compliance:** The Developer's lease for the Project must incorporate the VAWA lease addendum required in accordance with 24 CFR 92.359(e), per 24 CFR 92.253(a).

6. **Prohibited Lease Terms:** the lease to be used in the Project may not include any of the following prohibited lease terms, per 24 CFR 92.253(b):

- a. Agreement to be sued, admit guilt, or judgment in favor of landlord in a lawsuit over the lease.
- b. Treatment of property (ability to take, hold or sell property of household without notice to tenant or court decision unless tenant has moved out and state law allows).
- c. Excusing owner from responsibility for any action.
- d. Waiver of notice of lawsuit.
- e. Waiver of legal proceedings relating to eviction.
- f. Waiver of jury trial.
- g. Waiver of right to appeal court decision.
- h. Tenant chargeable with cost of legal action regardless of outcome.
- i. Mandatory supportive services other than a tenant in transitional housing.

C. Completion and Rent Up Deadline

Developers that receive CDBG-DR funds must have received marketable title to 100% of the real property required to construct the Project at or prior to the closing of the CDBG-DR funds if the designated use of the funds includes the property acquisition. If other financing sources are used for acquisition, the assisted Project may be closed “in escrow”. Construction is expected to begin within (6) months after the Subrecipient’s commitment of funds to a Project. Subrecipient must approve a project completion schedule that includes all milestones associated with the acquisition, major elements of the development implementation process, schedule of project construction completion by trades, and lease-up of the units prior to loan closing. Due to strict Federal deadlines, Projects that do not proceed in accordance with the construction timeline for such Project as defined in the Development Schedule provided to Subrecipient may be subject to rescission of CDBG-DR funding, at the discretion of the City, only after a Developer has failed to cure such default in the time period (if any) provided in the loan documents for a Project. Construction must not have started prior to the approval of funding and the receipt of environmental review and clearance from HUD and/or the City.

D. Compliance Requirements & Property Standards

Without limiting or otherwise affecting the Developer’s obligation to comply with all of the CDBG-DR regulations and the Subrecipient’s obligation to monitor compliance, the Developer must comply with all applicable provisions of the following regulations (the “Regulations”), as they may be amended from time to time, throughout the Period of Affordability: (i) Subpart F of the Regulations (project requirements), including but not limited to the property standards set out in 24 CFR 92.251 (including but not limited to the accessibility requirements at 24 CFR part B, which implements Section 5.04 of the Rehabilitation Act of 1973) and the affordability requirements set out in 24 CFR 92.252, but not including the HOME program-specific rent limits

set forth in 24 CFR 92.252(a); (ii) 24 CFR 92.351 (affirmative marketing and minority outreach); (iii) 24 CFR 92.350 (other federal requirements and nondiscrimination); (iv) 24 CFR 92.353 (displacement, relocation and acquisition requirements); (v) 24 CFR 92.354 (labor requirements); 24 CFR 92.356(f) (conflict of interest provisions); (vii) 24 CFR 92.355 (lead-based paint); (viii) 24 CFR Part 24 (debarment and suspension); and (ix) 24 CFR 982.401 housing quality standards.

E. CDBG-DR Tie-Back:

The Subrecipient will provide affordable housing units that address the current lack of affordable rental units as a direct and indirect result of the 2023 Disaster. Pursuant to the Universal Notice, All CDBG-DR-funded housing development and rehabilitation activities must, at a minimum, incorporate hazard mitigation measures in design and construction. The use of alternative, more resilient construction materials and methods is also encouraged. These measures aim to reduce the impacts of future disasters and increase the long-term affordability of the housing units.

F. Duplication of Benefits

A “Duplication of Benefits” occurs when a person, household, business, or other entity receives disaster assistance from multiple sources for a cumulative amount that exceeds the total need for a particular recovery purpose. The amount of the duplication is the amount of assistance provided in excess of the total need for the same purpose. Subrecipient shall ensure that CDBG-DR funded Projects provide assistance only to the extent that the disaster recovery need has not been fully met by funds that have already been paid, or will be paid, from another source. Subrecipient must report all funds obtained for the same activity from any source from the date of the disaster until the activity is completed.

G. Record Keeping; Compliance with Federal Administrative Requirements.

Without limiting or otherwise affecting Subrecipient’s or the Developer’s obligations to comply with all of the Regulations, Subrecipient and the Developer shall each comply with all applicable requirements under 2 CFR 200, as the same may be amended from time to time, throughout the Period of Affordability including, but not limited to (i) 2 CFR 200.301-309 standards for financial and program management, (ii) 2 CFR 200.303 internal controls, (iii) 2 CFR 200.327-332; performance and financial monitoring and reporting, (iv) 2 CFR 200.333-337 record retention and access, and (v) 2 CFR 200.500 et seq audit requirements and financial management. The City may, at its cost, conduct an audit of any Projects funded in whole or in part with CDBG-DR funds loaned pursuant to this Agreement at any that said CDBG-DR funded loan remains outstanding. Subrecipient will make all Project records available to the City to conduct such audit at Subrecipient’s main office within forty-eight (48) hours of notice from the City.

H. Project Status

Subrecipient shall monitor the Project to make sure it is progressing according to the established timeline and will be completed within the required completion deadline of the federal funds. If requested, Subrecipient shall submit a monthly report to the City showing the status of all Projects with financing that includes CDBG-DR funds.

I. Ongoing Project Compliance Monitoring

Subrecipient will provide ongoing project compliance monitoring in accordance with applicable HUD and CDBG-DR regulations. Subrecipient will perform project compliance reviews of each Project at least annually and will provide the City with copies of all such reports within thirty (30) days of their completion.

III. UNDERWRITING APPROVAL PROCEDURES; LOAN DOCUMENTATION

A. Credit Memorandum

Following Subrecipient's completion of all underwriting requirements, Subrecipient shall submit a credit memorandum (the "Credit Memo") to the City on the template and form approved by the City. The Credit Memo must include a summary of the Project and all underwriting materials reviewed and approved by Subrecipient. Subrecipient must submit a copy of its proposed term sheet for the loan of CDBG-DR funds to the Developer and the financial proformas of the Project, including sources and uses, income and operating proformas, project schedule, pay-in schedule, and project budget with the Credit Memo. Within fifteen (15) business days of the City's receipt of a completed Credit Memo, the City shall either approve of the Credit Memo or provide comments to Subrecipient of additional information needed to approve of the loan of CDBG-DR funds to the proposed Project. The City's approval of a Credit Memo will not operate as a certification that Subrecipient's underwriting complies with all Regulations and requirements of HUD with respect to the CDBG-DR funds, and Subrecipient shall be responsible for correcting any deficiency in its underwriting or documentation regarding the use of CDBG-DR funds required by HUD, including, but not limited to, repaying any CDBG-DR funds as required by HUD which were not properly awarded to or used by Developer.

B. Loan Documentation

Upon the City's approval of a Credit Memo for a Project, the City shall allocate the total amount of the CDBG-DR funds approved for such Project from the total balance of CDBG-DR funds which are available to Subrecipient pursuant to this Agreement. Subrecipient shall then enter into appropriate loan documents between Subrecipient and Developer regarding the loan and use of such CDBG-DR funds. All loan documents shall be in a form that complies with all requirements and regulations applicable to CDBG-DR funds and otherwise in a form acceptable to the City. At least fifteen (15) business days prior to execution of any loan documents, Subrecipient shall submit drafts of the substantively final copies of all loan documents related to the CDBG-DR funds to the City for review. Such review shall not constitute approval by the City of the completeness, accuracy, or sufficiency of any loan documents. All loan documents shall be duly executed by Subrecipient and Developer prior to the disbursement of any CDBG-DR funds. Subrecipient shall provide copies of all executed and assembled loan documents to the City promptly following closing of each loan to a Project. The loan documents between Subrecipient and Developer shall include, at a minimum, the following:

1. Loan Agreement. A Loan Agreement between Subrecipient and Developer (along with any other relevant parties) as required per 24 CFR 92.2, 24 CFR 92.504(b), 24 CFR 92.508(a)(3)(xiv), 24 CFR 92.2 and 24 CFR 92.504(c)(3). This Loan Agreement must include the following information and terms:

