

COMMUNITY DEVELOPMENT BLOCK GRANT  
DISASTER RECOVERY  
SUBRECIPIENT AGREEMENT

THIS COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY SUBRECIPIENT AGREEMENT (“Agreement”) is made effective as of the 1st day of July, 2014 (“Effective Date”) by and between the Housing Trust Fund Corporation (“Grantee” or “HTFC”) and the Dormitory Authority of the State of New York (“Subrecipient”). The foregoing Grantee and Subrecipient shall sometimes be referred to herein individually as a “Party” and collectively as the “Parties.”

WHEREAS, pursuant to title I of the Housing and Community Development Act of 1974 (42 U.S.C. § 5301 et seq.) (“HCD Act”), as amended, Grantee is authorized to administer and distribute Community Development Block Grant (“CDBG”) funds in the State of New York (“State”); and

WHEREAS, pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), portions of the State received major disaster declarations as a result of Hurricane Sandy; and

WHEREAS, in the aftermath of Hurricane Sandy, the United States Congress, through Public Law passed the Disaster Relief Appropriations Act, 2013 (Public Law 113-2, approved January 29, 2013), as amended (the “Act”), appropriating \$16 billion, later reduced to \$15.18 billion, to the U.S. Department of Housing and Urban Development (“HUD”) for Community Development Block Grant Disaster Recovery (“CDBG-DR”) funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure, and housing and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013 (the “Storms”), subject to the Federal statutes and regulations governing CDBG grants, as modified by exceptions and waivers previously granted and which may hereafter be granted by HUD; and,

WHEREAS, pursuant to the CDBG-DR Grant Program and Federal Register Notice (78 Fed. Reg. 14,329), published March 5, 2013, entitled *Allocations, Common Applications, and Alternative Requirements for Grantees Receiving Community Development Block Grant (CDBG) Disaster Recovery Funds in Response to Hurricane Sandy* (as amended), the State has received an allocation of CDBG-DR funds from HUD in the amount of \$1,713,960,000; and

WHEREAS, pursuant to the CDBG-DR Grant Program and Federal Register Notice (78 Fed. Reg. 69,104), entitled *Second Allocation, Waivers and Alternative Requirements for Grantees Receiving Community Development Block Grant (CDBG) Disaster Recovery Funds in Response to Hurricane Sandy* (as amended), the State has received a second allocation of CDBG-DR funds from HUD in the amount of \$2,097,000,000; and

WHEREAS, HUD requires that the State spend 80% of all CDBG-DR funds so allocated within the counties of Nassau, Rockland, Suffolk, Westchester, Bronx, Kings, New York, Queens, and Richmond; and

WHEREAS, Governor Andrew M. Cuomo established the Governor's Office of Storm Recovery ("GOSR") within HTFC and tasked it with administering the State's CDBG-DR program; and

WHEREAS, the Subrecipient is a body corporate and politic constituting a public benefit corporation of the State of New York, duly organized and existing under and pursuant to the Constitution and laws of the State, including without limitation Chapter 524 of the Laws of 1944, as amended, constituting Titles 4 and 4-B of Article 8 of the Public Authorities Law of the State; and

WHEREAS, pursuant to Section 45-a of the New York State Private Housing Finance Law, the Subrecipient is authorized to render services to Grantee in order to assist Grantee in administering the aforementioned CDBG-DR Grant Program; and

WHEREAS, Grantee wishes to engage Subrecipient to provide the services described in Exhibit A;

NOW THEREFORE, the Parties agree that the Grant Funds (as defined herein) will be administered in accordance with the following terms and conditions:

#### I. SUBRECIPIENT SCOPE OF SERVICES

Subrecipient will be responsible for providing the services to Grantee detailed in the Work Orders described in Article III hereof, which may be amended from time to time, and shall be incorporated by reference herein ("Scope of Services"). As a reimbursement-based program, tasks and deliverables contained in the Scope of Services must be conducted in a manner satisfactory to Grantee and in compliance with applicable federal and state requirements, laws, and regulations. Grantee will monitor the performance of Subrecipient against goals and performance standards as stated in the applicable Work Orders. Subject to the Budget (as defined in Section III hereof) and availability of funding from sources other than the CDBG-DR Grant Program (if any), Subrecipient must perform (and document to Grantee) the entire subject Scope of Services, even if the funds provided hereunder do not cover 100% of the costs of performance. Substandard performance as reasonably determined by Grantee, in its sole discretion, will constitute noncompliance with this Agreement. If Subrecipient does not take action to correct such substandard performance within a reasonable period of time (as determined by Grantee) after being notified by Grantee, Grantee may choose not to reimburse Subrecipient for noncompliant and/or unallowable work, implement corrective and remedial actions, and/or take action to suspend or terminate this Agreement or other actions as permitted under applicable law. Nothing in this Agreement shall waive or otherwise limit the actions Grantee may take or the remedies Grantee may seek as a result

of any noncompliance by Subrecipient, including but not limited to suspension or debarment.

## II. TERM

The period of performance for all activities (with the exception of those activities required for the close-out and final audit as described herein) assisted pursuant to this Agreement shall commence as of July 1, 2014 and shall end on June 30, 2016. Any funds not properly used by the end of the term, unless approved otherwise in writing by Grantee, promptly shall be remitted, in full and without off-set or deduction, to Grantee.

## III. BUDGET

- A. Budget. Subrecipient's approved budget (as set forth in Exhibit B) for the Scope of Services to be rendered hereunder shall not exceed \$10,000,000.00, unless otherwise amended pursuant to the terms hereof. ("Budget"). Any indirect costs charged must be consistent with the conditions of subsection IX.C.2 of this Agreement. Grantee shall authorize and initiate Subrecipient's performance of services hereunder through the issuance of Work Orders in the form attached hereto as Exhibit A, which is hereby incorporated by reference ("Work Order"). Grantee shall provide Subrecipient with funding for the Scope of Services described in each Work Order, prior to Subrecipient executing any contracts for the performance of any services authorized through a Work Order, together with any related supporting documentation for such Work Order. Prior to Subrecipient executing a contract with a consultant for the design of any project authorized through a Work Order, Grantee shall provide funding in an amount sufficient to cover all estimated design costs as set forth in the applicable Work Order. Prior to Subrecipient's bidding for construction of any project authorized through a Work Order, Grantee shall provide Subrecipient with all construction funding authorization, including contingencies for any project authorized through a Work Order, as set forth in the applicable Work Order. Subrecipient shall not award a contract or an amendment to an existing contract for a project authorized through a Work Order if the cost of such contract or amendment would cause the Project budget to be exceeded without an appropriate amendment to the applicable Work Order. In addition, Grantee may require a detailed budget breakdown in connection with each Work Order, and Subrecipient shall provide such supplementary budget information in a timely fashion in the form and content prescribed by Grantee. Any change to the Budget amount must be approved in writing by Grantee and Subrecipient before such changes are allowed and reimbursable.
- B. Work Order Budget. In connection with the development of each Work Order, Subrecipient shall provide Grantee with an estimated budget for the project(s) authorized by the applicable Work Order. The budget for each project shall be divided into a design phase and a construction phase.

