

**NATIONAL  
DISASTER  
RESILIENCE  
COMPETITION  
GRANT  
AGREEMENT**

May 24

**2017**

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Grant Agreement between Virginia's Department of Housing and  
Community Development and the Nonprofit COASTAL  
COMMUNITY RESILIENCE, INC., doing business as RISE in support  
of the National Disaster Recovery Competition Grant

**NDRC GRANT  
AGREEMENT**

CONTRACT #16-NDR-02

## NATIONAL DISASTER RECOVERY GRANT AGREEMENT

This AGREEMENT, entered into this 24<sup>th</sup> day of May, 2017, by and between the Virginia Department of Housing and Community Development which is the **COMMONWEALTH OF VIRGINIA PASS-THROUGH ENTITY RECIPIENT**, hereinafter referred to as "RECIPIENT ", and **The Nonprofit COASTAL COMMUNITY RESILIENCE, INC. doing business as RISE** who is the **SUBRECIPIENT**, hereinafter referred to as "SUBRECIPIENT."

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## WITNESSETH

WHEREAS, the Commonwealth of Virginia has been authorized to distribute and administer Community Development Block Grant (CDBG) funds pursuant to the Housing and Community Development Act of 1974, as amended, and

WHEREAS, the RECIPIENT has been authorized by the Governor of the Commonwealth of Virginia to distribute and administer to the SUBRECIPIENT the B-13-DS-51-0001 CDBG-DR SUBAWARD, with the Catalog of Federal Domestic Assistance (CFDA) number 14.272, which was awarded to the Commonwealth of Virginia as a successful applicant to the National Disaster Resilience Competition (NDRC) according to the approved Grant application, and

WHEREAS, the PROJECT as described in the NDRC Grant Application as submitted by the RECIPIENT has achieved a sufficiently high ranking through a competitive application selection system to qualify for NDRC Grant funding.

Now THEREFORE, the parties hereto agree as follows:

- 1) RECIPIENT agrees to name the SUBRECIPIENT as a sub-recipient to the Commonwealth of Virginia's NDRC Grant Award in an amount of the total allowable, eligible costs in carrying out the ACTIVITIES included in the PROJECT herein described not to exceed **\$5,250,000.00 (five million two hundred fifty thousand dollars and zero cents)**.

Planning	\$	789,473.00
Project Cost	\$	4,210,527.00
Admin	\$	250,000.00
<b>Total:</b>	<b>\$</b>	<b><u>5,250,000.00</u></b>

- 2) RECIPIENT agrees to provide the SUBRECIPIENT with technical assistance in setting up and carrying out the administration of its NDRC GRANT SUBAWARD.
- 3) The SUBRECIPIENT will commence, carry out and complete the following PROJECT (more thoroughly described in the RECIPIENT'S Grant Application).
  - a) PROJECT TITLE: **The Nonprofit COASTAL COMMUNITY RESILIENCE, INC. doing business as RISE.**
  - b) PROJECT OUTCOMES: **The program will be measured by the following metrics:**

- i) **Number of businesses participating in the Coastal Resilience Incubator and Laboratory**
  - ii) **Number of projects brokered by the Coastal Resilience Incubator and Laboratory**
  - iii) **Number of resiliency products and technologies with commercial applications developed**
  - iv) **Number of businesses formed as a result of the Coastal Resilience Incubator and Laboratory**
- c) **NATIONAL BENEFIT: Increase Economic Development for the Hampton Roads Region and support resilience efforts on a national and global level:**

**The program is directed at creation of a new industry cluster and accelerating businesses around resilience solutions, including innovative water management. RISE will be a critical component of the region's long-term economic resilience and will help diversify the regional economy presently vulnerable to economic shocks due to over-reliance on a very few economic engines. The goal is to advance the Hampton Roads region's position as the global leading laboratory working to accelerate adaptation to address risk and mitigate impacts of potential shocks and existing stresses associated with evolving coastal conditions including increasing frequency and intensity of recurrent flooding and sea level rise.**