- a. The Project's address and legal description.
- b. The amount of funds awarded by the Subrecipient to Developer and a covenant that all CDBG-DR funds will be used solely to reimburse Eligible Project Costs.
- c. The term of the Loan Agreement must remain in effect through the defined affordability period as required and in accordance with 24 CFR 92.252 and 24 CFR 92.504(c)(3)(ix).
- d. Any limits to eligibility or preference to a particular segment of the population if described in the City's CDBG-DR Action Plan.
- e. Covenants that the housing meet the applicable property standards in 24 CFR 92.251, upon Project completion.
- f. Covenants that the Developer maintain the housing in compliance with the property standards of 24 CFR 92.251 for the duration of the period of affordability, per 24 CFR 92.504(c)(3)(iv).
- g. Covenant's specifying Developer's affirmative marketing responsibilities pursuant to 24 CFR 92.351.
- h. Covenants requiring Developer to meet all federal requirements and nondiscrimination requirements established in 24 CFR 92.350.
- i. When a Project involves acquisition, demolition, and/or rehabilitation, and if tenants or owners were required to relocate permanently or temporarily, the Loan Agreement includes the requirements consistent with 24 CFR 92.353 and the PJ's Residential Anti-displacement and Relocation Assistance Plan per 24 CFR 92.504(c)(3)(v)(C) and 24 CFR 92.353.
- j. The Davis-Bacon Labor requirements prescribed in 24 CFR 92.354.
- k. The conflict-of-interest provisions prescribed in 24 CFR 92.356(f).
- l. The agreement sets forth all obligations Subrecipient imposes on the Developer to meet the Violence Against Women Act (VAWA) requirements in accordance with 24 CFR 92.359 and 24 CFR 92.504(c)(3)(v)(F), for the duration of the affordability period.
- m. Notice provisions that require the Subrecipient or Developer to furnish notices to all parties as described within the Agreement.
- n. Obligations under emergency transfer plan.
- o. Bifurcation of lease requirements.
- p. The agreement specifies the records that must be maintained and the information or reports that must be submitted to assist Subrecipient in meeting the record keeping and reporting requirements per the CDBG-DR Universal Notice as amended and 24 CFR 570.506, and 2 CFR 200.500
- q. The agreement specifies the reporting requirements (including copies of financial statements) to enable Subrecipient to determine the financial condition and continued financial viability of the Project per 24 CFR 92.504(c)(3)(vi).

r. The agreement specifies remedies for breach of the agreement, as required per 24 CFR 92.504(c)(3)(vii).

s. The agreement specifies that the Developer cannot request disbursement of funds under the agreement until funds are needed for payment of eligible costs and such requests are limited to the amount needed per 24 CFR 92.504(c)(3)(viii).

t. The written agreement prohibits the Developer from charging fees that are not customarily charged, (e.g., laundry room access fees) as required per 24 CFR 92.504(c)(3)(xi).

u. The written agreement with the Developer clearly describes the CDBG-DR eligible activities in the Universal Notice and CDBG National Objectives found at 24 CFR 570.208

2. Mortgage. A mortgage, in a form sufficient under the laws of the State of Michigan to create the security interest, liens and assignments of Developer's interest in Project to secure the payment and performance of Developer's obligations set forth in the loan documents, in a form that is recordable with the Wayne County Register of Deeds, and which contains the terms and provisions necessary to enable Lender to exercise the remedies which are customarily available to a commercial real estate mortgage lienholder under the laws of the State of Michigan, including the remedies of judicial foreclosure and foreclosure by advertisement. Subrecipient shall ensure that each mortgage is recorded and provide the City with a copy of the recorded mortgage promptly following closing of a loan to a Project.

3. Unconditional Payment Note. A promissory note, which may be interest bearing or non-interest bearing, by Developer to Subrecipient, evidencing the loan of CDBG-DR funds to Developer and Developer's obligation to repay such funds upon maturity. Repayment may be waived due to impediments to project development that the Subrecipient determines are reasonably beyond the control of the Developer only with the approval of the City.

4. Affordable Housing Restriction. An affordable housing restriction, in a recordable form, wherein Developer grants Subrecipient restrictive covenants running with the land which require that the CDBG-DR assisted units be leased at affordable rates (meaning not more than thirty percent (30%) of the annual income of the area median income restriction applicable to such unit) and occupied only by low-income families who qualify at the area median income threshold applicable to such units. Subrecipient shall ensure that each affordable housing restriction is recorded and provide the City with a copy of the recorded affordable housing restriction promptly following closing of a loan to a Project .

5. Performance and Completion Guaranty. If the Developer includes a property development company that is not affiliated with Subrecipient, which will be primarily responsible for managing construction of the Project, a guaranty from such property development company to Subrecipient guaranteeing the completion of the Project as set forth in the project schedule and project budget.

Subrecipient will diligently enforce the terms of all loan documents it enters into with Developers. A failure to enforce the terms of the loan documents entered into with respect to a Project promptly and with the exercise of Subrecipient's sound business judgment shall constitute a default under this Agreement.

C. Additional Closing Documentation. Subrecipient shall also obtain the following, prior to closing on the loan of CDBG-DR funds to a Developer:

1. Payment and performance bonds from the general contractor performing construction of the Project, in amounts equal to 100% of the total construction cost of the Project, which name Subrecipient as a dual obligee and otherwise conform with the statutes of the State of Michigan.

2. A legal opinion from Developer's counsel, in a form satisfactory to Subrecipient, regarding (a) Developer's valid organization, existence, good standing, and authority, (b) Developer's and any guarantor's proper authorization and execution of all loan documents related to CDBG-DR funds, (c) the absence of any litigation, suits, or claims existing or threatened against the Developer or the Project that would materially impair Developer's ability to perform its obligations under any loan documents, and (d) such other opinions as are customary in commercial real estate loans in the State of Michigan.

3. A lender's policy of title insurance insuring the validity and priority of Subrecipient's mortgage against the Property, subject only to such encumbrances, exceptions and requirements as are acceptable to Subrecipient and do not render title to the Project unmarketable.

4. Certificates of insurance of such types and in such amounts as deemed appropriate by Subrecipient, but including, at a minimum, (a) builder's risk Insurance against loss or damage to the Project and the materials and supplies to be used in the construction thereof, and insuring against loss from the perils of fire, extended and broad form coverage, and in an amount not less than the amount of the construction contract for the Project; and (b) fire and hazard insurance covering the Project against fire and other hazards included within the term "Broad Form and Extended Coverage", in an amount not less than the replacement value of the completed Project, which names the Subrecipient as a loss payee

IV. CONSTRUCTION DRAW PROCEDURES

CDBG-DR funds will be released by the City to Subrecipient only to pay for Eligible Project Costs and in accordance with the following procedures. Subrecipient shall be responsible for disbursing such CDBG-DR funds (previously released by the City) to the Developer or to the general contractor as necessary to pay for Eligible Project Costs. Subrecipient may not request disbursement of CDBG-DR funds until such funds are needed for payment of Eligible Project Costs, and the amount of each request shall be limited to the amount needed for payment of Eligible Project Costs, as applicable. If there is equity of Developer remaining from initial capital contributions required to be made by the members or partners of Developer at closing or upon commencement of construction of the Project, that equity shall be used to fund construction of the Project until such equity is exhausted before CDBG-DR funds are disbursed.

As used within this Agreement, "Eligible Project Costs" shall mean (a) obligations of the Developer incurred for materials, furnishings, fixtures, equipment, labor and costs for consultants, contractors, builders and materialmen in connection with the construction of the Project; (b) the cost of acquiring the Project site and any associated real property thereon; (c) the cost of surety bonds and of insurance of all kinds that may be required or necessary during the course of the construction of the Project which is not paid by the contractor or otherwise provided for; (d) the cost of any

engineering and consulting services, including surveys, estimates, architectural plans and specifications, all other costs which the Developer shall be required to pay, under the terms of any contract or contracts, for the acquisition, renovation and construction of the Project, (e) other costs of a nature comparable to those described above which are incurred in connection with the condemnation or taking of the Project or any portion thereof; and (f) any sums required to reimburse Developer for any advances made for any of the above items, or for any other costs which are properly chargeable to the Project and consistent with the Appropriations Act and the Universal Notice. Eligible Project Costs may include the foregoing costs which were incurred prior to or after the closing of Subrecipient's loan of CDBG-DR funds, and are eligible for reimbursement in accordance with the Appropriations Act and the Universal Notice. In no event shall Eligible Project Costs include any costs incurred prior to August 24, 2023.