#### IV. GRANT FUNDS

It is expressly agreed and understood that the total amount to be paid by Grantee under this Agreement shall not exceed \$10,000,000.00 ("Grant Funds"). The amount of Grant Funds that Grantee has agreed to provide Subrecipient under this Agreement is expressly conditioned upon Grantee's receipt of such funds from HUD pursuant to the Act. Grantee reserves the right to reduce unexpended portions of the Grant Funds if funding from HUD is not provided at the currently anticipated levels and/or if the actual costs for the approved activities are less than those set forth in the Budget.

In the event Subrecipient is awarded, granted, or provided with additional funds from any other source, which may include, in part or whole, aspects related to this Agreement, Subrecipient shall immediately notify Grantee of such funds, the amount, the source, and the conditions for their use. Subrecipient further agrees to provide any additional information Grantee requests related to such funds.

#### V. DISBURSEMENT OF GRANT FUNDS

- A. Subrecipient is required to submit a request for Grant Funds in accordance with the provisions of this Agreement, program guidelines, and the program policy and procedures which are established by Grantee. No payment by Grantee of an improper, unauthorized, or unallowable request shall constitute a waiver of Grantee's right, whether before, during, or after making any payment, to: (i) challenge the validity of such payment; (ii) enforce all rights and remedies set forth in this Agreement or provided under applicable law; (iii) require and receive a full repayment or refund of all improper, unauthorized or unallowable payments made under this Agreement; or (iv) take corrective or remedial administrative action including, without limitation, suspension or termination of Subrecipient's funding under this Agreement.
- B. Subrecipient shall certify with each request for Grant Funds that to the best of its knowledge: (i) all statements and representations previously made regarding this Agreement are correct and complete; and (ii) the funds do not duplicate reimbursement of costs and services from any other source.
- C. The use of Grant Funds is conditioned upon Subrecipient incurring allowable costs permitted under the terms of this Agreement or as otherwise pre-approved, in writing, by Grantee. Subrecipient shall not be reimbursed for any costs until all environmental conditions of 24 CFR Part 58 have been fully satisfied and Grantee has issued the environmental clearance required thereunder, unless the activity is exempt under section 58.34 or falls under a categorical exclusion listed in section 58.35(b).

D. Subrecipient acknowledges that funds provided through this Agreement are Federal funds administered by HUD under the CDBG-DR Program and that all funds provided by this Agreement are subject to audit, disallowance, and repayment. In the event Grantee or cognizant Federal Government authorities disallow any of the costs incurred by Subrecipient hereunder, Subrecipient shall immediately remit to the Grantee any funds received by Subrecipient that are found to be ineligible, unallowable, unreasonable, a duplication of benefits, or non-compensable, no matter the cause. Subject to applicable Federal regulations, both Grantee and Subrecipient reserve their respective rights to challenge a disallowance and pursue other legal recourse to secure all or a portion of the disallowed funds. This clause shall survive indefinitely the termination of this Agreement for any reason.

## VI. CITIZEN PARTICIPATION REQUIREMENTS

Subrecipient is subject to the State's existing Citizen Participation Plan.

## VII. NOTICES

With the exception of Section III above, all notices, requests, approvals, and consents of any kind made pursuant to this Agreement shall be in writing and shall be deemed to be effective as of the date sent by certified mail, return receipt requested, or by commercial courier, provided courier's regular business is delivery to addressee by the end of the next business day following courier's receipt from the sender. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice. Communication and details concerning this contract shall be directed to the following contract representatives:

Grantee:           Housing Trust Fund Corporation  
                      25 Beaver Street  
                      New York, New York 10004  
                      Attn: Seth Diamond, State Director of Storm Recovery

Subrecipient:  
                      Dormitory Authority of the State of New York  
                      515 Broadway  
                      Albany, New York 12207  
                      Attn: Paul T. Williams, President

                      With a copy to its General Counsel at:  
                      Dormitory Authority of the State of New York  
                      515 Broadway  
                      Albany, New York 12207  
                      Attn: Michael E. Cusack, Esq., General Counsel

Notice shall be effective upon actual receipt or refusal as shown on the receipt obtained pursuant to the foregoing.

## VIII. GENERAL CONDITIONS

### A. Compliance

Subrecipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (HUD's regulations concerning Community Development Block Grants), including any regulations referenced therein, except:

- (1) Subrecipient does not assume Grantee's environmental responsibilities described in 24 CFR 570.604; and
- (2) Subrecipient does not assume Grantee's responsibility for initiating the review process under the provisions of 24 CFR Part 52.

Where waivers or alternative requirements are provided for in the applicable Federal Register Notices published by HUD ("HUD Notices"), including but not limited to those published on March 5, 2013 (78 Fed. Reg. 14,329), April 19, 2013 (78 Fed. Reg. 23,578), May 29, 2013 (78 Fed. Reg. 32,262), August 2, 2013 (78 Fed. Reg. 46,999), November 18, 2013 (78 Fed. Reg. 69,104), December 16, 2013 (78 Fed. Reg. 76,154), and March 27, 2014 (79 Fed. Reg. 17,173), such requirements, including any regulations referenced therein, shall apply.

Subrecipient also agrees to comply with all other applicable Federal, State and local laws, regulations, HUD Notices, policies, and guidelines governing the Grant Funds provided under this Agreement, whether existing or to be established, provided the same are applied to activities occurring after the date the policy or guideline was established, governing the Grant Funds provided under this Agreement. In the event a conflict arises between the provisions of this Agreement and any of the foregoing, the Federal, State, and local laws, regulations, HUD Notices, policies, and guidelines shall control and this Agreement shall be interpreted in a manner so as to allow for the terms contained herein to remain valid and consistent with such Federal, State, and local laws, regulations, HUD Notices, policies, and guidelines. Subrecipient further agrees to utilize Grant Funds available under this Agreement to supplement rather than supplant funds otherwise available.

### B. Independent Parties

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the Parties. Subrecipient shall at all times remain an "independent party" with respect to the services to be performed under this Agreement. Grantee shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical

insurance and Workers' Compensation Insurance, as Subrecipient is an independent party.

C. Hold Harmless

To the extent that the Subrecipient utilizes the services of any subrecipient or subcontractor in connection with the performance of the Subrecipient's duties and obligations under this Agreement, any such contract shall contain a provision that the subrecipient or subcontractor shall hold the Subrecipient and the Grantee harmless and defend and indemnify the Subrecipient and the Grantee from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the subrecipient's or subcontractor's performance or non-performance of such services.

D. Workers' Compensation

Subrecipient shall provide Workers' Compensation Insurance coverage as provided below for all of its employees involved in the performance of this Agreement unless granted an exemption by the State.

E. Insurance

1. Subrecipient agrees that each of its subcontractors and consultants of every tier shall purchase and maintain insurance for the term of this Subrecipient Agreement (or such longer period as specified below) meeting all of the requirements set forth herein. All limits set forth below are annual (and shall renew annually) unless otherwise specifically noted. Grantee reserves the right on a work order basis to require additional insurance coverage or limits with respect to any of the below described policies and/or additional types of insurance coverage as reasonable and appropriate.

a. Workers' Compensation and Employers Liability Insurance

i. Workers' Compensation (including occupational disease) with policy limits as required by law and Employer's Liability New York Statutory Endorsement with a minimum limit of one million Dollars (\$1,000,000.00) as evidenced by **ONE** of the following:

(I) C-105.2 (9/07 or later) – Certificate of Workers' Compensation Insurance. The insurance carrier will provide a completed form as evidence of in-force coverage.

