

## ATTACHMENT C

### AGREEMENT WITH SUBRECIPIENT

#### GENERAL TERMS AND CONDITIONS

#### PART II

#### DEFINITIONS:

- a) **Public Body:** For the purpose of these General Terms and Conditions, the Public Body shall mean the legal applicant to the Federal Department of Housing and Urban Development for Community Development block Grants under Title 1 for the Housing and community Development Act of 1974, as amended.
- b) **Subrecipient:** For the purpose of these General Terms and Conditions, a Subrecipient shall mean the public body or agency which has been designated by the Public body and has agreed to carry out in whole or in part the Community Development Block Grant Program for which federal funding was applied.

#### 1. Termination of Agreement for Cause

If, through any cause, the Subrecipient shall fail to fulfill in timely and proper manner their obligations under this Agreement, or if the Subrecipient shall violate any of the covenants, agreements, or stipulations of this Agreement, the Public body shall thereupon have the right to terminate this Agreement by giving written notice to the Subrecipient of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, and reports prepared by the Subrecipient under this Agreement shall, at the option of the Public Body, become its property and the Subrecipient shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents.

Notwithstanding the above, the Subrecipient shall not be relieved of liability to the Public Body for damages sustained by the Public Body by virtue of any breach of the Agreement by the Subrecipient, and the Public Body may withhold any payments to the Subrecipient for the purpose of setoff until such time as the exact amount of damages due the Public Body from the Subrecipient is determined.

#### 2. Termination for Convenience of Public Body

The Public Body may terminate this Agreement any time by a notice in writing from the Public Body to the Subrecipient. If the Agreement is terminated by the Public Body as provided herein, the Subrecipient will be paid an amount which bears the same ratio to the total compensation as the services actually performed bear to the total services of the Subrecipient covered by this Agreement, less payments of compensation previously made: Provided, however, that if less than sixty percent (60%) of the services covered by this Agreement have been performed upon the effective date of such termination, the Subrecipient shall be reimbursed (in addition to the above payment) for that portion of the actual out-of-pocket expenses (not otherwise reimbursed under this Agreement) incurred by the Subrecipient during the Agreement period which are directly attributable to the uncompleted portion of the services, covered by this Agreement. If this Agreement is terminated due to the fault of the Subrecipient, Section 1 hereof relative to termination shall apply.

3. Changes.

The Public Body may, from time to time, request changes in the scope of the services of the Subrecipient to be performed hereunder. Such changes including any increase or decrease in the amount of the Subrecipient's compensation, which are mutually agreed upon by and between the Public Body and the Subrecipient, shall be incorporated in written amendments to the Agreement.

4. Compliance with Local Laws

The Subrecipient shall comply with all applicable laws, ordinances, and codes of the State and local governments, and shall commit no trespass on any public or private property in performing any of the work embraced by this Agreement.

5. Assignability

The Subrecipient shall not assign any interest in this Agreement, and shall not transfer any interest in the same (whether by assignment or novation) without the prior written approval of the Public Body: Provided, however, that claims for money due or to become due the Subrecipient from the Public Body under this Agreement may be assigned to a bank, trust company, or other financial institution, or to a Trustee in Bankruptcy, without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Public Body.

6. Review

The Public Body, the Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives shall have access to any books, documents, papers and records of the Subrecipient which are directly pertinent to the specific grant program for the purpose of making audit, examination, excerpts, and transcriptions.

7. Flood Disaster Protection

This Agreement is subject to the requirements of the Flood Disaster Protection Act of 1973 (P.L. 93-234). No portion of the assistance provided under this Agreement is approved for acquisition or construction purposes as defined under Section 3 (a) of said Act, for use in an area identified by the Secretary as having special flood hazards which is located in a community not then in compliance with the requirements for participation in the national flood insurance program pursuant to Section 201 (d) of said Act; and the use of any assistance provided under this Agreement for such acquisition or construction in such identified areas in communities then participating in the national flood insurance program shall be subject to the mandatory purchase of flood insurance requirements of Section 102 (a) of said Act.

Any Agreement or agreement of sale, lease or other transfer of land acquired, cleared or improved with assistance provided under this Agreement shall contain, if such land is located in an area identified by the Secretary as having special flood hazards and in which sale of flood insurance has been made available under the National Flood Insurance Act of 1968, as amended, 42 U.S.C. 4001 et seq., provisions obligating the transferee and its successors or assigns to obtain and maintain, during the ownership of such land, such flood insurance as required with respect to financial assistance for acquisition or construction purposes under Section 102 a) of the Flood Disaster Protection Act of 1973. Such provisions shall be required notwithstanding the fact that the construction on such land is not itself funded with assistance provided under this Agreement.