A. Request for Reimbursement. For each request for the disbursement of CDBG-DR funds, the Subrecipient shall deliver to the City a request for reimbursement ("**Request for Reimbursement**"), on a form acceptable to the City, which shall be signed by the general contractor and the architect on the Project, setting forth the amount of the advance requested and the line item costs to be paid from the advance as shown on the Project's budget and showing all changes from the immediately preceding Request for Reimbursement. Each Request for Reimbursement shall include, without limitation, the following:

1. A certification by Subrecipient that all of the following materials included with the Request for Reimbursement have been received, reviewed, and approved by Subrecipient and that Subrecipient has physically inspected and approved of all work that is subject to the Request for Reimbursement

2. An application and Certificate for Payment (AIA Document G-702) from the contractor and the architect certifying that the Project improvements have been completed in accordance with the Project plans in a good and workmanlike manner to the degree of completion as represented in the Request for Reimbursement;

3. A construction disbursement schedule on an applicable AIA form therefor, or its equivalent, showing actual costs of the construction, which schedule shall be approved by the Subrecipient and certified by the Developer, the architect, and the general contractor with respect to the following, all in accordance with the Project budget;

- a. The amount of construction costs expended to date;
 - b. The percentage of completion for each item of construction; and
 - c. The balance of the amount required to fully complete the Project and pay the balance of the construction costs;

4. With respect to indirect or soft costs to be paid from the advance, a certification from the Developer, together with such supporting invoices as the City may reasonably request, certifying to the following, all in accordance with the Project budget: the person or entity to be paid, the nature and amount of the payment, an itemization of the total amount of previous requests for payment, the amount of the current request and the balance to be paid after the current request, all compared to the Project budget;

5. Uniform sworn statements of the general contractor, and waivers of lien from the general contractor, subcontractors and material suppliers for each item included therein, together with such supporting invoices as the City may reasonably request, showing payment of all construction costs, including labor, material, and other expenditures, to the date of the last draw request;

6. Evidence that the undistributed amount of the CDBG-DR funds, the Developer's equity contribution, and other committed project financing, without considering retainage as undisbursed, are sufficient to complete the Project improvements in accordance with the Project plans and the construction contract, and pay the balance of the costs set forth in, and in accordance with, the project budget, as the same may be adjusted from time to time and approved by the Subrecipient. All cost overruns in any individual project budget line items will be paid as follows: first, from reallocation of savings from other individual budget line items and second, by funds provided by the Developer; and

7. Clearances from the City that Developer has complied with the Davis-Bacon Act, City of Detroit Executive Order 2016-1 (December 16, 2016), as amended or replaced, and City of Detroit Executive Order 2024-02 (July 9, 2024), as amended or replaced. The City agrees to use good faith efforts to timely issue said clearances once the Developer has provided all information to the City necessary for the issuance of same.

B. Disbursement of Advances. Within twenty (20) business days after receipt of the items set forth in Section IV.A above, the City shall review the completeness and sufficiency of the Request for Reimbursement, the aforementioned certifications and the sworn statements and lien waivers from the general contractor, and any subcontractor, suppliers or materialmen involved in the work. The City may also inspect or cause an inspection of the work for which an advance is being requested to be performed. If the City determines that the work for which an advance is being requested has been properly completed and approves of all materials submitted in the Request for Reimbursement, it shall disburse to Subrecipient the requested and approved amount of funds, less ten percent (10%) retainage with respect to hard costs only. Such retainage will be held until such time as the repair or new construction work to the Project is fully completed, the Developer has obtained a Certificate of Occupancy/Acceptance, the Developer has obtained a Certificate of Compliance, and Subrecipient has provided the City with all accomplishment data requested by the City, which accomplishment data includes, among other things, evidence that units required to be maintained as affordable have been leased and occupied by appropriately qualified families. If the City determines, after review of all required information for payment, that a lesser amount than requested, including no amount, is eligible for payment under this Agreement, it shall thereupon notify Subrecipient of its determination and the reasons therefor and immediately disburse to Subrecipient the approved lesser amount. Upon receipt of the lesser amount, if the Subrecipient provides the necessary additional documentation or takes the necessary steps, to satisfy the requirements of this Agreement and the City revises its determination, the City shall immediately process the payment request pursuant to this Section IV.B and such amount shall be disbursed to Subrecipient. Subrecipient shall then, as necessary disburse such funds to the proper parties to reimburse Eligible Project Costs previously paid from loan advances by such other lender, as applicable.

C. Partial Disbursement of Advances. The amount, timing and procedures for any partial disbursement shall be reasonably determined by the City, except that each disbursement must

be in accordance with this Agreement and must be approved in writing in advance by the City, which approval shall not be unreasonably delayed or withheld.

D. Advances Following an Event of Default. Notwithstanding any other provision of this Agreement, upon the occurrence of a default under this Agreement or under any of the loan documents between Subrecipient and a Developer, the City, in its sole and absolute discretion, may refuse to make any advance until the default is cured.

E. Final Advance. Final payment, constituting the entire unpaid, undisbursed balance of the CDBG-DR Funds committed to a Project remaining upon completion of construction of such Project will be made within twenty (20) business days of final inspection of the Project, provided the following has occurred: (i) the Developer has received permits from the City of Detroit Buildings & Safety Engineering, and Environmental Department for any plumbing, electrical, engineering or building work conducted on the Project certifying that all systems have been operationally tested and found to be in good working order; (ii) the Developer has obtained a Permanent Certificate of Occupancy/Acceptance and a Certificate of Compliance for each unit in the Project; (iii) the Developer has obtained final unconditional lien waivers, signed by the general contractor and each subcontractor and submitted same to Subrecipient; (iv) all change orders for the Project have been paid in full; (v) the Subrecipient has received the architect's certificate of Project completion; and (vi) and Developer has provided to the Subrecipient all accomplishment data requested by the Subrecipient, which accomplishment data includes, among other things, evidence that units required to be maintained as affordable have been leased and occupied by appropriately qualified families, and (viii) Subrecipient has delivered copies of all items require in (i) through (vi) hereof to the City.

V. REPAYMENT OF FUNDS

“Program Income” means any and all payments of principal and interest received by Subrecipient on loans using the CDBG-DR funds. The Subrecipient shall promptly deposit all Program Income received into a separate, interest-bearing account dedicated to Program Income until such time that the Program Income is remitted to the City. The Subrecipient shall not commingle Program Income with other funds.

The Subrecipient shall report all Program Income earned, received, and expended on a quarterly basis. Each report shall include the source of the Program Income, date and amount received, cumulative total to date any expenditures and the balance of Program Income on hand.

Subrecipient may request to retain Program Income for the sole purpose of carrying out eligible activities consistent with this Agreement and applicable regulations by submitting a written request to the City, which written request shall include a detailed description of the proposed use of such Program Income. The City may, in its sole discretion, grant permission to Subrecipient to retain and redeploy such Program Income or may require such Program Income be returned to the City as otherwise provided in this Agreement. The City may also condition such approval on such terms and condition as it may require in its sole discretion, including that Subrecipient has adopted adequate policies and procedures for the handling of Program Income. Any Program Income permitted to be retained by Subrecipient shall be subject to all terms, conditions and compliance requirements set forth in this Agreement. If the City denies the request to retain Program Income the Subrecipient shall remit Program Income to the City within three (3)

days thereafter. All such Program Income received by the City may be utilized for eligible activities as the City may determines in its discretion.

Subrecipient shall not waive or forgive any payment of principal or interest required to be made by a Developer without the City's prior written consent, which consent may be granted or withheld in the City's sole discretion.

The provisions of this Section V shall survive only until funds and Program Income are either expended on eligible activities or remitted back to the City.

EXHIBIT B BUDGET

The Subrecipient Agreement shall not exceed \$31,000,000.00 unless amended and approved by the City of Detroit.

Costs related to this Agreement are solely for Eligible Project Costs related to construction, rehabilitation or acquisition of a Project (including soft costs which are allowable pursuant to Section II.A.13 of this Exhibit) related to the applicable CDBG-DR Projects which will be identified by the Subrecipient and approved by the City of Detroit following the procedure outlines in this Exhibit. Upon completion of the underwriting procedures set forth in this Exhibit, the City of Detroit will approve a Purchase Order in the amount of the approved project costs which will have the effect of reserving the committed amount of CDBG-DR funds to the approve Project from the total \$31,000,000.00 amount of this Agreement.

The Budget does not include, and Subrecipient will not be permitted to use any of the CDBG-DR funds to pay for, any administrative costs related to the Subrecipient and its oversight of the CDBG-DR Projects.

EXHIBIT C

ACCOUNTING AND BOOKKEEPING PROCEDURES AND REQUIREMENTS

ACCOUNTING JOURNALS & LEDGERS

1. **Co-mingling Funds.** There shall be a separate accounting that shows the source and "application" (distribution or expenditure) for all Agreement funds, but a separate bank or checking account is not required.
2. **Non-eligible costs** shall be segregated from Agreement costs. "Non-eligible costs" are those costs which are not properly documented or incurred in accord with the terms of this Agreement, are unallowable under Federal Cost Principles (OMB Circular A-122 and 2 CFR 200.400 *et seq.*), or are non-eligible under Community Development Block Grant Regulations.
3. **Recovery from Other Sources.** Expenses paid or payable from outside funding sources other than this Agreement shall be excluded from the Agreement general ledger account. Double billing is prohibited. Expenses recovered or recoverable from other funding sources shall not be included in the Agreement payment/reimbursement requisition (Exhibit D herein).
4. **Generally Accepted Accounting Principles/Double Entry System.** All financial records shall be kept in accord with generally accepted accounting principles and procedures. The Subrecipient, or the Subrecipient's authorized fiduciary hereunder, shall maintain a double entry accounting system. The Subrecipient may use appropriate accounting computer software and technology to accomplish this purpose. The double entry accounting system shall include:
 - a. **General Ledger** shall be established and maintained for all accounts affected by this Agreement. The General Ledger shall be posted up-to-date at least once a month.
 - b. A **Cash Receipts Journal** shall be established and maintained. All Agreement payments shall be deposited in full in the Subrecipient's bank. Such bank must be a member of the FDIC. A bank deposit slip shall be kept on file which matches the amount of the Agreement payment.