- d) **PROJECT ACTIVITIES: RISE will:**
- i) **Establish partnerships with other business incubators to recruit businesses.**
  - ii) **Broker between companies and regional assets in Hampton Roads (encourage participation among all jurisdictions) to access the living laboratory environment.**
  - iii) **Broker the development of products and technologies related to climate change and resiliency.**
  - iv) **Provide mentoring, training and technical and financial assistance to businesses recruited into the accelerator.**
  - v) **Establish workforce development efforts for the region.**
  - vi) **Support innovative financing studies and analyses.**

**vii) Support community awareness and education related to climate change and resiliency.**

**viii) Provide additional support as needed and approved by the Recipient to further the mission of RISE and the NDRC.**

- 4) The aforementioned PROJECT shall be carried out, and grant payments made in strict conformance with the GRANT AGREEMENT.
- 5) The SUBRECIPIENT will use the lesser of (1) the amount specified above, or (2) if, at total PROJECT completion, there are cost underruns or project savings, these costs shall revert to the Department of Housing and Community Development, unless superseded by other federal program requirements.
- 6) The SUBRECIPIENT will initiate the PROJECT required by the GRANT AGREEMENT beginning **May 24, 2017**, unless grant Special Conditions require additional action on the specified PROJECT before proceeding with that PROJECT. In such instances the SUBRECIPIENT will initiate action relative to removal of the Special Conditions beginning with the execution of this GRANT AGREEMENT.
- 7) **PERIOD OF PERFORMANCE** - The SUBRECIPIENT shall complete the work as described in the GRANT AGREEMENT on or before **June 30, 2022**. If the PROJECT is not completed by that date all CIG funding and this AGREEMENT shall be terminated and the SUBRECIPIENT shall return all unexpended funds, unless an amendment to the GRANT AGREEMENT DOCUMENT provides otherwise.
- 8) RECIPIENT agrees to make payment for eligible cost to the SUBRECIPIENT upon receipt of a properly completed and signed invoice. Requests for Payment may be made, allowing approximately twenty-one days for receipt of the funds. Funds are to be immediately disbursed by the SUBRECIPIENT and shall not be deposited in an interest-bearing account.
- 9) The term GRANT AGREEMENT DOCUMENTS means the following documents which are a part of this GRANT AGREEMENT and are incorporated by reference herein as if set out in full.
  - a) NDRC Application (Phase I, Phase II, and revisions);
  - b) AGREEMENT;
  - c) SPECIAL CONDITIONS;
  - d) GENERAL CONDITIONS;
  - e) ASSURANCES;
  - f) AMENDMENTS;

- g) NDR GRANT MANAGEMENT MANUAL (Those items specified as being required);
- h) NDR CONTRACT NEGOTIATION RECORD;
- i) PROJECT MANAGEMENT PLAN;
- j) PROGRAM INCOME PLAN; and
- k) ANY PROJECT SPECIFIC PLAN AND/OR PROGRAM DESIGN;
- l) CODE OF FEDERAL REGULATIONS Chapter 49—Title 24 Part 570.
- m) FEDERAL REGISTER / Vol. 81, No. 109 / Tuesday, June 7, 2016/Notices
  - i) DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT [Docket No. FR-5936-N-01] **Notice of National Disaster Resilience Competition Grant Requirements**
- n) UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS (2 CFR 200)
- o) CDBG National Objective Wavier (if approved)

In witness whereof, the parties hereto have executed or caused to be executed by their duly authorized official this AGREEMENT in duplicate, each copy of which will be deemed an original.

COMMONWEALTH OF VIRGINIA,

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

(RECIPIENT)

BY:  DATE: 5-24-17

William C. Shelton, Director

I do certify that William C. Shelton personally appeared before me and made oath that he is Director of the Virginia Department of Housing and Community Development and that he is duly authorized to execute the foregoing document.

My commission expires: 9/30/2017.