- (II) U-26.3- Certificate of Workers' Compensation Insurance from the State Insurance Fund. The State Insurance Fund will provide a completed form as evidence of in-force coverage.
- (III) GSI-105.2 /SI-12- Certificate of Workers' Compensation Self Insurance. The NYS Workers' Compensation Board's Self Insurance Office or the contractor's Group Self Insurance Administrator will provide a completed form.

All forms are valid for one year from the date the form is signed/stamped, or until policy expiration, whichever is earlier. This policy shall waive rights of subrogation against Subrecipient and Grantee. This policy is intended by the parties hereto to provide coverage which is primary and non-contributory.

b. New York State Disability Benefit Insurance with policy limits as required by law and as evidenced by **ONE** of the following:

- (I) DB-120.1 (May 2006, or most current version) – Certificate of Insurance Coverage under the NYS Disability Benefits Law.
- (II) DB-155 – Certificate of Disability Self Insurance. The NYS Workers' Compensation Board's Self Insurance Office will provide a completed form.
- (III) CE-200 – Certificate of Attestation of Exemption. (Note: This form will only be accepted as evidence of an exemption from providing Disability Benefits insurance as required by law and will *not* be accepted as an exemption from providing Workers' Compensation Insurance.) The Certificate may be obtained from the NYS Workers' Compensation Board's website at [www.wcb.state.ny.us/content/main/forms.htm](http://www.wcb.state.ny.us/content/main/forms.htm). The CE-200 cannot be used for multiple projects. Therefore, a new form will have to be completed for each project.

All forms are valid for one year from the date the form is signed/stamped, or until policy expiration, whichever is earlier.

c. Commercial General Liability (“CGL”) insurance obtained by or on behalf of the construction management subcontractors and/or construction management subrecipients engaged directly by the Subrecipient (the “CMs”), with policy limits for Bodily Injury, Personal Injury and Property Damage of at least five million dollars (\$5,000,000) per project location/per occurrence with a policy aggregate limit of at least five million dollars (\$5,000,000).

In addition to and not in lieu of the foregoing, additional CGL insurance shall be obtained by each non-construction or management consultant and each subconsultant, subcontractor and/or subrecipient of consultants engaged directly or indirectly by the Subrecipient of every tier, with policy limits for Bodily Injury, Personal Injury and Property Damage of at least one million dollars (\$1,000,000) per project location/per occurrence with a policy aggregate limit of at least one million dollars (\$1,000,000).

With respect to all of the CGL insurance described above, the limits may be provided through a combination of primary and umbrella/excess liability policies, and may involve retentions/deductibles acceptable to Grantee and Subrecipient. All of the CGL coverage will provide and encompass:

- i. Excavation, Collapse and Underground Hazards (X, C and U), where applicable;
- ii. Independent Contractors coverage;
- iii. Blanket Written Contractual Liability covering all contractual obligations and Indemnity Agreements, including all indemnity obligations contained herein or in the General Conditions;
- iv. Products Liability and Completed Operations Aggregate limit of three million dollars (\$3,000,000) per project/per occurrence for a term of no less than six (6) years (in one policy term or in more than one policy term) for insurance obtained by or on behalf of the CMs

- (however, if six (6) years of coverage is not available to be purchased, to the extent such CM is engaged by Subrecipient, Grantee shall be notified by Subrecipient in writing and no less than three (3) years shall be purchased);
- v. Products Liability and Completed Operations Aggregate limit of one million dollars (\$1,000,000) per project/per occurrence for a term of no less than six (6) years (in one policy term or in more than one policy term) for insurance obtained by non-construction management consultants, subcontractors and/or subrecipients engaged directly by the Subrecipient (however, if six (6) years of coverage is not available to be purchased, to the extent such non-construction management consultant, subcontractor and/or Subrecipient is engaged by Subrecipient, Grantee shall be notified by Subrecipient in writing and no less than three (3) years shall be purchased);
  - vi. CGL coverage written on an occurrence form;
  - vii. Endorsement naming the Grantee and the Subrecipient as Additional Insureds;
  - viii. Each and every policy or policies procured by a subcontractor or consultant must be endorsed to be primary and non-contributory as respects the coverage afforded the Additional Insureds and such policy shall be primary to any other insurance maintained by the Grantee and/or the Subrecipient. Any other insurance maintained by the Grantee and/or Subrecipient shall be excess of and shall not contribute with the subcontractor's or consultant's insurance, regardless of the "other insurance" clause contained in the Grantee and/or Subrecipient's own policy of insurance.
  - ix. Each subcontractor and consultant shall list any deductible or SIR and provide a copy of the endorsement.
  - x. Waiver of subrogation in favor of the Grantee and Subrecipient.

4. Commercial Comprehensive Automobile Liability and Property Damage Insurance covering all owned, leased, hired and non-owned vehicles used in connection with the activities defined in this Agreement

with a combined single limit for Bodily Injury and Property Damage of at least \$1,000,000 each person/each accident. The limit may be provided through a combination of primary and umbrella/excess liability policies.

5. To the extent applicable only to CMs engaged directly by the Subrecipient, Professional Liability, with project-specific limits of not less than two million Dollars (\$2,000,000) each claim/\$2,000,000 annual aggregate, subject to a deductible or self-insured retention of not more than two hundred thousand Dollars (\$200,000) per claim or a lesser amount acceptable to the Subrecipient. This insurance is intended by the parties hereto to provide coverage which is primary and non-contributory. Subrogation shall be waived against Grantee and Subrecipient.
6. Any other subcontractors and consultants of Subrecipient providing professional services not addressed in the sub-paragraph immediately above, including non-construction management consultants, subcontractors and/or subrecipients engaged directly by the Subrecipient, shall procure professional liability insurance with project-specific limits of not less than one million Dollars (\$1,000,000) each claim/\$1,000,000 annual aggregate, subject to a deductible or self-insured retention of not more than one hundred thousand Dollars (\$100,000) per claim or a lesser amount acceptable to the Subrecipient. This insurance is intended by the parties hereto to provide coverage which is primary and non-contributory. Subrogation shall be waived against Grantee and Subrecipient.
7. Any subcontractor, consultant or other person or entity performing demolition services, shall procure all of the insurance set forth above (which shall satisfy all of the requirements set forth above) and, in addition, shall also procure contractor's pollution liability insurance with limits of no less than \$5,000,000 per occurrence and in the aggregate (or such lesser amount as may be approved hereinafter in writing by Subrecipient and Grantee). There shall be coverage in such policy for asbestos, lead paint and mold; the Grantee and Subrecipient shall be named as Additional

Insureds; the policy shall include a waiver of subrogation in favor of the Grantee and Subrecipient; and the policy must be endorsed to be primary and non-contributory.

8. Any subcontractor, consultant or other person or entity performing environmental testing or environmental inspections shall procure all of the insurance set forth above (which shall satisfy all of the requirements set forth above), other than the contractor's pollution liability insurance required by g. above, and, in addition, shall also procure pollution liability insurance with limits of no less than \$1,000,000 per occurrence and in the aggregate (or such lesser or greater amount as may be approved hereinafter in writing by Subrecipient and Grantee). There shall be coverage in such policy for asbestos, lead paint and mold; the Grantee and Subrecipient shall be named as Additional Insureds; the policy shall include a waiver of subrogation in favor of the Grantee and Subrecipient; and the policy must be endorsed to be primary and non-contributory.