Book cash balances shall be reconciled to bank balances in accordance with Standard Accounting Procedures.
 - c. A **Cash Disbursements Journal** shall be established and maintained.
 - *1. Disbursement shall be made by pre-numbered checks signed by two (2) authorized representatives of the Subrecipient. A mechanical check protector is recommended for use to the extent possible, or checks shall be typewritten. Individual items purchased with petty cash shall be supported by properly executed cash vouchers (or requisitions) and vendor's invoices.

2. The Subrecipient will distribute its expenses in its records in accordance with approved budget classifications.
 3. Disbursement shall be supported by copies of vendor invoices for all items other than payroll. Payroll shall be supported by a list of names, titles, time, rate, amount, deductions, and time sheets.
 4. The Subrecipient shall make a clerical check of all Invoices and Records to ensure their accuracy. Evidence of such clerical checks shall be noted on the Invoice and/or be appropriately documented in records (electronic or manual) to prevent double payments, double billings or improper cost allocation.
 5. Documentation in support of any rent charges shall be determined by the City, but shall minimally include a copy of the lease and monthly rent receipts.
 6. All cash register receipts submitted as documentation must be validated. That is, the purpose and description of the purchase shall be noted on the receipt, and it shall be signed both by the person who made the purchase and the authorizing representative of the Subrecipient. A properly completed purchase requisition with the cash register receipt attached may be used for this purpose.
 7. Mileage reimbursement reports shall be reviewed and approved by an authorized representative of the Subrecipient.
- d. A **Payroll Register** shall be maintained to adequately accumulate the required payroll information. Payroll tax withholding information shall be maintained in such a manner as to allow accurate payment to the taxing authorities. Required payroll tax returns shall be prepared and filed in sufficient time to avoid penalties, interest, and additional taxes. The Subrecipient may make tax payments by electronic transfer or such means as permitted by the taxing authorities.

Employee salary and wage payments shall be supported by time and attendance forms which the Subrecipient shall keep on file for City review and monitoring. Time-keeping/attendance records shall be formally approved by an authorized supervisory representative of the Subrecipient or as otherwise provided in the Subrecipient's personnel procedures.

Withholding taxes shall be based on proper authorizations and computed in the proper manner.

Reporting of payroll with supportive detail shall meet the requirements as stipulated in this Agreement (Exhibits B, G, H, and K).

Written contracts shall be maintained when the Subrecipient has hired a person to work on this Agreement as a personal services contractual employee or independent professional contractor. The Subrecipient shall follow Internal Exhibit

C, Accounting and Bookkeeping Procedures and Requirements Revenue Services guidelines (IRS Publication 15, Circular E) regarding the treatment of, and liability for payment of, withholding and other taxes for all such persons hired on contract.

INTERNAL CONTROLS

***5. Segregated Financial Oversight Duties.** Employee responsibilities shall be formalized and accounting responsibilities shall be segregated, to the extent possible, as follows:

- a. Employees of the Subrecipient preparing payrolls and handling time reporting records shall not have access to the related paychecks. Employees, including managers, shall not sign their own pay checks.
- b. Employees who handle or record cash or prepare or sign checks shall not also reconcile bank statements to accounting records.

GENERAL

6. **Employee/Personnel Records.** Appropriate personnel data for employees, including personal services contract employees, as specified in the Subrecipient's written personnel policy, and as required herein, shall be maintained for all employees working on this Agreement (i.e., personnel folder, signed withholding authorization forms, employment contract or terms, disclosures, etc., as applicable)
7. **Equipment and other Personal Property.** Equipment [as defined at 24 CFR 54.2(l)], having a useful life of more than one year, which is purchased with funds derived from this Agreement, shall be marked with an appropriate tag or label, and inventories of such equipment shall periodically be taken. An inventory list of all such equipment purchased under this Agreement shall be submitted to the City. Tangible property purchased by the Subrecipient with Agreement funds shall revert to the City at the expiration or termination of this Agreement, unless the City enters into a new Agreement with the Subrecipient or issues other instructions regarding disposition of such property. Generally, the Subrecipient shall implement the Federal property management standards found at 24 CFR 54.31-37 with respect to property acquired under this Agreement.
8. **Budget Revisions.** Proper budgetary controls shall be established and periodically reviewed. Excessive (e.g. revised every month) shifts between budget line items are unallowable. The Subrecipient shall not change any line or sub-line item in the Budget (Exhibit B) without written approval by the City. Acceptance of a Budgetary Status Report (Exhibit J hereof) revision and subsequent payment of an invoice by the City constitutes such City approval, unless the Subrecipient is otherwise notified of a denial or a hold by the City in writing. All Budget line item adjustments must be reflected on the Budgetary Status Report (Exhibit J) as approved by the City. **The Subrecipient is never approved to create a new (additional) line item without City approval of an amendment to this Agreement in accordance with Article 17 hereof, Amendments.**

9. **Dishonesty Protection.** The Subrecipient shall obtain fidelity bonds or other similar dishonesty insurance protection covering all employees who have access to Agreement funds in an amount adequate to cover the largest Agreement proceeds estimated to be on hand at any one interval. In the event such bonds are canceled the Subrecipient shall immediately notify the City. If the Subrecipient has a fiduciary agent, then the fiduciary must provide evidence of such bonding or insurance. Certificates evidencing bonding and insurance shall be submitted to the City prior to commencement of Services hereunder.

*10. **Nepotism and Conflict of Interest.** The Subrecipient's formal hiring policy shall prohibit nepotism and conflicts of interest. Relatives of board members, managers or other such persons with decision making authority shall not be hired to work on, or be paid from, this Agreement. Pre-agreement incidence of nepotism shall be disclosed to the City and such person's salary/wages shall not be included in this Agreement budget or be paid by the City.

The Subrecipient shall require its employee(s) working on this Agreement to disclose their outside employment or business ties (if any) before beginning work on Services under this Agreement. All such disclosure(s) that may constitute, or give the appearance of, a conflict of interest or nepotism shall be reported to the City during the term of this Agreement. All disclosures, required certifications and/or other such documentation shall be kept on file in each employee's personnel file, as applicable.

*11. **Interest Earned on Advance.** If any Federal Funds are advanced under this Agreement, all Agreement funds shall be kept in interest bearing accounts, to the extent reasonable and possible. All interest earned on such funds shall be reported in each payment request. If total interest earned during the term of this Agreement should exceed \$250.00, the excess shall be promptly remitted to the Federal Government in the manner in which the City shall prescribe.

12. **Program Income.** In accordance with Article 6.08 of this Agreement if any program income is earned by the Subrecipient, all program income earned must be reported to the City with each Payment request and Exhibit T.

13. **Waiver or Determinations.** If any provision of these Accounting and Bookkeeping Procedures cause the Subrecipient undue hardship, particularly those paragraphs herein preceded by "*", are in contradiction of other state or federal grant agreements, are impractical to implement or otherwise conflict with the Subrecipient's own formally adopted and authorized written policies, then the Subrecipient may request a determination for using an alternative procedure or a waiver of enforcement of the conflicting provision from the City. No such determination or waiver shall be deemed effective unless approved in writing by the City's authorized representative. The City may not waive provisions that are statutory or that would violate generally accepted accounting principles or CDBG-DR program rules and regulations.