Given under my hand this 24<sup>th</sup> day of May, 2017.





Notary Public

7233308

Registration Number



COASTAL COMMUNITY RESILIENCE, INC., DBA RISE

(SUBRECIPIENT)

BY: 

DATE: 5/25/17

Paul Robinson, Executive Director

COASTAL COMMUNITY RESILIENCE, INC.,

I do certify that Paul Robinson personally appeared before me and made oath that he/she is Exec Director of the Coastal Comm Resilience and that he/she is duly authorized to execute the foregoing document.

My commission expires: 5-31-20

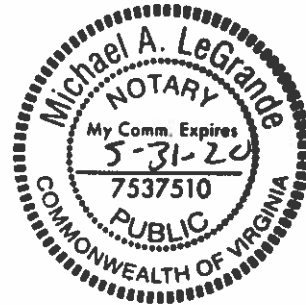
Given under my hand this 25<sup>th</sup> day of May, 20 20.



Notary Public

7537510

Registration Number



## SPECIAL CONDITIONS

- 1) The GRANTEE hereby agrees to pursue leverage funding and resources in the amount of \$5,000,000 to support the total CDBG-NDR proposed Project budget for RISE of approximately \$12,250,000. RISE will also pursue additional leverage funding efforts to support the CDBG-NDR proposed project budget.

Documentation on the expenditure of these funds shall be maintained by the SUBRECIPIENT and reported to DHCD with each monthly report and at project closeout.

- 2) Notwithstanding the effective date of this contract, **May 24, 2017**, eligible prior authorized expenses may be incurred prior to this date. They will be approved under allowable conditions per HUD guidance specified in this agreement.
- 3) Only allowable administrative cost can be requested for reimbursement. Reimbursement will be based on actual administrative expenses and will need to sustain the life of the grant.
- 4) Administration Cap cannot exceed the five percent limit mandated by HUD guidance, however individual administration amount maybe increase based on the amount of program income received which ultimately increases the overall grant. The amount of possible administration increase would be relative to the overall grant increase.
- 5) The PROJECT MANAGEMENT TEAM shall communicate regularly with DHCD (to be established based on the project management plan) to properly monitor the PROJECT's progress. Project Management Team members will be identified in the project management plan and must attend team meetings. The Team will review its Project Management Plan to determine if the project is being implemented according to the projected plan. The plan will be updated promptly in recognition of a deviation from projections and submitted in CAMS for approval by RECIPIENT.
- 6) RECIPIENT reserves the right to end funding at any point should the project prove nonviable with 30 days written notice. This includes, but may not be limited to, lack of progress in conformance with the approved Project Management Plan.
- 7) Monthly progress reports must be submitted to RECIPIENT. These reports must document funds expended and obligated to date and the actions taken on key benchmarks that support the successful completion of the project.
- 8) RECIPIENT reserves the right to request and receive additional documentation pertaining to construction, professional service, non-professional service or other contracts obligating CDBG funds prior to approving drawdown requests.
- 9) As the Centralized Application and Management System (CAMS) is implemented, at a minimum, the following must be observed:

- a) An approved budget.
  - b) The original executed Grant Agreement must be mailed to RECIPIENT. Copies must also be uploaded into "Reports and Communication" in CAMS.
  - c) All activities required by this contract must be uploaded into "Reports and Communication" in CAMS.
  - d) All payment requests must be submitted through "Remittance" in CAMS by authorized individuals as identified in the project management plan.
  - e) The following contract documents must be uploaded individually into "Reports and Communication" in CAMS: Fair Housing Certification, Project Management Plan, Project Income Plan, Program Design and/or Staffing and Operations Plan, NOI-FONSI advertisement, and Request for Release of Funds and Certification.
  - f) The original executed Final Financial Report must be mailed to RECIPIENT. A copy must also be uploaded into "Reports and Communication" in CAMS.
  - g) All annual financial audit reports required by this contract shall be submitted through CAMS.
- 10) NATIONAL OBJECTIVES & WAIVER – An eligibility waiver request has been submitted to HUD by the Commonwealth of Virginia on behalf of RISE. This waiver is required because RISE's design does not break down neatly into CDBG eligibility categories. Portions of RISE's program are eligible activities while other portions appear to be outside the usual CDBG realm. RISE's staff will be coordinating the various types of assistance into a coherent whole, moving between supporting eligible and currently potentially ineligible activities. If HUD does not approve the waiver RISE will be subject to National Objective Requirements set by HUD.