2. Each subcontractor and subrecipient of the Subrecipient, as the case may be, shall purchase at its sole expense extended discovery clause/extended reporting period coverage for six (6) years after work is completed (in one policy term or in more than one policy term) if coverage is provided on a claims-made basis and if that coverage is not maintained for this six (6) year period. In such a case, written proof of this extended reporting period must be provided to the Subrecipient and Grantee prior to the completion of the work. If six (6) years of coverage is not available to be purchased, Grantee shall be notified by Subrecipient in writing and no less than three (3) years of such shall be purchased.

3. Subrecipient shall purchase and maintain for the term of this Subrecipient Agreement, crime insurance with limits of no less than \$7 million per claim or in the aggregate covering loss due to employee dishonesty, forgery, theft, fraud, and/or physical damage.

4. As applicable, Subrecipient agrees to list Grantee as Additional Insured on any additional insurance policy it or its CMs may obtain with respect to this Program or the work described in this Agreement.

5. Certificates of Insurance, demonstrating the required insurance coverage, must be submitted and approved by the Grantee prior

to the commencement of activities. Policies described on the Certificate shall provide thirty (30) days written notice to the Subrecipient and the Grantee prior to the cancellation, non-renewal, or material modification of any policy except if the cancellation is for non-payment of premium, in which case 10 business days' notice shall be provide to Grantee and Subrecipient. Certificate(s) of Insurance, when submitted to the Grantee, constitute a warranty that the insurance coverage described is in effect for the policy term shown. Furthermore, copies of the full and complete policies, with all endorsements, will be provided to Grantee upon its request for the same. However, should Subrecipient, despite using its best efforts, be unable to secure complete copies of the policies in a timely manner, it shall notify Grantee in writing and take all steps reasonably requested by Grantee to obtain the required copies in a prompt manner.

6. All insurance required to be procured and maintained must be procured from insurance companies licensed to do business in the State of New York and rated at least B+ by A.M. Best and Company, or meet such other requirements as are acceptable to the Subrecipient and the Grantee.

7. Neither the procurement nor the maintenance of any type of insurance by Subrecipient shall in any way be construed or deemed to limit, discharge, waive or release the Subrecipient or any contractor, subcontractor or subrecipient of any tier (or anyone else) from any of the obligations or risks accepted by the them or to be a limitation on the nature or extent of said obligations and risks of any person or entity.

8. On a work order basis, the Grantee or Subrecipient may request that the other agree to alter the insurance terms and conditions and, should Grantee and Subrecipient reach mutual agreement, the amended insurance requirements shall be set forth in the work order.

9. All self-insured retentions, deductibles or similar amounts (hereinafter, collectively "deductibles") under the above policies shall be paid by the subcontractors and consultants or others listed as the first named insured under the policy in question and such deductible amounts shall not be the responsibility of Grantee or Subrecipient. Grantee and Subrecipient must approve any deductible in excess of \$100,000.

#### F. Grantee Recognition

Subrecipient shall ensure recognition of the role of HUD and Grantee in providing funding and services through this Agreement. All activities, facilities, and items utilized pursuant to this Agreement shall be prominently labeled as to role of HUD and of Grantee. In addition, Subrecipient will include a reference to the support provided herein in all publications made possible with funds made available under

this Agreement. See Exhibit C for general guidance for recognition of HUD and Grantee.

#### G. Amendments

This Agreement may be amended provided that such amendments make specific reference to this Agreement, comply with programmatic policies, procedures, and guidelines, are executed in writing and signed by a duly authorized representative of each Party, and approved by Grantee's governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the Parties from their obligations under this Agreement. Grantee may, in its sole discretion, amend this Agreement to conform with Federal, state, or local governmental guidelines, policies, and available funding amounts, or for other reasons. If such amendments result in a change in the Grant Funds or the Scope of Services, such modifications will be incorporated in a written amendment signed by the Parties.

#### H. Suspension or Termination

In accordance with 24 CFR 85.43 or 84.62, as applicable, Grantee may suspend or terminate this Agreement if Subrecipient materially fails to comply with any terms of this Agreement, which include (but are not limited to) the following:

1. Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, guidelines, policies or directives as may become applicable at any time;
2. Failure, for any reason except those beyond Subrecipient's control, of Subrecipient to fulfill in a timely and proper manner its obligations under this Agreement;
3. Ineffective or improper use of funds provided under this Agreement; or
4. Submission by Subrecipient to Grantee of reports that are untimely, incorrect or incomplete in any material respect.

In accordance with 24 CFR 85.44 or 84.61, as applicable, this Agreement may also be terminated for convenience by Grantee or Subrecipient, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination Grantee determines that the remaining portion of the award will not accomplish the purpose for which the award was made, Grantee may terminate the award in its entirety in accordance with 24 CFR 85.43 or 24 CFR 85.44[a], as applicable.

### IX. ADMINISTRATIVE REQUIREMENTS

A. Financial Management

1. Accounting Standards

Subrecipient agrees to comply with 24 CFR 85.20-26 or 84.20-28, as applicable, and to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

2. Cost Principles

Subrecipient shall administer the program in conformance with OMB Circulars A-87, "Cost Principles for State, Local, and Indian Tribal Governments"; A-122, "Cost Principles for Non-profit Organizations"; or A-21, "Cost Principles for Educational Institutions," as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis (if allowed).

B. Documentation and Record Keeping

1. Records to Be Maintained

Subrecipient shall maintain all records required by applicable law to be maintained, including but not limited to the Federal regulations specified in (1) 24 CFR Part 85, Subpart C or 24 CFR Part 84, Subpart C, as applicable; (2) 24 CFR 570.506; and (3) the applicable HUD Notices that are pertinent to the activities to be funded under this Agreement, as well as any additional records required by Grantee. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program, as modified by the HUD Notices;
- c. Records required to determine the eligibility of activities;
- d. Records required to document the acquisition, improvement, use, or disposition of real property acquired or improved with CDBG-DR funds;
- e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- f. Financial records as required by (1) 24 CFR 570.502; and (2) 24 CFR 85.20-26 or 84.20-28, as applicable;

- g. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

## 2. Retention

Subrecipient shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of five (5) years. The retention period begins on the date of the submission of Grantee's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations, or other actions that involve any of the records cited and that have started before the expiration of the five-year period, then all such records must be retained until completion of the actions and resolution of all issues, or the expiration of the five-year period, whichever occurs later.

## 3. Data

Subrecipient shall maintain client data for services provided hereunder as required by Grantee. Such data may include, but is not limited to, name, racial, ethnic, and gender characteristics, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to cognizant federal authorities, Grantee monitors, or their designees for review upon request.

## 4. Disclosure

Subrecipient understands that data collected under this Agreement is private and the use or disclosure of such information, when not directly connected with the administration of the Parties' responsibilities with respect to efforts provided under this Agreement are subject to the provisions of Article 6-A, "Personal Privacy Protection Law", of the New York State Public Officers Law, as well as all other applicable State and Federal privacy laws (e.g., the Federal Privacy Act, 5 U.S.C. § 552a).