Pursuant to the Federal Funding Accountability and Transparency Act (FFATA) or 2 CFR 200.330 et seq., the Subrecipient is required to disclose the following:

1. Name of Subrecipient _Detroit Housing Commission
2. Subrecipient Unique Entity Identifier #: GYRAGQ4EUHG9
3. As provided to you by your Contractor, in your Subrecipient's organizations preceding completed fiscal year, did it receive 80% or more in gross revenues in U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?
Yes or No (circle one)
4. As provided to you by your Contractor, in your Subrecipient's organizations preceding completed fiscal year, did it receive \$30,000 or more in gross revenues in U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?
Yes or No (circle one)
5. As provided to you by your Contractor, does the public have access to information on the compensation of the executives in the Subrecipient's organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 USC 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code. Yes or No (circle one)

OFFICE USE ONLY

Federal Award Identification B-25-MU-26-0001

Total Award of Federal Award \$31,000,000

Total Amount of Federal Funds Obligated by this Action: _____

Subrecipient Name Detroit Housing Commission CFDA Number 14.218

R&D Yes or No (circle one)

Subrecipient Term of Performance September 30,2025 through December 31, 2030

EXHIBIT D

PAYMENT/REIMBURSEMENT PROCEDURES AND REQUIREMENTS

The following procedures shall be followed by the Subrecipient to facilitate the request for reimbursement of funds expended for budgeted items in performance of the Agreement. The Subrecipient shall submit all requests for reimbursement **by the 15th of each month**. Requests for reimbursement shall be made monthly, unless the City approves a different time interval for submission. All final reimbursements shall be submitted within 90 days of expiration of the contract or by **(date)** unless the City approves a different time interval.

1. The Subrecipient shall submit **one original** of an Invoice that contains the following items of information:

- A. A letter of transmittal on the Subrecipient's letterhead that:

1. provides the Subrecipient's legal name and Federal Employer I.D. Number,
2. states the total requested amount;
3. specifies the time period covered by the invoice;
4. specifies the Agreement Number;
5. contains all materials required pursuant to Section IV, Construction and Draw Procedures of Exhibit A, Scope of Services;
6. specifies the amount to be credited toward the Advance (with prior approval from the program manager),
7. reports all program income earned; and
8. is signed by an authorized representative of the Subrecipient.

- B. A budgetary status report in the format of the sample attached hereto as Exhibit J, which includes appropriate line items for Indirect Costs (if any) and the Advance (if any) and line items to report Program Income and Interest earned on the Advance (if any);

- C. A check register listing the direct cost expenditures for the period listed in account order (see sample attached hereto as Exhibit I);

All items of expenditure listed on the check register shall be accompanied by invoices and receipts or other appropriate backup information, in check register order. The City may, in its sole discretion, and at its option, provide the Subrecipient with notice that cancelled checks will be additionally required to backup expenditures should the City decide it necessary. Unless otherwise notified, backup information shall be prepared as follows:

1. Receipts and Invoices - Copies of receipts and invoices shall be submitted in check register order. They shall include the date paid and the check number, and be signed or initialed by an authorized representative of the Subrecipient.

- D. Each submission shall contain a payroll register as per item d4 of Exhibit C attached hereto and made a part hereof) following the instructions given in Exhibit G (attached hereto and made a part hereof) and utilizing the form found attached hereto as a sample as Exhibit H. ADP payroll or similar information acceptable to the City may be substituted for the Exhibit H form if it contains essentially the same information categories.

- E. Personnel and payroll costs shall be backed-up with the Time Distribution Summary (Exhibit K hereof). Unless the City specifically requests the Subrecipient to submit time-related records for its review, time sheets, time cards, tax withholding records and other such records shall be kept on file by the Subrecipient in its offices to back up all personnel and payroll charges.
 - F. The signature of the Subrecipient's authorized representative is required on the forms to be submitted under paragraphs A, B, C, D, and E above.
- 2. The Subrecipient shall also submit together with each payment request, or at such time otherwise prescribed by the City Project Manager:
 - A. Performance Schedule, attached hereto as samples Exhibits E and E-2 respectively. If performance, or submission of Performance Schedules under this Agreement should fall behind by 60 days or more with respect to the Performance Schedule of this Agreement, then in accord with Article 6 hereof, the City may, within its reasonable discretion, suspend payment in whole or in part to the Subrecipient under this Agreement, until the City determines whether progress on the Project warrants payment and is commensurate with work performed, or is otherwise justifiable.
 - B. Statement of Eligibility, attached hereto as example Exhibit F, as instructed by the Project Manager.
- 3. Any submission that does not comply with these procedures and which does not include all of these required supporting documents, may be returned to the Subrecipient with a Letter of Deficiency stating the reason for return. Reimbursement processing in full or in part will not begin by the City until an acceptable invoice with sufficient supportive documentation is received.
- 4. Requests for reimbursement for a contract year must begin to be submitted to the City within 90 days of contract execution or the start of the contract term whichever is later and must be submitted monthly thereafter.
- 5. All requests for reimbursement must be for expenses incurred or purchases made during the term of the current agreement that is not past its end date. An agreement amendment must be processed before reimbursement requests can be made outside of the timeframe of the current agreement.
- 6. No request for reimbursement may be submitted later than Ninety (90) days after the termination date of the contract.
- 7. The City reserves the right, without compliance with Article 17 of this Agreement, to amend any of the above items or to add or to delete items, if experience, technological advances, Grantor Agency mandate, or other pertinent issues should make such a change, addition or deletion reasonable and/or necessary.
- 8. Indirect costs (if any) listed on Budget (Exhibit B), shall be paid, pending City approval of the Subrecipient's indirect cost proposal, as follows:

- A. The approved indirect cost percentage shall be multiplied by the Subrecipient's direct costs for the period.
- B. This sum shall be added to the total direct costs documented and approved for that period.
- C. The indirect cost calculation shall be shown as the last item on Exhibit I, the check register.
- D. Should the City disallow any direct costs from the request, and then the City shall recalculate and reduce the indirect costs accordingly.

EXHIBIT E – PART I
PERFORMANCE SCHEDULE
Activity/Outcomes Report Example

Subrecipient Organization: _____

Number of Service Units provided during the Month of _____, 20____

This section should be tailored to your specific project

Program Type	Performance Measures/Accomplishments	Projected Total
Housing Program	# Affordable Housing Units	
	# of Elevated Structures	
	# of Properties	
	# of Substantially rehabilitated Units	
	# of Total Beneficiaries	

Outcome Report: Use this space for explaining any changes in the staffing of the organization, rapid or slow progress in delivering services, changes in the nature of the services, etc.)

**EXHIBIT F-1
STATEMENT OF ELIGIBILITY**

AREA BENEFIT

SUBRECIPIENT ORGANIZATION:

AGREEMENT CPA# _____

The Services described in Section A of this Agreement are available to all residents living within the following boundaries:

North
South
East
West

The census tracts within these boundaries are:

The percentage of low and moderate income persons within these census tracts is ____%.

1. The nature of the activity: In general the size and the equipment associated with the activity should be taken into consideration. A small park with a limited number of slides and benches would not be expected to serve the entire neighborhood. In the same way, a larger park that can accommodate a considerable number of people would not be expected to service just the immediately adjacent properties. The same applies to improvements or assistance to an alleyway versus a small two-lane street versus an arterial four-lane street within the same neighborhood. The service area for each of these infrastructure projects will be different in size and population.
2. The location of the activity: In general, the immediate area surrounding a facility is expected to be included in the service area. Additionally, when a facility is located near the boundary of a particular neighborhood, its service area could likely include portions of the adjacent neighborhood as well as the one in which it is located.
3. Accessibility issues: Geographic barriers can separate and preclude persons residing in a nearby area from taking advantage of a facility. Other limits to accessibility can include access fees, language barriers, time or duration that an activity is available, access to transportation and parking, etc.
4. The availability of comparable activities: Comparable activities within the service area should be taken into account so that the service area does not overlap with the service area of another comparable activity.
5. Boundaries for facilities and public services: The service area for some public facilities and services are determined based on specified and established boundaries or districts. Examples of such services and facilities are police precincts, fire stations, and schools.

EXHIBIT F-2 **STATEMENT OF ELIGIBILITY**

LIMITED CLIENTELE - INCOME DATA MAINTAINED

Name of Organization: _____ Activity Date _____

Client Name: _____

Service/s Requested: _____

Address: _____ Detroit, MI _____

Phone #: _____ Birth Date: _____ Age _____

Is the Service Recipient/Client a Single Female Head of Household (i.e., a single female parent with a child 18 years old or younger)?

☐ Yes ☐ No

Race and Ethnicity: **Client must check ONE of the first two lines below THEN choose the appropriate Race category (ies)

Hispanic or Latino	
NOT Hispanic or Latino	
Black or African American	
White	
American Indian or Alaska Native	
Asian	
Native Hawaiian or Other Pacific Islander	
Black or African American and White	
American Indian and White	
Asian and White	
American Indian or Alaska Native and Black African American	
*Other multi-racial category: List	

Exhibit F, Statement of Eligibility, Limited Clientele Income Data Maintained

**EXHIBIT F-3
STATEMENT OF ELIGIBILITY**

LIMITED CLIENTELE - INCOME DATA MAINTAINED

Income Status:

Family Size: _____

Using the family size indicated above, please use the HUD established income limits by family size for the area in which the Public Housing Agency (PHA) is located. The income limits are published annually in a HUD Notice and are generally effective on the date of publication. The income limits are available on the Internet at www.huduser.com at the "datasets" portal.