**(SPECIAL CONDITIONS)**

COASTAL COMMUNITY RESILIENCE, INC. DBA RISE

(SUBRECIPIENT)

BY:   
 Paul Robinson, Executive Director

DATE: 5/25/17

## GENERAL CONDITIONS

- 1) **DEFINITIONS** - Whenever used in the GRANT AGREEMENT DOCUMENTS the following terms when written in all capital letters shall have the meanings indicated and shall be applicable to both the singular and plural thereof:
- **AMENDMENT** - A formal addition or modification to the GRANT AGREEMENT which has been approved in writing by both parties, and which affects the scope, objectives or completion date of the PROJECT, or which affects the manner in which the PROJECT is to be carried out.
  - **APPLICANT** - The entity which made the proposal for NDRC GRANT funding and accepted responsibility for assuring compliance and performance of all conditions.
  - **ASSURANCES** - The ASSURANCES which are attached to this document.
  - **CAMS** - Centralized Application Management System, which the Department of Housing and Community Development utilizes for managing and administering programs and grants with SUBRECIPIENTS.
  - **CONTRACT** - Contract means a legal instrument by which a non-Federal entity purchases property or services needed to carry out the project or program under a Federal award. The term as used in this part does not include a legal instrument, even if the non-Federal entity considers it a contract, when the substance of the transaction meets the definition of a Federal award or subaward.
  - **CONTRACTOR** - Contractor means an entity that receives a contract as defined above.
  - **GRANT AGREEMENT** - Grant agreement means a legal instrument of financial assistance between a Federal awarding agency or pass-through entity and a non-Federal entity that, consistent with 31 U.S.C. 6302, 6304:
    - i) Is used to enter into a relationship the principal purpose of which is to transfer anything of value from the Federal awarding agency or pass-through entity to the non-Federal entity to carry out a public purpose authorized by a law of the United States (see 31 U.S.C. 6101(3)); and not to acquire property or services for the Federal awarding agency or pass-through entity's direct benefit or use;
    - ii) Is distinguished from a cooperative agreement in that it does not provide for substantial involvement between the Federal awarding agency or pass-through entity and the non-Federal entity in carrying out the activity contemplated by the Federal award.

iii) Does not include an agreement that provides only:

- (1) Direct United States Government cash assistance to an individual;
- (2) A subsidy;
- (3) A loan;
- (4) A loan guarantee; or
- (5) Insurance.

- **FOR CAUSE** - A method of **TERMINATION, SUSPENSION, CONDITIONS** See **TERMINATION, SUSPENSION, CONDITIONS**
- **FOR CONVENIENCE** - A method of **TERMINATION, SUSPENSION, CONDITIONS** See **TERMINATION, SUSPENSION, CONDITIONS**
- **GRANT AGREEMENT DOCUMENTS** - The legal agreement between **RECIPIENT** and the **SUBRECIPIENT** including the **AGREEMENT** and all documents referenced in paragraph 9 thereof.
- **MANUAL** - The Grant Management Manual, which contains required forms and instructions for the administration of **NDR** grants and provides required and non-required procedures for project management.
- **NATIONAL DISASTER RESILIENCE COMPETITION GRANT** - The funds and the **PROJECT** to be funded, and all conditions, laws and regulations affecting administration of funds currently in effect or as subsequently amended, and provided by **RECIPIENT** to the **SUBRECIPIENT** from Community Development Block Grant—Disaster Recovery funds awarded to the Commonwealth of Virginia by the U.S. Department of Housing and Urban Development.
- **NON-FEDERAL ENTITY** - Non-Federal entity means a state, local government, Indian tribe, institution of higher education (IHE), or nonprofit organization that carries out a Federal award as a recipient or subrecipient.
- **NONPROFIT ORGANIZATION** - Nonprofit organization means any corporation, trust, association, cooperative, or other organization, not including IHEs, that:
  - i) Is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest;
  - ii) Is not organized primarily for profit; and