## 5. Close-out

Subrecipient's obligation to Grantee shall not end until all close-out requirements are completed. Close-out activities and requirements are subject to (1) 24 CFR 85.50 or 84.71, as applicable; (2) 24 CFR 570.509; and (3) applicable HUD Notices. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of assets (including the return of all unused materials, equipment, properly addressing Program Income (as that term is defined in section VI(A)(17)(a) of the HUD Notice 78 Fed. Reg. 14,329, 14,341 (March 5, 2013, as may be amended by HUD)), balances, and accounts receivable to Grantee), and determining the custodianship of records. Notwithstanding the

foregoing, the terms of this Agreement shall remain in effect during any period that Subrecipient has control over CDBG-DR funds, including Program Income.

#### 6. Audits & Inspections

All Subrecipient records with respect to any matters covered by this Agreement shall be made available to Grantee, HUD, and the Comptroller General of the United States, or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by Subrecipient within 30 days after receipt by Subrecipient. Failure of Subrecipient to comply with the above audit requirements will constitute a violation of this Agreement and may result in the withholding of future payments and/or termination. Subrecipient hereby agrees to have an annual agency audit conducted in accordance with current Grantee policy concerning Subrecipient audits and OMB Circular A-133.

### C. Reporting and Payment Procedures

#### 1. Program Income and Other Assets

Subrecipient shall report monthly all Program Income, as defined in section VI(A)(17)(a) of the HUD Notice 78 Fed. Reg. 14,329, 14,341 (March 5, 2013, as may be amended by HUD), generated by activities carried out with CDBG-DR funds made available under this Agreement. All Program Income shall be returned to Grantee, absent written authorization from Grantee to the contrary, in accordance with any procedures established by HUD and Grantee. Any interest earned on cash advances from the U.S. Treasury and from funds held in a revolving fund account is not Program Income and shall be remitted promptly to Grantee.

All Program assets, other than Program Income (property, equipment, etc.) shall revert to Grantee upon termination of this Agreement in accordance with applicable Federal, laws, regulations, HUD Notices, policies, and guidelines.

#### 2. Indirect Costs

If indirect costs are charged, Subrecipient will develop an indirect cost allocation plan for determining the appropriate Subrecipient's share of administrative costs and shall submit such plan to Grantee for approval, in a form specified by Grantee.

#### 3. Progress Reports

In addition to deliverables and metrics specifically referenced in Exhibit A, Subrecipient shall submit regular Progress Reports to Grantee in the form,

content, and frequency as required by Grantee. At a minimum, Progress Reports shall be submitted no less frequently than as required by (1) 24 CFR Part 85, Subpart C or 24 CFR Part 84, Subpart C, as applicable; (2) 24 CFR 570.507; and (3) the applicable HUD Notices.

#### 4. Payment Procedures

In accordance with the terms in Section IV above, Grantee will pay to Subrecipient funds available under this Agreement based upon information submitted by Subrecipient, consistent with the Subrecipient Program Description, the Budget, approved work order, Grantee policy concerning payments, and applicable federal and state law and regulation. In addition, Grantee reserves the right to liquidate funds available under this Agreement for costs incurred by Grantee on behalf of Subrecipient.

To the extent requested by Subrecipient, on thirty (30) day intervals and in amounts to be determined by Grantee, Grantee shall advance to Subrecipient funds available under this Agreement in order to provide necessary operating funds for services being rendered pursuant to an approved work order, provided that Subrecipient maintains or demonstrates the willingness and ability to maintain procedures to minimize the time elapsing between the monthly transfer of the funds by Grantee to Subrecipient hereunder and the disbursement of same by Subrecipient, in accordance with 24 CFR 85.21(c).

In order to receive additional advances, Subrecipient shall submit information in support of previous payments (including advance payments), at least monthly, however, before additional advances will be made, all advances made more than ninety (90) days prior to the current advance request must be reconciled to the satisfaction of the Grantee.

#### 5. GOSR Reporting Obligations

The following chart summarizes some of the Subrecipient reporting obligations to GOSR. This chart is not intended to catalogue all of Subrecipient's reporting obligations under this Agreement. Note, some of the below reports require the submission of information related to contractors and subsequent subcontractors, which Subrecipient is responsible for collecting and providing to GOSR as required by the cited provision.

<b>Report</b>	<b>Provision Citation</b>	<b>Frequency</b>
Program Income Report	IX.C.1.	Monthly
Progress Report	IX.C.3.	Quarterly
M/WBE Report	XI.B.2.b.	Quarterly
EEO Report	XI.B.3.c.	Quarterly
Section 3 Report	XI.C.3.d.	Quarterly

D. Sub-granting

1. Approvals

Subrecipient shall not enter into any agreements with any agency or individual to assist in effectuating the activities of this Agreement without the written consent of Grantee prior to the execution of such agreement.

2. Monitoring

In accordance with Federal, State, and local laws, regulations, HUD Notices, program guidelines, and the policies and procedures to be issued by Grantee, Subrecipient will monitor any and all subcontractor and sub-subrecipient efforts on a regular basis to assure compliance. Grantee commits to providing regulatory and programmatic advice and assistance on a periodic and reasonable basis, as requested by Subrecipient. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance. Information detailing credible evidence of waste, fraud or abuse, shall be immediately reported to Grantee, followed by a written report within ten (10) calendar days.

3. Content

Subrecipient shall cause all of the provisions of this Agreement in its entirety to be included in and made a part of any sub-subrecipient agreement executed to effectuate this Agreement.

4. Selection Process

Subrecipient shall undertake to ensure that all sub-subrecipients utilized to effectuate this Agreement shall be awarded on a fair and reasonable basis in accordance with applicable Federal, State, and local laws, regulations, and HUD Notices, including the HUD Reform Act codified at 42 U.S.C. § 3537a (referred to as Section 103). Executed copies of all sub-subrecipient agreements shall be forwarded to Grantee along with documentation concerning the selection process.

E. Procurement/Contracting

1. General

Unless specified otherwise within this Agreement, Subrecipient shall procure all materials, property, equipment, or services in accordance with the requirements of 24 CFR 85.36 or 84.40-48, as applicable, including but not limited to the need to appropriately assess the lease versus purchase alternatives.

## 2. HUD General Provisions

Subrecipient shall include Grantee's HUD General Provisions, attached hereto as Exhibit D, in any contract entered into under this Agreement. Subrecipient shall also require all contractors to flowdown the Grantee's HUD General Provisions to all subcontractors as well as the requirement to flowdown such terms to all lower-tiered subcontractors.

## 3. Records

Subrecipient shall maintain all records required by the Federal regulations specified in (1) 24 CFR Part 85, Subpart C or 24 CFR Part 84, Subpart C, as applicable; (2) 24 CFR 570.506; and (3) the applicable HUD Notices. Only when Grantee's procurement record retention standards are more stringent than Federal regulation shall Subrecipient maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein.

## 4. Travel

Travel costs are allowed so long as they are within the service area assignments and ultimately deemed allowable and reasonable by cognizant Federal auditors. At a minimum, Subrecipient shall comply with HUD's Travel Regulations (Travel Handbook 2300.2). Subrecipient shall obtain prior written approval from Grantee for any travel to out of service area assignments.

## F. Use and Reversion of Assets

The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 24 CFR Part 85 or Part 84, as applicable, and 24 CFR Part 570 Subpart J, which include but are not limited to the following:

1. Subrecipient shall transfer to Grantee any CDBG-DR funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination.
2. Real property under Subrecipient's control that was acquired or improved, in whole or in part, with funds under this Agreement in excess of \$25,000 shall be used to meet one of the CDBG National Objectives pursuant to 24 CFR 570.208 until five (5) years after expiration of this Agreement or such longer period of time as Grantee deems appropriate. If Subrecipient fails to use CDBG-assisted real property in a manner that meets a CDBG National Objective for the prescribed period of time, Subrecipient shall pay Grantee an amount equal to the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such payment shall constitute Program Income to Grantee.