****Because this organization receives federal funding intended for low and moderate-income households in the City of Detroit, the indicated information is requested for statistical reporting purposes. Racial breakdowns are also required for federal reporting purposes. Please check only one of the listed categories.**

Documentation used to verify family income:

Last Income Tax Form _____	Social Security Check/Statement _____	Pay Stubs _____
Employer called _____	Food Stamps or School Lunch _____	Bridge Card _____
Medicaid/Medicare _____	Welfare or Disability Check/Statement _____	

Other _____

Date Verified: _____

Subrecipient Name: _____
Print name

Signature: _____

Date: _____

**EXHIBIT F-4
STATEMENT OF ELIGIBILITY**

LIMITED CLIENTELE - FORMALLY LIMITED

SUBRECIPIENT ORGANIZATION:

AGREEMENT CPA# _____

The Subrecipient formally limits participation in Agreement activities or services to 100% low and moderate income persons in the following manner:

All Clients are pre-identified by another agency/institution as low income in accord with guidelines equal to or lower than the current HUD CDBG Low Income guidelines.

**EXHIBIT F-5
STATEMENT OF ELIGIBILITY**

LIMITED CLIENTELE - PRESUMED BENEFIT

SUBRECIPIENT ORGANIZATION:

AGREEMENT CPA# _____

Type of Limited Clientele (Check, as applicable)

Senior Citizens	
Handicapped	
Homeless	
Abused Children	
Battered Spouses	
Illiterate Persons	
Migrant Farm Workers	

Exhibit F, Statement of Eligibility, Limited Clientele Income Data Maintained

EXHIBIT F-6 STATEMENT OF ELIGIBILITY

LIMITED CLIENTELE - NATURE AND LOCATION

SUBRECIPIENT ORGANIZATION:

AGREEMENT CPA# _____

During the term of this Agreement, the Subrecipient will provide the services as described in Exhibit A to **name categories and/or ages of people to be served** living within the following boundaries:

North	
South	
East	
West	

These Boundaries include the following census tracts:

The percentage of low and moderate income persons within these census tracts is __%.
It may be inferred, therefore, that due to the nature and location of this project's services, at least 51% of the persons served will be from low and moderate income households.

**EXHIBIT F-7
LMH Beneficiary Data**

Client Name: _____

Service/s Requested: _____

Address: _____ Detroit, MI _____

Birth Date: _____ Age _____

Household Size (Total number of persons living in the assisted housing unit) _____

Household Income (Total annual gross income of the household (must be verified against HUD income limits) _____

Is the Service Recipient/Client a Single Female Head of Household (i.e., a single female parent with a child 18 years old or younger)? ☐ Yes ☐ No

Is the Service Recipient/Client Elderly ☐ or disabled ☐?

Race and Ethnicity: **Client must check ONE of the first two lines below THEN choose the appropriate Race category (ies). Client must provide race and ethnicity

Hispanic or Latino	
NOT Hispanic or Latino	
Black or African American	
White	
American Indian or Alaska Native	
Asian	
Native Hawaiian or Other Pacific Islander	
Black or African American and White	
American Indian and White	
Asian and White	
American Indian or Alaska Native and Black African American	
*Other multi-racial category: List	

Housing Unit Information

Address of assisted housing unit _____

Type of housing (single-family, multifamily, rental, ownership) _____

Number of units assisted (for multifamily projects) _____

EXHIBIT G PROGRAM INCOME

- (a) Federal awarding agencies shall apply the standards set forth in this section in requiring recipient organizations to account for program income related to projects financed in whole or in part with Federal funds.
- (b) Except as provided in paragraph (h) below, program income earned during the project period shall be retained by the recipient and, in accordance with Federal awarding agency regulations or the terms and conditions of the award, shall be used in one or more of the ways listed in the following.
 - 1) Added to funds committed to the project by the Federal awarding agency and recipient and used to further eligible project or program objectives.
 - 2) Used to finance the non-Federal share of the project or program.
 - 3) Deducted from the total project or program allowable cost in determining the net allowable costs on which the Federal share of costs is based.
- (c) When an agency authorizes the disposition of program income as described in paragraphs (b)(1) or (b)(2), program income in excess of any limits stipulated shall be used in accordance with paragraph (b)(3).
- (d) In the event that the Federal awarding agency does not specify in its regulations or the terms and conditions of the award how program income is to be used, paragraph (b)(3) shall apply automatically to all projects or programs except research. For awards that support research, paragraph (b)(1) shall apply automatically unless the awarding agency indicates in the terms and conditions another alternative on the award or the recipient is subject to special award conditions, as indicated in Section 14.
- (e) Unless Federal awarding agency regulations or the terms and conditions of the award provide otherwise, recipients shall have no obligation to the Federal Government regarding program income earned after the end of the project period.
- (f) If authorized by Federal awarding agency regulations or the terms and conditions of the award, costs incident to the generation of program income may be deducted from gross income to determine program income, provided these costs have not been charged to the award.
- (g) Proceeds from the sale of property shall be handled in accordance with the requirements of the Property Standards (See Sections __.30 through __.37).
- (h) Unless Federal awarding agency regulations or the terms and condition of the award provide otherwise, recipients shall have no obligation to the Federal Government with respect to program income earned from license fees and royalties for copyrighted material, patents, patent applications, trademarks, and inventions produced under an award. However, Patent and Trademark Amendments (35 U.S.C. 18) apply to inventions made under an experimental, developmental, or research award.

**EXHIBIT H
PAYROLL REGISTER INSTRUCTIONS**

(Instructions for: Exhibit H Payroll Register)

Post pay data.

List employees and titles. Titles must conform to the budgeted positions.

Post gross salaries, corresponding taxes, and deductions where applicable.

Post net salaries.

Total the columns.

Deposit withholding taxes immediately upon paying salaries in accounts specifically set up for deposit of withholding taxes. The withholding tax deposit checks listed in the Check Register must correspond exactly to the total amounts in the payroll register. Withholding tax deposit checks shall only be reimbursable by the City if Subrecipient has no legal access to funds deposited in such accounts. Employer F.I.C.A. taxes should be listed separately on the check register.

The sum of the gross employee totals by title in the payroll register must correspond exactly to the budgeted "Personnel" line item "Contract Costs This Month" section of the Budgetary Status Report.

The net amounts in the payroll register must correspond to the net amounts listed in the check register.

EXHIBIT H -1
PAYROLL REGISTER (SAMPLE)

SUBRECIPIENT _____ Pay period - From: _____ to: _____
 Agreement Number: _____

PAYROLL REGISTER

Check Date	Check No.	Employee	Title	Gross	NOF %	FICA Total/ NOF	Federal Total/NOF	State Total/NOF	City Total/NOF	Other Total/NOF	NET Total/NOF
Total	XXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX		XXXXXX						
Total NOF	XXXX	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX		XXXXXX						

Prepared by: _____ Date: _____

Approved by: _____ Date: _____

Subrecipient's Authorized Representative

Note: CDBG-DR is derived from Time Distribution Summary for each employee charged to CDBG-DR. The CDBG-DR percent, based on percentage of hours worked on CDBG-DR activities for the period, must be applied across the board to taxes, net pay and other fringes for each person and then be totaled for all persons.

EXHIBIT I
CHECK REGISTER
(SAMPLE)

Subrecipient Name _____ Period Ending _____ Agreement Number _____

Instructions: List checks in account number order. Transfer account subtotals of amount charged to appropriate line items on the Budgetary Status Report.

CHECK REGISTER					
Acct.	Check	Payee Name and Item	Check	Total Amount on the	Amount Charged to
				Total Direct Costs	

Approved Indirect Cost Rate _____ %
Indirect Costs Charged \$ _____
Total Charged \$ _____

Prepared by: _____ Date: _____
Approved by: _____ Date: _____

EXHIBIT J
BUDGETARY STATUS REPORT

(SAMPLE)

Subrecipient Name: _____
Prepared by: _____ Date: _____ Authorized by: _____ Date: _____
Period Ending: _____ Agreement Number: _____

BUDGETARY STATUS REPORT						
Acct. Title	Acct. #	Total Prior Contract Costs	Contract Costs This Month	Total Costs Billed on Contract to Date	BUDGET	Contract Balance
Indirect Costs						
Subtotal						
TOTALS						

Exhibit K Time Distribution Summary

Subrecipient Name: _____

Period From: _____ To: _____

Agreement Number: _____

Prepared By: _____ Date: _____

Authorized By: _____ Date: _____

List All Personnel Charged to the Agreement and their work hours. Personnel listed must coincide with the payroll register. CDBG-DR of hours worked must be used to pro-rate charges for each individual employee's salary and withholding tax amounts charged to CDBG-DR and be shown on the payroll register calculations. The CDBG-DR % also applies to employer FICA taxes charged to this Agreement.