8. Interest of Certain Federal Officials

No member of or Delegate to the Congress of the United States and no Resident commissioner, shall be admitted to any share or part of this Agreement or to any benefit to arise from the same.

9. Interest of Members, Officers or employees of Grantee, Members of Local Governing body, or Other Public Officials

No member, officer or employee of the subrecipient or its designees or agent, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the program during his tenure or for one year thereafter, shall have for themselves or those with whom they have family or business ties any interest, direct or indirect, in any Agreement or subcontract, or the proceeds thereof, for work to be performed in connection with the program assisted under the Agreement. The Subrecipient shall incorporate, or cause to be incorporated, in all such contracts or subcontracts a provision prohibiting such interest pursuant to the purposes of this section.

10. Prohibition Against Payments of bonus or Commission

The assistance provided under this Agreement shall not be used in the payment of any bonus or commission for the purpose of obtaining HUD approval of the application for such assistance, or HUD approval of applications for additional assistance, or any other approval of concurrence of HUD required under this Agreement Title 1 of the Housing and Community Development Act of 1974 or HUD regulations with respect thereto; provided, however, that reasonable fees or bona fide technical, consultant, managerial or other such services, other than actual solicitation, are not hereby prohibited if otherwise eligible as program costs.

11. Compliance by Subrecipient with Certifications

The Subrecipient is aware of the certifications given by the Public body in connection with its Community Development Block Grant Application. The Subrecipient in accepting and using federal funds agrees to conform its program or project with the certifications by the Public Body, a copy of which is attached.

12. Conformance of Subrecipients' Programs with the Community Development Block Grant Regulations

To the extent applicable, the Subrecipient shall carry out all assisted activities in accordance with subparts A, C, D, G, J, K, M and O of the Community Development Block Grant Regulations, 24 CFR 570.

13. Architectural Barriers Act

The Subrecipient recognizes that the Architectural Barriers Act of 1968, 42 U.S.C. 4151 is applicable to assistance under this Agreement and requires that the design of any facility constructed with funds from this title comply with the "American Standard Specification for Making Buildings and Facilities Accessible, and Usable by, the Physically Handicapped" Number A-117. IR-1971, as modified (41 CFR 101-19.603)

14. Disposition of Program Income

It is anticipated that no program income will be generated by the Project. However, should any program income be received by the Subrecipient, it shall be returned to the Public Body. Additionally, any program income on hand when the Agreement expires or received after such expiration shall be paid to return to the Public Body, as required by Section 570.503 (b) (8).

15. Reversion of Assets

Upon expiration of the Agreement, the Subrecipient shall transfer to the Public Body any CDBG funds on hand at the time of expiration and any accounts receivable attributable to the use of CDBG funds. Additionally, any real property under the Subrecipient's control at the expiration of the Agreement which was acquired or improved in whole or in part with CDBG funds in excess of \$25,000 shall be:

- a) Used to meet one of the national objectives in Section 570.208 until five (5) years after expiration of this Agreement.
- b) Disposed of in a manner which results in the Public Body being reimbursed in the amount of the current fair market value of the property less any portion thereof attributable to expenditures of non CDBG funds for acquisition of, or improvement to, the property. Such reimbursement is not required after the period of time specified in accordance with A above.

16. Compliance with Federal Management Circulars

To the extent applicable, the Subrecipient shall comply with the following Federal Management circulars:

- a. OMB Circular A-87, entitled "Cost Principles for State and Local Governments".
- b. OMB Circular A-128, entitled "Audits of State and Local Governments".
- c. OMB Circular A-122, entitled "Cost Principles for Non-Profit Organizations".

d. OMB circular A-110, Attachments A, B, C, F, H, N and O.

17. Uniform Administrative Requirements

To the extent applicable, the Subrecipient shall comply with the following sections of 24 CFR Part 85, entitled "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments":

- 1) Section 85.3, "Definitions";
- 2) Section 85.6, "Exceptions";
- 3) Section 85.12, "Special grant or subgrant conditions for "high-risks" grantees";
- 4) Section 85.20, "Standards for financial management systems", except paragraph (a);
- 5) Section 85.21, "Payment", except as modified by 1570.513;
- 6) Section 85.22, "Allowable costs";
- 7) Section 85.26, "Non-federal audits";
- 8) Section 85.32, "Equipment", except in all cases in which the equipment is sold, the proceeds shall be program income;
- 9) Section 85.33, "Supplies";
- 10) Section 85.34, "Copyrights";
- 11) Section 85.35, "Subawards to debarred and suspended parties";
- 12) Section 85.36, "Procurement", except paragraph (a);
- 13) Section 85.37, "Subgrants";
- 14) Section 85.40, "Monitoring and reporting program performance", except paragraphs (b) - (d) and (f);
- 15) Section 85.41, "Financial reporting", except paragraphs (a), (b), and (e);
- 16) Section 85.42, "Retention and access requirements for records";
- 17) Section 85.43, "Enforcement";

- 18) Section 85.44, "termination for convenience";
- 19) Section 85.51, "Later disallowances and adjustments"; and
- 20) Section 85.52, "Collection of amounts due".