- iii) Uses net proceeds to maintain, improve, or expand the operations of the organization.
- **PASS-THROUGH ENTITY** - Pass-through entity means a non-Federal entity that provides a subaward to a subrecipient to carry out part of a Federal program.
- **PERIOD OF PERFORMANCE** - Period of performance means the time during which the non-Federal entity may incur new obligations to carry out the work authorized under the Federal award. The Federal awarding agency or pass-through entity must include start and end dates of the period of performance in the Federal award (see 2 CFR 200.210 Information contained in a Federal award paragraph (a)(5) and 2 CFR 200.331 Requirements for pass-through entities, paragraph (a)(1)(iv)).
- **PRODUCT** – A **PROJECT** activity which constitutes a specific portion of the **PROJECT**, and as such is covered by its own budget.
- **PROJECT** - The physical activities undertaken to meet the overall stated objective for which NDRC funding is utilized.
- **PROJECT MANAGEMENT PLAN** - A plan prepared by the **SUBRECIPIENT**, which identifies roles, responsibilities, method of contract administration and oversight, key dates for task implementation and completion, analysis of potential problems and management organization.
- **PROJECT MANAGEMENT TEAM** - A group of individuals in charge of various project related task assigned in the **PROJECT MANAGEMENT PLAN**
- **PROGRAM BUDGET** - Budget means the financial plan for the project or program that the Federal awarding agency or pass-through entity approves during the Federal award process or in subsequent amendments to the Federal award. It may include the Federal and non-Federal share or only the Federal share, as determined by the Federal awarding agency or pass-through entity.
- **PROGRAM INCOME** - Program income means gross income earned by the non-Federal entity that is directly generated by a supported activity or earned as a result of the Federal award during the period of performance except as provided in 2 CFR 200.307 paragraph (f). (See p) **PERIOD OF PERFORMANCE**.) Program income includes but is not limited to income from fees for services performed, the use or rental of real or personal property acquired under Federal awards, the sale of commodities or items fabricated under a Federal award, license fees and royalties on patents and copyrights, and principal and interest on loans made with Federal award funds. Interest earned on advances of Federal funds is not program income. Except as otherwise provided in Federal statutes, regulations, or the terms and conditions of the Federal award, program income does not

include rebates, credits, discounts, and interest earned on any of them. See also 2 CFR 200.407 Prior written approval (prior approval). See also 35 U.S.C. 200-212 "Disposition of Rights in Educational Awards" applies to inventions made under Federal awards.

- **RECIPIENT** - Recipient means a non-Federal entity that receives a Federal award directly from a Federal awarding agency to carry out an activity under a Federal program. The term recipient does not include subrecipients.
- **SUBAWARD** - Subaward means an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract.
- **SUBRECIPIENT** - Subrecipient means a non-Federal entity that receives a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency.
- **STATE** - State means any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, U.S. Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any agency or instrumentality thereof exclusive of local governments.
- **TERMINATION, SUSPENSION, CONDITIONS** - Termination means the ending of a Federal award, in whole or in part at any time prior to the planned end of period of performance (See v) FOR CAUSE and w) FOR CONVENIENCE).
- **UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS** – On December 19, 2014 (79 FR 75867), OMB published a joint, Government-wide interim rule of all Federal award-making agencies entitled, "Federal Awarding Agency Regulatory Implementation of Office of Management and Budget's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards." In the joint interim rule, HUD and all other Federal award making agencies implemented OMB's final guidance entitled, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" (Uniform Guidance) published on December 26, 2013 (78 FR 78589). The Uniform Guidance followed publication of a Notice of Proposed Guidance published on February 1, 2013 (78 FR 7282), and an Advance Notice of Proposed Guidance published on February 28, 2012 (77 FR 11778), and incorporated public comments received on those two documents. The Uniform Guidance is codified at 2 CFR part 200. OMB's