Time Period	Name & Job Title	Hourly Rate	Total Hrs. Worked	NOF Hours Worked	NOF %
		\$			
		\$			
		\$			
		\$			
		\$			

Total All Hours: _____

Total Leave Hours, Holiday, Sick, Vacation for Period: _____

EXHIBIT L
CERTIFICATION REGARDING DEBARMENT, SUSPENSION INELIGIBILITY AND
VOLUNTARY EXCLUSION LOWER TIER COVERED TRANSACTIONS

Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, principal proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant further agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction" without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Non-procurement List.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION - LOWER TIER COVERED TRANSACTIONS.

(1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by a Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Subrecipient, Contractor, Subcontractor, or
Principal

By: _____

Its: _____

Date: _____

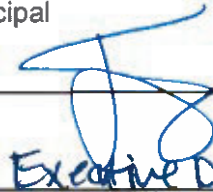

Executive Director
9-25-25

Exhibit M
Certification Regarding Lobbying

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

1. No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal Contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Subrecipient's shall certify and disclose accordingly.

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 and not more than \$100,000 for each such failure.

Subrecipient Organization Name:

Detroit Housing Commission

Authorized Representative's Signature:

[Signature]

Printed Name:

James Arthur Jemison

Title:

Executive Director

Date:

9-25-15

**EXHIBIT N
SEPARATION OF CHURCH AND STATE**

Pursuant to Title I of the Housing and Community Development Act of 1974, as amended, and the implementing CDBG regulations at 24 CFR 570.200(j) dated September 30, 2003, the Subrecipient agrees that with respect to use and expenditure of CDBG funds in performance of the Services hereunder:

- a) It will not discriminate against any person applying for, or seeking to participate in, CDBG funded activities on the basis of religion and will not limit such services or give preference to persons on the basis of religion or religious belief;
- b) It will provide no religious instruction or counseling, conduct no religious worship or services, and engage in no religious proselytizing, in the provision of funded CDBG activities;
- c) If the organization conducts any religious activities, such activities must be offered separately in time or location from the funded CDBG activities, and participation of beneficiaries of CDBG funded activities in any such religious activities must be wholly voluntary;
- d) If CDBG funds are received for public service activities, minor maintenance repairs may be made to the facility space in which public services are to be provided only in proportion to the CDBG funding allocation for the entire facility and to the extent to which the facility is used for secular, public service eligible purposes. Such space must not be a sanctuary, chapel or other room(s) used as a principal place of worship or for inherently religious activities. The above notwithstanding, such expenditures are governed by approved line items as provided in Exhibit B, Budget, of this Agreement and in no case shall maintenance repair costs exceed \$10,000.00, unless the City grants an exception in writing.
- e) No CDBG funds may be used to improve, acquire, construct, rehabilitate, repair or maintain a sanctuary, chapel or other rooms that a CDBG-funded religious congregation uses as its principal place of worship or for inherently religious activities. However, if CDBG funds are awarded for public facility rehabilitation, and space other than provided above is used, the CDBG funds may be used for rehabilitation of structures only to the extent and proportion that those structures are used for conducting eligible CDBG activities. CDBG funds may not exceed the cost of those portions of the rehabilitation that are attributable to eligible CDBG activities in accordance with cost accounting requirements of OMB Circular A-122 and 2 CFR 200

Subrecipient Organization Name: Detroit Housing Commission

Authorized Representative's Signature: _____

Printed Name: James Arthur Temison

Title: Executive Director

Date: 5-25-25

EXHIBIT O
INSURANCE WAIVER & CERTIFICATION

Subrecipient Organization Name: _____

Subrecipient Certification for Waiver of Workers Compensation and Employers Liability Insurance

The undersigned authorized representative of the Subrecipient does hereby certify that the above named Subrecipient organization has no employees and does not intend to have any employees during the term of this Agreement.

It is further agreed that should the Subrecipient intend to hire and employ any person(s) during the term of this Agreement, the Subrecipient will: (1) notify the Housing and Revitalization Department of such intent at least thirty (30) days prior to the employment of any such person; and (2) shall provide the Housing and Revitalization Department with certificates of insurance covering Workers Compensation and Employers Liability as specified in Article 13.01 paragraph (a) of this Agreement. Such certification must be submitted at least ten (10) days prior to employing any such person(s).

N/A

Signed: _____

Printed Name: _____

Title: _____

Date: _____

**EXHIBIT P
INSURANCE WAIVER & CERTIFICATION**

Subrecipient Organization Name:

Subrecipient Certification for Waiver of Owned Automobile Liability Insurance

The undersigned authorized representative of the Subrecipient does hereby certify that the above named Subrecipient organization does not own and does not intend to own any automobile {including one or more car(s), van(s), truck(s) or other motor vehicle(s)} during the term of this Agreement.

It is further agreed that should the Subrecipient intend to acquire one or more automobile(s) {including one or more car(s), van(s), truck(s) or other motor vehicle(s)} during the term of this Agreement, the Subrecipient will: (1) notify the Housing and Revitalization Department of such intent at least thirty (30) days prior to acquiring any such automobile; and (2) shall provide the Housing and Revitalization Department with a certificate of insurance covering Automobile Liability as specified in Article 13.01 paragraph (c) of this Agreement upon its acquisition of such automobile(s).

Signed: N/A

Printed Name: _____

Title: _____

Date: _____

EXHIBIT Q
FUNDING AWARD EXPENDITURE CERTIFICATION

Subrecipient Organization Name: Detroit Housing Commission

The Subrecipient understands and agrees that the funding awards indicated in the Exhibit B, Budget shall be reimbursed when acceptable forms of payment and documentation are submitted to the City as prescribed in Exhibit D for costs and services performed during the term of the agreement.

Any remaining balance shall be reprogrammed within 90 days of expiration of the agreement. Any prior grant award balances shall be reprogrammed and rendered inaccessible to the Subrecipient.

Signed: _____

Printed Name: James Arthur Jamison

Title: Executive Director

Date: _____

EXHIBIT R

**CERTIFICATION DOCUMENTATION
SUBRECIPIENT'S ACCESS TO 90 DAYS' CASH
FOR OPERATIONS AND EXPENDITURES**

The Subrecipient hereby understand and acknowledge that a recent bank statement along with a letter signed by the agency's elected Treasurer must be provided committing the agency's own available cash to remain available, up to the amount specified in this Agreement, which will allow all program operations and expenditures to proceed, pending reimbursement by the City of Detroit.

As an alternative, the Subrecipient can provide a letter on letterhead from a lending institution that identifies a Line of Credit or comparable instrument with an upper limit at or above the amount specified in this Agreement.

In the event, the Subrecipient is unable to provide a letter of commitment or letter of credit, the Subrecipient may submit a written request proposing a different way to demonstrate and ensure available cash on hand, such request must be communicated with the City of Detroit staff prior to the execution of this Agreement.

The Subrecipient hereby understand and acknowledge that submission of the certification documents is required to ensure ongoing program operation and expenditures.

Signed: _____

Printed Name: _____

Title: _____

Date: _____

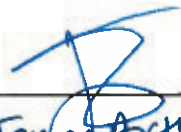

James Arthur Temison
Executive Director
9-25-25

EXHIBIT S
CDBG INCOME LIMITS
Low/Moderate Income Guidelines

All Sub-Recipients must use the HUD established income limits by family size for the area in which they are operating. The income limits are published annually in a HUD Notice and are generally effective on the date of publication. The income limits are available on the Internet at <https://www.huduser.gov/portal/datasets/il.html>

Certification for a Drug-Free WorkplaceApplicant Name: Detroit Housing CommissionProgram/Activity Receiving Federal Grant Funding: CDBG- DR

Acting on behalf of the above named Applicant as its Authorized Official, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the sites listed below:

I certify that the above named Applicant will or will continue to provide a drug-free workplace by:

- a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employees for violation of such prohibition.
- b. Establishing an on-going drug-free awareness program to inform employees ---
 1. The dangers of drug abuse in the workplace;
 2. The Applicant's policy of maintaining a drug-free workplace;
 3. Any available drug counseling, rehabilitation, and employee assistance programs; and
 4. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
- c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph a.;
- d. Notifying the employee in the statement required by paragraph a. that, as a condition of employment under the grant, the employee will ---

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

- e. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph d.(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

- f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph d.(2), with respect to any employee who is so convicted ---

Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a. thru f.

2. Sites for Work Performance. The Applicant shall list (on separate pages) the site(s) for the performance of work done in connection with the HUD funding of the program/activity shown above; Place of Performance shall include the street address, city, county, State, and zip code. Identify each sheet with the Applicant name and address and the program/activity receiving grant funding.)