Subrecipient may retain real property acquired or improved under this Agreement after the expiration of the five-year period or such longer period of time as Grantee deems appropriate.

3. In all cases in which equipment acquired, in whole or in part, with funds under this Agreement is sold, the proceeds shall be Program Income (prorated to reflect the extent to that funds received under this Agreement were used to acquire the equipment). Equipment not needed by Subrecipient for activities under this Agreement shall be (a) transferred to Grantee; or (b) retained after compensating Grantee an amount equal to the current fair market value of the equipment less the percentage of non-CDBG-DR funds used to acquire the equipment.

#### G. Use of Grant Funds to Make Loans

Grant Funds under this Agreement cannot be used to make loans.

### X. RELOCATION, REAL PROPERTY ACQUISITION, AND ONE-FOR-ONE HOUSING REPLACEMENT

To the extent applicable to its performance under this Agreement, and as modified by the HUD Notices, Subrecipient agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606(b); (b) the requirements of 24 CFR 570.606(c) governing the Residential Anti-displacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and (c) the requirements in 24 CFR 570.606(d) governing optional relocation policies. Subrecipient shall provide relocation assistance to displaced persons as defined by 24 CFR 570.606(b)(2) that are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for a CDBG-DR assisted project. Subrecipient also agrees to comply with applicable Grantee ordinances, resolutions, and policies concerning the displacement of persons from their residences.

### XI. PERSONNEL AND PARTICIPANT CONDITIONS

#### A. Civil Rights

##### 1. Compliance

Subrecipient agrees to comply with the New York State Human Rights Law and with Title VI of the Civil Rights Act of 1964, as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107, and 12086.

## 2. Nondiscrimination

Subrecipient agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCD Act are still applicable.

## 3. Land Covenants

This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and 24 CFR 570.601 and 570.602. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that Grantee and the United States are beneficiaries of, and entitled to enforce, such covenants. To the extent any such sale, lease or other transfer of land shall occur, Subrecipient, in undertaking its obligation to carry out the Program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

## 4. Section 504

Subrecipient agrees to comply with all Federal regulations issued pursuant to Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against individuals with disabilities or handicaps in any Federally assisted program. Grantee shall provide Subrecipient with certain guidelines for compliance with that portion of the regulations in force during the term of this Agreement.

## B. Affirmative Action

### 1. Approved Plan

Subrecipient agrees that it shall be committed to carry out, pursuant to Grantee's specifications, an Affirmative Action Program in keeping with the principles as provided in Executive Order 11246 of September 24, 1965. Grantee shall provide certain Affirmative Action guidelines to Subrecipient to assist in the formulation of such program. Subrecipient shall submit a plan for an Affirmative Action Program for approval prior to the award of funds.

### 2. Minority- and Women-Owned Businesses (M/WBE)

#### a. Federal Requirements

Subrecipient shall comply with the small and minority firms, women's business enterprise, and labor surplus area requirements as set forth at 24 CFR 85.36 or 84.44, as applicable.

Subrecipient will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this Agreement. As used in this Agreement, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed, or Spanish-heritage Americans, Asian-Americans, and American Indians. Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

b. HTFC Requirements

Pursuant to New York State Executive Law Article 15-A ("Article 15-A"), HTFC recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority-and/or women-owned business enterprises ("M/WBEs") in the performance of certain HTFC-funded subrecipient agreements, and all HTFC-funded contracts and subcontracts. HTFC values affording M/WBEs the opportunity to participate in the performance of these subrecipient agreements, contracts and subcontracts to be awarded under this project. Accordingly, Subrecipient certifies that it has made and will continue to make good-faith efforts to promote and assist the participation of certified M/WBEs through the use of non-governmental sub-subrecipients, contractors and their subcontractors at all tiers on this project, in an amount equal to ten percent (10%) minority-owned business enterprises ("MBE") and ten percent (10%) women-owned business enterprises ("WBE") of the total dollar value of this project. These participation goals are applicable to this Agreement as set forth in Exhibit E, Appendix III and will be monitored by HTFC.

Subrecipient, its sub-subrecipients, contractors, and their subcontractors at all tiers shall comply with the aforementioned M/WBE requirements as set forth in the Participation by Minority Group Members and Women Requirements and Procedures for Contracts with Housing Trust Fund Corporation, attached hereto at Exhibit D, Appendix III. In accordance with those requirements, Subrecipient shall require all covered sub-subrecipients, contractors and their subcontractors at all tiers to submit the required M/WBE documentation, including utilization plans and quarterly reports, to Subrecipient. Subrecipient

shall provide quarterly reporting of M/WBE data in a form acceptable to HTFC, which may require Subrecipient to consolidate all reports received from lower tiered subrecipients, contractors and subcontractors into a single report or several reports as reasonably requested by Grantee with copies of sub-subrecipient, contractor and subcontractor M/WBE documentation as supporting documentation. Notwithstanding the provision of such reports and supporting documentation, Subrecipient, and Subrecipient's sub-subrecipients, contractors and their subcontractors at all tiers, shall maintain copies of all reports and supporting documents as set forth in this Agreement.

### 3. Equal Employment Opportunity ("EEO") and Non-Discrimination

#### a. Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

#### b. Non-Discrimination

Subrecipient shall comply with the provisions of the Human Rights Law, and all other State and Federal statutory and constitutional non-discrimination provisions. Subrecipient shall not discriminate against any employee or applicant for employment because of race, creed (religion), color, sex, national origin, sexual orientation, military status, age, disability, predisposing genetic characteristic, marital status, or domestic violence victim status, and shall also follow the requirements of the Human Rights Law with regard to non-discrimination on the basis of prior criminal conviction and prior arrest.

#### c. HTFC Requirements

Pursuant to New York State Executive Law Article 15-A ("Article 15-A"), HTFC recognizes its obligation under the law to promote opportunities for the employment of minority group members and women in the performance of HTFC-funded contracts.

Subrecipient, its sub-subrecipients, contractors, and their subcontractors at all tiers shall comply with the EEO requirements found in the Participation by Minority Group Members and Women Requirements and Procedures for Contracts with Housing Trust Fund Corporation, attached hereto at Exhibit D, Appendix III. In accordance with those requirements, Subrecipient shall require all covered sub-subrecipients, contractors and their subcontractors at all tiers to submit the required documentation, including an EEO policy statement, staffing plan, and quarterly reports to Subrecipient. Subrecipient shall provide quarterly reporting of EEO data in a form acceptable to HTFC,

which may require Subrecipient to consolidate all reports received from lower tiered subrecipients, contractors and subcontractors into a single report or several reports as reasonably requested by Grantee, with copies of sub-subrecipient, contractor and subcontractor EEO documentation as supporting documentation. Notwithstanding the provision of such reports and supporting documentation, Subrecipient, and Subrecipient's sub-subrecipients, contractors and their subcontractors at all tiers, shall maintain copies of all reports and supporting documents as set forth in this Agreement.

#### 4. Access to Records

Subrecipient shall furnish and cause each of its own sub-subrecipients, contractors, and subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by Grantee, HUD or its agent, the Comptroller General of the United States, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations, and provisions stated herein.