Uniform Guidance provides a Government-wide framework for Federal grant management designed to reduce administrative burden for non-Federal entities receiving Federal awards, while reducing the risk of waste, fraud, and abuse. The Uniform Guidance establishes requirements and responsibilities for all Federal agencies that award Federal financial assistance and all non-Federal entities that receive Federal awards. In developing the Uniform Guidance, OMB consolidated existing OMB circulars into a single set of requirements. OMB circulars consolidated and superseded by the Uniform Guidance include:

- A-21, “Cost Principles for Educational Institutions”;
- A-87, “Cost Principles for State, Local and Indian Tribal Governments”;
- A-102, “Grant Awards and Cooperative Agreements with State and Local Governments”;
- A-110, “Uniform Administrative Requirements for Awards and Other Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations”; and
- A-133, “Audits of States, Local Governments and Non-Profit Organizations”.

The Uniform Guidance also replaces provisions of OMB circulars that relate to Single Audit Act audits. OMB’s consolidation of prior guidance was aimed at eliminating duplicative or nearly duplicative language in order to clarify existing guidance. The Uniform Guidance does not broaden the scope of applicability of the guidance superseded. The policy reforms brought about by the Uniform Guidance include:

- Eliminating duplicative/conflicting guidance;
- Focusing on performance over compliance for accountability;
- Encouraging efficient use of information technology (IT)/shared services;
- Providing for consistent treatment of costs;
- Limiting allowable costs for the best use of Federal resources;
- Incorporating standard business processes using data definitions;
- Strengthening oversight; and
- Targeting audit requirements on risk of waste, fraud, and abuse. The Uniform Guidance also streamlines audit procedures by:



- Raising the Single Audit threshold from \$500,000 to \$750,000;
  - Raising the questioned cost limit in Single Audits from \$10,000 to \$25,000; and
  - Requiring assessment of Government wide audit quality to be conducted every 6 years (beginning in 2018).
- **WRITTEN NOTICE** - Any notice from one party to the AGREEMENT to the other signed by an authorized official which transmits binding statements of fact or condition and is delivered to the appropriate authorized official either in person or through the United States mail.
    - **WRITTEN NOTICES** shall be signed by and addressed to the appropriate authorized official and shall be considered transmitted when delivered in person, uploaded into CAMS or through the United States mail.
    - The **SUBRECIPIENT** shall act upon and respond to **WRITTEN NOTICES** promptly in a timely manner (No more than thirty (30) days).
- 2) **ADMINISTRATIVE PROCEDURES** - The **SUBRECIPIENT** shall perform all contracted **WORK** and administer all grant funds and activities in conformance with the general terms and special conditions set forth where required in **RECIPIENT's MANUAL**, and any **WRITTEN NOTICES** from **RECIPIENT**.
- 3) **ACCOUNTING RECORDS** - The **SUBRECIPIENT** shall establish and maintain separate accounts within its existing accounting system or set up accounts independently which are in conformity with the requirements of the Code of Federal Regulations (2 CFR 200), the **RECIPIENT MANUAL** requirements and any **WRITTEN NOTICES** from **RECIPIENT**. The **SUBRECIPIENT** shall record in its accounting system all Grant payments received by it pursuant to this Grant and all other funds provided for, accruing to, or otherwise received on account of the Grant.
- All costs, including paid services contributed by the **SUBRECIPIENT** or others, charged to the Grant shall be supported by properly executed payrolls, time records, invoices, contracts, or vouchers evidencing in proper detail the nature and propriety of the charges. All checks, payrolls, invoices, contracts, vouchers, orders, or other accounting documents pertaining in whole or in part to the Grant shall be clearly identified, readily accessible, and separate and distinct from all other such documents. Such documents shall reside at the offices of the **SUBRECIPIENT**.
- 4) **COSTS INCURRED PRIOR TO GRANT AGREEMENT EXECUTION** - No costs incurred prior to the execution of the **GRANT AGREEMENT** shall be eligible for reimbursement with Grant funds, unless such incurred costs are authorized in writing by **RECIPIENT**.