Check here ☐ if there are workplaces on file that are not identified on the attached sheets.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012, 31 U.S.C. 3729, 3802)

Name of Authorized Official

Title

Executive Director

Signature

Date

9-25-25

X

ref. Handbooks 7417.1, 7475.13, 7485.1 & .3

CONFLICT OF INTEREST CERTIFICATE

I hereby affirm that I have received copies of the provisions of the Code of Federal Regulations relevant to conflict of interest in regards to Subrecipient Agreements under the CDBG, HOME, and ESG programs and I hereby Certify that to the best of my knowledge and belief, no actual or apparent Conflict of interest exists with regard to the performance of this Agreement.

Name of Organization: Detroit Housing Commission

Name: James Arthur Jemison
(Print)

Signature _____
President of Board of Directors Date _____

Or authorized representative:

Signature Authorized Representative: _____

Title: Executive Director 9-25-28
Date

EXHIBIT U

DUPLICATION OF BENEFIT CERTIFICATION

Background: The U.S. Congress appropriated supplemental Community Development Block Grant Disaster Recovery (CDBG-DR) funding for the 2021 and 2023 disasters through Public Law 117-43, 117-180, and Public Law 118-158 to support long-term recovery efforts following FEMA# 4607 & 4757 - Michigan Severe Storms, Tornadoes, and Flooding. The federal register provides that the Secretary of Housing for Urban Development (HUD) shall ensure there are adequate procedures in place to prevent duplication of benefits as required under section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, (42 U.S.C. 5155) as amended by section 1210 of the Disaster Recovery Reform Act of 2018 (division D of Public Law 115-254; 132 Stat. 3441). HUD is requiring that each grantee have procedures to prevent the duplication of benefits when it provides financial assistance with CDBG-DR funds.

Definition: Duplication of benefits occurs when any person, business or other entity receives financial assistance from multiple sources for the same purpose, and the total assistance received for that purpose is more than the total need for assistance, or when Federal financial assistance is provided to any person, business, or other entity through a program for any part of such loss to which financial assistance is received under any other program, insurance or any other source for the same costs, and the total amount exceeds the total need for those costs.

Certification:

I, James Arthur Jemison hereby certify that CDBG-DR funds, awarded by the City of Detroit through Public Law 117-43, 117-180, and 118-158 does not exceed the need for assistance, duplicate other assistance received by the Subrecipient for the same purpose, or duplicate any funds from the following sources:

- The Paycheck Protection Program
- Unemployment Compensation Benefits
- Insurance claims/proceeds
- Federal Emergency Management Agency (FEMA) funds
- Small Business Administration funds
- Other Federal, State or local funding
- Other Non-Profit, Private Sector or Charitable funding

This certification serves to acknowledge that the Subrecipient understands and agrees that the CDBG-DR funds must be repaid if it is determined that such assistance is duplicative.

Name of Organization: Detroit Housing Commission
 Authorized Representative's Signature: _____
 Printed Name: James Arthur Jemison
 Title: Executive Director
 Date: 5-25-25

EXHIBIT T**Subaward Data¹**

(i)	Subrecipient Name:	Detroit Housing Commission
(ii)	Subrecipient Unique Entity Identifier:	GYRAGQ4EUHG9
(iii)	Federal Award Identification Number (FAIN):	B-25-MU-26-0001
(iv)	Federal Award Date of Award to the Recipient by the Federal agency:	January 16, 2025
(v)	Subaward Period of Performance Start Date:	September 30, 2025
	Subaward Period of Performance End Date:	December 31, 2030
(vi)	Subaward Budget Period Start Date:	September 30, 2025
	Subaward Budget Period End Date:	December 31, 2030
(vii)	Amount of Federal Funds Obligated by this Action by the Pass-Through Entity to the Subrecipient	\$8,000,000
(viii)	Total Amount of Federal Funds Obligated to the Subrecipient by the Pass-Through Entity Including the Current Obligation:	\$8,000,000
(ix)	Total Amount of the Federal Award Committed to the Subrecipient by the Pass-Through Entity:	\$8,000,000
(x)	Federal Award Project Description	CDBG-DR
(xi)	Name of Federal Awarding Agency	HUD
	Name of Pass-Through Entity:	City of Detroit
	Contact Information for Federal Awarding Official:	Keith Hernandez/313-24-7224
	Contact Information for [CAA] Authorizing Official:	Julie Schneider/313-224-6380
	Contact Information for [CAA] Project Director	Gordon Pearson pearsong@detroitmi.gov
(xii)	CFDA Number and Name:	14.218/Entitlement Grant
(xiii)	Identification of Whether Subaward is R&D:	No
(xiv)	Indirect Cost Rate for [CAA] Federal Award	
	Subrecipient Indirect Costs:	0% See Exhibit B - Approved Budget

¹ This information is required by the Uniform Guidance, 2 C.F.R. § 200.331(a)(1). The Uniform Guidance also requires that if any of these data elements change, the pass-through entity must include the changes in subsequent Subaward modification. When some of this information is not available, the pass-through entity must provide the best information available to describe the federal prime award and Subaward.

City of Detroit
Housing and Revitalization Department
CDBG-DR (Disaster Recovery) Duplication of Benefits Certification Form

The City of Detroit shall ensure there are adequate procedures in place to prevent any duplication of benefits as required by section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5155) and in accordance with section 1210 of the Disaster Recovery Reform Act of 2018 (division D of Public Law 115-254; 132 Stat. 3442), which amended section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5155).

Duplication of Benefits occurs when a beneficiary receives assistance from multiple sources for a cumulative amount that exceeds the total need for a particular recovery purpose. The amount of the duplication is the amount of assistance provided in excess of need. The Stafford Act requires a fact-specific inquiry into assistance received by each person, household, or entity.

☐ I/We, _____, affirm (insert applicant name) DID NOT receive benefit from any other federal disaster relief/recovery programs (i.e. FEMA, SBA, Insurance). (NO FURTHER ACTION)

☒ I/We, ~~Detroit Housing Commission~~ affirm (co-applicant name) DID NOT receive benefit from any other federal disaster relief/recovery programs (i.e. FEMA, SBA, Insurance) for the exact SAME expenses being requested from the City of Detroit or its Subrecipients.

By executing this Certification, Applicant(s) acknowledge and understand that Title 18 United States Code Section 1001: (1) makes it a violation of federal law for a person to knowingly and willfully (a) falsify, conceal, or cover up a material fact; (b) make any materially false, fictitious, or fraudulent statement or representation; OR (c) make or use any false writing or document knowing it contains a materially false, fictitious, or fraudulent statement or representation, to any branch of the United States Government; and (2) requires a fine, imprisonment for not more than five (5) years, or both, which may be ruled a felony, for any violation of such Section.

Applicant Signature

Date

Co-Applicant Signature

Date

I/We, _____, affirm the following dated this the _____ day of _____, 20____:

List amount and source for ALL Federal and/or State financial assistance received for disaster recovery or resiliency planning projects

I/We have received the following disaster recovery assistance funds from (List program(s):

1 Source of Funding	2 Amount Awarded (\$)	3 Use of Funds	4 Verification of Award (✓) or (X)	5 Documentation of Expenditure (✓) or (X)	6 Amount Expended
a. FEMA					
b. Small Business Administration (SBA) Loan					
b. Insurance					
c. Private Funds					
d. _____					
Total					
Duplication of Benefits Total From Column 2 \$ _____: NOTES:					

EXHIBIT V
COST ANALYSIS

Is the expenditure allowable per the federal grant? YES NO

- ☐ Is the cost necessary?
- ☐ Does the cost meet the requirements of the federal award?
- ☐ Is the cost reasonable (what a prudent person would pay in a competitive marketplace)?
- ☐ Does the purchase adhere to the procurement procedures?
- ☐ The purchase cannot be included as cost/matching.
- ☐ Is the procurement determined with General Accepted Accounting Principles?

Is the expenditure reasonable? YES NO

- ☐ Is the cost ordinary and necessary?
- ☐ What are the current usual prices for the expense (based on historical costs or currently advertised or published prices)?
- ☐ Are there any extraordinary circumstances (i.e. government requirements, terms of the federal award) that affect the cost?
- ☐ Was the procurement made with sound judgment?
- ☐ Are the same procurement procedures followed for federally funded and non-federally funded procurements?

Can the expenditure be allocable per the federal grant? YES NO

- ☐ Is the cost specific to the grant?
- ☐ Does the procurement apply to other programs/projects and can the cost be shared?
- ☐ Does the grantee/subgrantee have an approved indirect cost plan?

EXHIBIT W
PRICE ANALYSIS

1. Vendor _____
Cost _____

YES NO

Specifications

Product Description

2. Vendor _____
Cost _____

YES NO

Specifications

Product Description

3. Vendor _____
Cost _____

YES NO

Specifications

Product Description