#### 5. Contract Provisions

Subrecipient will include the provisions of Paragraphs XI.A., Civil Rights, and B., Affirmative Action, in every subsequent sub-subrecipient agreement, contract, subcontract, or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own sub-subrecipients, contractors, or subcontractors.

### C. Employment Restrictions

#### 1. Prohibited Activity

Subrecipient is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.

#### 2. Labor Standards

Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act, as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et seq.), and all other applicable Federal, state, and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. Subrecipient agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874 et seq.) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. Subrecipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to Grantee for review upon request. Subrecipient agrees

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

### 3. “Section 3” Clause

#### a. Compliance

Compliance with the provisions of Section 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder prior to the execution of this Agreement, shall be a condition of the Federal financial assistance provided under this Agreement and binding upon Grantee, Subrecipient, and any of Subrecipient’s sub-subrecipients, contractors, and subcontractors. Failure to fulfill these requirements shall subject Grantee, Subrecipient, and any of Subrecipient’s sub-subrecipients, contractors, and subcontractors, as well as their successors and assigns, to those sanctions specified by the agreement through which Federal assistance is provided. Subrecipient certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

Subrecipient further agrees to comply with these “Section 3” requirements and to include the following language in all subsequent sub-subrecipient agreements, contracts, and subcontracts executed under this Agreement:

“The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located.”

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

Subrecipient certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.

b. Notifications

Subrecipient agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or worker's representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

c. Contracts

Subrecipient will include this Section 3 clause in subsequent sub-subrecipient agreements, contracts, and subcontracts, and will take appropriate action, pursuant to any such agreement, upon a finding that a sub-subrecipient, contractor, or subcontractor is in violation of regulations issued by HUD. Subrecipient will not subgrant or contract with any entity where it has notice or knowledge that the entity has been found in violation of regulations under 24 CFR Part 135, and will not let any sub-subrecipient agreement or contract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

d. Reporting

Irrespective of any applicable Federal reporting requirements, Subrecipient shall submit quarterly reports along with any supporting documentation, in a form acceptable to Grantee, of its Section 3 compliance efforts to Grantee, which may require Subrecipient to consolidate all reports received from lower tiered subrecipients, contractors and subcontractors into a single report or several reports as reasonably requested by Grantee. Notwithstanding the provision of such reports and supporting documentation, Subrecipient shall maintain copies of all reports and supporting documents as set forth in this Agreement. A summary of this and certain other reporting obligations is provided at paragraph IX.C.5.

#### D. Conduct

##### 1. Hatch Act

Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.

##### 2. Conflict of Interest

Subrecipient agrees to abide by the provisions of 24 CFR 85.36 or 84.42-43, as applicable, and 24 CFR 570.611, which include (but are not limited to) the following:

a. It is presumed that Subrecipient is subject to state and local ethic laws and regulations related to the conduct of its officers, employees or agents engaged in the award and administration of this Agreement.

b. In the event Subrecipient is not, Subrecipient shall maintain written standards of conduct governing the performance of its employees engaged in the award and administration of this Agreement. No employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by Federal funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of the recipient shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or parties to subagreements. However, recipients may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct shall provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the recipient.

c. No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-DR assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-DR assisted activity, or with respect to the proceeds from the CDBG-DR assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a “covered person” includes any person who is an employee, agent, consultant, officer, or elected or appointed official of Grantee, Subrecipient, or any designated public agency.

### 3. Lobbying

Subrecipient hereby certifies that:

a. To the best of its knowledge and belief, 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 this Agreement.

b. 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 Agreement, Subrecipient shall complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions.

c. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

d. It has and will comply with Section 139-j and 139-k of the State Finance Law.

e. It will require that the language of paragraphs (a) through (e) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

#### 4. Copyright

If this Agreement results in any copyrightable material or inventions, Grantee and/or HUD reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes. This clause shall survive indefinitely the termination of this Agreement for any reason.

#### 5. Religious Activities

Subrecipient agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

### XII. ENVIRONMENTAL CONDITIONS

#### A. Environmental Laws

Subrecipient agrees to comply with the following requirements (and their state and/or local counterparts or analogues, if any) insofar as they apply to the performance of this Agreement or the Grantee Program, as any of the following may hereinafter be amended, superseded, replaced, or modified:

- Executive Order 11988, Floodplain Management, May 24, 1977 (42 FR 26951, 3 CFR, 1977 Comp., p. 117, as interpreted at 24 C.F.R. Part 55), and Executive Order 11990, Protection of Wetlands, May 24, 1977 (42 FR 26961; 3 CFR, 1977 Comp., p. 121);
- Coastal Zone Management Act of 1972, as amended (16 U.S.C. § 1451 *et seq.*);
- Safe Drinking Water Act of 1974 (42 U.S.C. 201, 300(f) *et seq.*, and 21 U.S.C. § 349, as amended), and EPA regulations for Sole Source Aquifers (40 C.F.R. Part 149);
- Endangered Species Act of 1973, as amended (16 U.S.C. § 1531 *et seq.*);
- Wild and Scenic Rivers Act of 1968, as amended (16 U.S.C. § 1271 *et seq.*);
- Clean Air Act, as amended (42 U.S.C. § 7401 *et seq.*);
- EPA regulations for Determining Conformity of Federal Actions to State or Federal Implementation Plans (40 C.F.R. Parts 6, 51, and 93);
- Farmland Protection Policy Act of 1981 (7 U.S.C. § 4201 *et seq.*), and USDA regulations at 7 C.F.R. Part 658;

- HUD criteria and standards at 24 C.F.R. Part 51;
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, Feb. 11, 1994 (59 FR 7629, 3 CFR, 1994 Comp. p. 859);
- Flood Disaster Protection Act of 1973, as amended (42 U.S.C. § 4001-4128);
- National Flood Insurance Reform Act of 1994 (42 U.S.C. § 5154a);
- Coastal Barrier Resources Act, as amended by the Coastal Barrier Improvement Act of 1990 (16 U.S.C. § 3501);
- Runway Clear Zone regulations (24 C.F.R. Part 51);
- Federal Water Pollution Control Act, as amended (33 U.S.C. § 1251, *et seq.*), 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder;
- Environmental Protection Agency (EPA) regulations at 40 CFR Part 50, as amended;
- HUD regulations at 24 C.F.R. Part 51, Subpart B, and New York State and local laws, regulations, and ordinances related to noise abatement and control, as applicable;
- HUD regulations at 24 C.F.R. Part 51 Subpart C regarding siting of projects near hazardous operations handling conventional fuels or chemicals of an explosive or flammable nature;
- HUD and EPA regulations related to asbestos-containing material and lead-based paint, including but not limited to Part 56 of Title 12 of the Official Compilation of Codes, Rules and Regulations of the State of New York Department of Labor (12 NYCRR Part 56), the National Emission Standard for Asbestos (40 C.F.R. § 61.145), the National Emission Standard for Asbestos (40 C.F.R. § 61.150), and 24 C.F.R. Part 35 Subparts B, H, and J; and
- All other applicable Environmental Laws that may exist now or in the future. For the purposes of this section, “Environmental Laws” shall mean any federal, state, provincial or local law (including but not limited to statutes, rules, regulations, ordinances, directives, guidance documents or judicial or administrative interpretation thereof, or any judicial or administrative order, ruling or other such written requirement). Environmental Laws include, without limitation, any action which causes a review or reassessment of the Grantee Program.