- 5) **PROGRAM BUDGET** - The SUBRECIPIENT shall carry out activities and incur costs only in conformance with the latest approved budget for the Grant and subject to the provisions of these GRANT AGREEMENT. The budget may be revised through Administrative Procedures detailed in the MANUAL, but no such budget or revision shall be effective unless and until the Department shall have approved the same in writing or as indicated in item 16 of these General Conditions.
- 6) **RECORDS** - The SUBRECIPIENT shall maintain such records in such a manner as prescribed in the MANUAL. Records shall be readily accessible to RECIPIENT, appropriate State and Federal agencies, and the general public during the course of the project and shall remain intact and accessible for five years from final closeout. Except if any litigation claim or audit is started before the expiration of the five year period the records shall be retained until such action is resolved. Notwithstanding, records of any nonexpendable property must be retained for a five-year period following final disposition.
- 7) **REPORTS** - The SUBRECIPIENT shall furnish, regularly and in such form as RECIPIENT may require, reports concerning the status of project activities and grant funds. Such reports shall be submitted in the form and manner as prescribed in the MANUAL and in WRITTEN NOTICES from RECIPIENT.

All reports shall be completed in full and submitted at the time prescribed by RECIPIENT. Reports shall contain accurate information and shall detail any problems, delays or adverse conditions experienced.

- 8) **QUALITY CONTROL** - The SUBRECIPIENT accepts the responsibility to assure that all grant funded PRODUCTS shall be implemented with the highest possible degree of competence, workmanship, quality and cost effectiveness. To this end the SUBRECIPIENT shall provide a system of quality control to include all aspects of grant administration and project implementation.
- 9) **COMMUNICATIONS - WRITTEN NOTICES and CAMS SUBMISSIONS** shall constitute the only means of binding statements of fact or condition between the parties of this agreement. All required reports and requests to be issued by the SUBRECIPIENT or RECIPIENT must be made by way of a WRITTEN NOTICE unless other means are specified in the GRANT AGREEMENT DOCUMENTS. *Please note that project-specific technical assistance provided via email does NOT have the weight of official WRITTEN NOTICE. Rather, it is comparable to oral technical assistance discussions.* All directives, findings and other formal issuance by RECIPIENT must be transmitted through a WRITTEN NOTICE unless otherwise specified in the GRANT AGREEMENT.