**COMMUNITY DEVELOPMENT BLOCK GRANT  
GRANTEE CERTIFICATIONS**

In accordance with the Housing and Community Development Act of 1974, as amended, and with 24 CFR 570.303 of the Community Development Block Grant regulations, the grantee certifies that:

- a) It possesses legal authority to make a grant submission and to execute a community development and housing program;
- b) Its governing body has duly adopted or passed as an official act a resolution, motion or similar action authorizing the person identified as the official representative of the grantee to submit the final statement and amendments thereto and all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the grantee to act in connection with the submission of the final statement and to provide such additional information as may be required;
- c) Prior to submission of its final statement to HUD, the grantee has:
  1. Met the citizen participation requirements of §570.301 (b);
  2. Prepared its final statement of community development objectives and projected use of funds in accordance with §570.301 (c) and made the final statement available to the public;
- d) It is following a detailed citizen participation plan which:
  1. Provides for and encourages citizen participation, with particular emphasis on participation by persons of low and moderate income who are residents of slum and blighted areas and of areas in which funds are proposed to be used, and provides for participation of residents in low and moderate income neighborhoods as defined by the local jurisdiction;
  2. Provides citizens with reasonable and timely access to local meetings, information, and records relating to the grantee's proposed use of funds, as required by the regulations of the Secretary, and relating to the actual use of funds under the Act;
  3. Provides for technical assistance to groups representative of persons of low and moderate income that request such assistance in developing proposals with the level and type of assistance to be determined by the grantee;

4. Provides for public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, including at least the development of needs, the review of proposed activities, and review of program performance, which hearings shall be held after adequate notice, at times and locations convenient to potential or actual beneficiaries, and with accommodation for the handicapped;
  5. Provides for a timely written answer to written complaints and grievances, within 15 working days where practicable; and
  6. identifies how the needs of non-English speaking residents will be met in the case of public hearings where a significant number of non-English speaking residents can be reasonably expected to participate;
- e) The grant will be conducted and administered in compliance with:
1. Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352; 42 U.S.C. §2000d et seq.); and
  2. the Fair Housing Act (42 U.S.C. 3601-20);
- f) It will affirmatively further fair housing;
- g) It has developed its final statement of projected use of funds so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight; (the final statement of projected use of funds may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available); except that the aggregate use of CDBG funds received under section 106 of the Act, and if applicable, under section 108 of the Act, during the 1992 program year(s) (a period specified by the grantee consisting of one, two, or three consecutive years), shall principally benefit persons of low and moderate income in a manner that ensures that not less than 70 percent of such funds are used for activities that benefit such persons during such period;
- h) It has developed a community development plan, for the period specified in paragraph (g) above, that identifies community development and housing needs and specifies both short and long-term community development objectives that have been developed in accordance with the primary objective and requirements of the Act;
- i) It is following:
1. A current housing affordability strategy which has been approved by HUD in accordance with section 105 of the Cranston-Gonzalez National Affordable Housing Act; or
  2. A housing assistance plan which was approved by HUD during the 180 day period beginning November 28, 1990, or during such longer period as may be prescribed by the Secretary in any case for good cause;

- j) It will not attempt to recover any capital costs of public improvements assisted in whole or in part with funds provided under section 106 of the Act or with amounts resulting from a guarantee under section 108 of the Act by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless:
1. Funds received under section 106 of the Act are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than under title 1 of the Act; or
  2. For purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks sufficient funds received under section 106 of the Act to comply with the requirements of subparagraph (1) above;
- k) Its notification, inspection, testing and abatement procedures concerning lead-based paint will comply with §570.608; and
- l) It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as required under §570.606 (a) and Federal implementing regulations; the requirements in §570.606 (b) governing the residential antidisplacement and relocation assistance plan under section 104 (d) of the Act (including a certification that the grantee is following such a plan); the relocation requirements of §570.606 (c) governing displacement subject to section 104 (k) of the Act; and the relocation requirements of §570.606 (d) governing optional relocation assistance under section 105 (a) (11) of the Act;
- m) It has adopted and is enforcing:
1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
  2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;
- n) To the best of its knowledge and belief:
1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
  2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a

- a) 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
  - b) 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;
7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.
8. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

City of Easton

City Hall

One South Third Street

Easton, Pa. 18042

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Check \_\_\_\_\_ if there are workplaces on file that are not identified here; and

- p) It will comply with the other provisions of the Act and with other applicable laws.