#### B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the Parties shall determine on a Work Order-by-Work Order basis the party responsible for assuring that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation). Notwithstanding the foregoing, Grantee may consult with Subrecipient, its subcontractors and/or sub-subrecipients on a case-by-case basis for technical advice in the determination of issues relevant to National Flood Insurance Program requirements.

#### C. Lead-Based Paint

Subrecipient agrees that any construction or rehabilitation of structures containing residential units with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

#### D. Historic Preservation

Subrecipient agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR Part 800 and 801, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this agreement, as well as any other applicable laws or regulations relating to historic properties.

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

#### E. Implementation of Mitigation Measures

The Parties shall determine on a Work Order-by-Work Order basis the Subrecipient's role and obligations, if any, with respect to compliance or assessment of compliance with any and all mitigation measures and other requirements set forth in any environmental reviews, environmental assessments, or environmental impact statements performed or to be performed in connection with, or records of decision or any similar documents, issued or to be issued in connection with, the CDBG-DR Program as may be applicable to this Agreement.

To the extent that Grantee requests Subrecipient to conduct final site inspections, Subrecipient agrees to assess compliance with any and all mitigation measures and other requirements set forth in any environmental reviews, environmental assessments, or environmental impact statements performed or to be performed in connection with, or records of decision or any similar documents, issued or to be issued in connection with, the CDBG-DR Program as may be applicable to this Agreement. The Parties shall work cooperatively to coordinate the transfer of necessary information for the Subrecipient to perform the aforementioned assessment

### XIII. ASSIGNMENT

Subrecipient shall not assign or transfer any interest in this Agreement without the prior written consent of Grantee.

### XIV. SEVERABILITY

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

### XV. SECTION HEADINGS AND SUBHEADINGS

The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

### XVI. WAIVER

Grantee's failure to act with respect to a breach by Subrecipient does not waive its right to act with respect to subsequent or similar breaches. The failure of Grantee to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

### XVII. CHOICE OF LAW

This Agreement shall be governed by and construed under the laws of the State of New York without giving effect to its conflict of law principles. Nothing in the Agreement shall preclude either Party from seeking injunctive relief to protect its rights under this Agreement.

The Parties consent to and agree that any and all disputes arising out of or relating in any way to the Agreement shall be subject to the exclusive jurisdiction of the state courts or Federal District Courts of New York. The Parties consent to the jurisdiction of such courts, agree to accept service of process by mail, and waive any jurisdictional or venue defenses otherwise available.

XVIII. COMPLIANCE WITH LAW

It is the intention and understanding of the Parties hereto that each and every provision of law required to be inserted in this Agreement should be and is inserted herein. Furthermore, it is hereby stipulated that every such provision is deemed to be inserted and if, through mistake or otherwise, any such provision is not inserted herein or is not inserted in correct form, then this Agreement shall forthwith, upon the application of any Party, be amended by such insertion so as to comply strictly with the law and without prejudice to the rights of any Party.

XIX. COUNTERPART SIGNATURES

This Agreement may be executed in any number of counterparts, each of which shall constitute an original and which counterparts together shall constitute one and the same instrument.

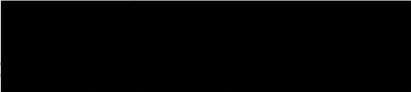
XX. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement among the Parties for the use of funds received under this Agreement and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written among the Parties with respect to this Agreement.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, this Agreement has been executed by a duly authorized representative of the parties.

**Housing Trust Fund Corporation**

By:   
Name: Seth Diamond *James Rubin*  
Title: State Director of Storm Recovery  
Date: *Execution Point*

**Dormitory Authority of the State of New York**

By:   
Name: Michael Corrigan  
Title: Vice President  
Date: *7/11/14*

This contract has been approved by Grantee's Counsel as to form and its Treasurer as to fiscal sufficiency.

**EXHIBIT A**  
**Work Order(s)**

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*DASNY/GOSR Work Order Form*

Work Order #

Date:

**Overview:**

Subrecipient may provide services in support of NY Rising programs listed below:

1. NY Rising Buyout and Acquisition Programs
2. Multi-Family Repair and Reconstruction/Rental Properties/Affordable Housing Program
3. New York Rising Community Reconstruction/Infrastructure and Local Government Program
4. The Multi-Family/Affordable Housing Program

These services may consist of providing staff, consultants and or other resources that are experienced in project planning, design, project delivery, procurement, project management, construction management, environmental and other aspects of project support.

Subrecipient may provide services in support of NY Rising programs either with Subrecipient staff or with contracted resources.

Subrecipient may assist Grantee in the development of project scopes of work, timelines and schedules, procurement strategy, estimates of costs, validation of constructability, bid and award process, contract specifications, change order management, inspection and clarifications, project and contract closeout as well as financial management and risk analysis.

Preliminary project lists and scopes of work will be provided to the Subrecipient, thereafter the Grantee and Subrecipient will collaborate in the development of work orders.

These services will be detailed and authorized under individual work orders that will identify specific scopes of work, budget and deliverables. Not all of the above mentioned services will be necessary for all projects.

All work completed under this work order shall be done in accordance with the terms and conditions of Subrecipient Agreement dated as of July 1, 2014 between DASNY and the Housing Trust Fund Corporation.

**Project Scope:**

(Insert scope and description of specific project)

**Specific Scope of Work:**

(Insert description of services to be performed by DASNY as per the HTFC request).

**Schedule of Activities:**

(Insert start and end date of services. Note that Work Order shall remain in effect until all services are completed subject to the availability of funding.)

**Project Budget:**

(Insert line item budget per attached budget worksheet with detailed schedule of DASNY fees or other budget detail as needed)

**DASNY Fee Estimate:**

(Insert DASNY fee estimate per attached fee worksheet)

Issued by:

Date:

\_\_\_\_\_  
Housing Trust Fund Corporation

Accepted by:

Date:

\_\_\_\_\_  
DASNY

**EXHIBIT B  
Budget**

NY Rising Buyout and Acquisition Program	\$2,000,000
Multi-Family Repair, Reconstruction, Rental Properties/ Affordable Housing Programs	\$3,000,000
Infrastructure and Local Government/NY Rising Community Reconstruction Program	<u>\$5,000,000</u>
Total	\$10,000,000

**EXHIBIT C**  
**HUD and Grantee Recognition**

Please find below guidelines for recognition of HUD, Housing Trust Fund Corporation (“HTFC”), and the Governor’s Office of Storm Recovery (“GOSR”) in any work done as a result of this subrecipient agreement. Note, any public information and all of the items below must be approved by HTFC in advance of publication or posting.

*Written documents:*

All written documents must include the following language, unless otherwise specified in writing by HTFC or GOSR:

1. “This [program/project] is made possible by a grant from the Housing Trust Fund Corporation, which is funded through Community Development Block Grants from the U.S. Department of Housing and Urban Development.”
2. Written documents should also include the HTFC and GOSR logo and the name of the Governor.

*Internet information and e-mail information:*

1. Internet information must include all of the items required for written documentation and a link to HTFC’s and GOSR’s website.

*Offices open to the public providing services funded by HTFC:*

1. All offices must include a sign including all of the items required for written documentation.

**EXHIBIT D**  
**Appendices for Contractors and Subcontractors at all Tiers**