- 10) **ACCESS TO BENEFITS** - If the CDBG National Objective waiver is not accepted then this will apply when applicable. No access or connection fees shall be charged to low- and moderate-income persons for access to improvements or benefits provided by grant funds. All low- and moderate-income persons identified in the proposal shall be assured access to and use of grant assisted improvements by regular user charges for the specified service.
- 11) **BENEFITS** - If the CDBG National Objective waiver is not accepted then this will apply when applicable. The PROJECT shall be implemented in such a manner so as to provide benefits to all persons identified in the project proposal. Affirmative steps shall be taken to assure direct benefit to low- and moderate-income persons in the number and extent identified in the proposal.
- 12) **PROGRAM INCOME** - The Recipient will manage program income (e.g., including, in agreements, whether subrecipients may retain it), and the purpose(s) for which it may be used.
- **Program Income Alternative Requirement.** The Department is waiving applicable program income rules at 42 U.S.C 5304(j), 24 CFR 570.500(a) and (b), 570.504, and 570.489(e) to the extent necessary to provide additional flexibility as described under this notice. The alternative requirements provide guidance regarding the use of program income received before and after grant closeout and address revolving loan funds.
    - i) **Definition of Program Income.**
      - (1) For the purposes of this subpart, “program income” is defined as gross income generated from the use of CDBG–NDR funds and received by a State, local government, or tribe, or a subrecipient of a State, local government, or tribe, unless excluded from the definition as described in paragraph i)(2) and paragraph iv) below. When income is generated by an activity that is only partially assisted with CDBG–NDR funds, the program income to the CDBG–NDR grant shall be prorated to reflect the percentage of CDBG–NDR funds used (e.g., a single loan supported by CDBG–NDR funds and other funds; a single parcel of land purchased with CDBG–NDR funds and other funds). Program income includes, but is not limited to, the following:
        - (a) Proceeds from the disposition by sale or long-term lease of real property purchased or improved with CDBG– NDR funds;
        - (b) Proceeds from the disposition of equipment purchased with CDBG–NDR funds;
        - (c) Gross income from the use or rental of real or personal property acquired with CDBG–NDR funds by a State, local government, or tribe,

or subrecipient of a State, local government, or tribe, less costs incidental to generation of the income (i.e., net income);

- (d) Net income from the use or rental of real property owned by a State, local government, or tribe or subrecipient of a State, local government, or tribe, that was constructed or improved with CDBG–NDR funds;
  - (e) Payments of principal and interest on loans made using CDBG–NDR funds;
  - (f) Proceeds from the sale of loans made with CDBG–NDR funds;
  - (g) Proceeds from the sale of obligations secured by loans made with CDBG–NDR funds;
  - (h) Interest earned on program income pending disposition of the income, but excluding interest earned on funds held in a revolving fund account;
  - (i) Funds collected through special assessments made against properties owned and occupied by households not of low- and moderate-income, where the special assessments are used to recover all or part of the CDBG–NDR portion of a public improvement; and
  - (j) Gross income paid to a State, local government, or tribe, or paid to a subrecipient thereof, from the ownership interest in a for-profit entity in which the income is in return for the provision of CDBG–NDR assistance.
- (2) “Program income” does not include the following:
- (a) The total amount of funds which is less than \$25,000 received in a single year and retained by a State, local government, tribe, or retained by a subrecipient thereof;
  - (b) Amounts generated by activities both eligible and carried out by an entity under the authority of section 105(a)(15) of the HCD Act;
- ii) Retention of Program Income. Per 24 CFR 570.504(c), a local government Grantee receiving a direct CDBG–NDR award may permit a subrecipient to retain program income. State Grantees may permit a local government or tribe, which receives or will receive program income, to retain the program income, but are not required to do so.
  - iii) Program Income—Use, Closeout, and Transfer.

- (1) Program income received (and retained, if applicable) before or after closeout of the grant that generated the program income, and used to continue disaster recovery activities, is treated as additional CDBG–NDR grant funds subject to the requirements of this notice and must be used in accordance with the Grantee’s Action Plan. To the maximum extent feasible, program income shall be used or distributed before additional withdrawals from the U.S. Treasury are made, except as provided in subparagraph iv) of the PROGRAM INCOME section.
- (2) In addition to the regulations dealing with program income found at 24 CFR 570.489(e) and 570.504, modified by this notice, the following rules apply: A Grantee may transfer program income before closeout of the CDBG–NDR grant that generated the program income to its annual CDBG program. In addition, a State Grantee may transfer program income before closeout to any annual CDBG-funded activities carried out by a local government or Indian tribe within the State, including a local government that is an Entitlement CDBG grantee if that Entitlement grantee received CDBG disaster recovery assistance from the State or from HUD under Public Law 113–2.

Program income received by a Grantee, or received and retained by a subgrantee, after closeout of the grant that generated the program income, may also be transferred to a Grantee’s annual CDBG award. In all cases, any program income received, and not used to continue disaster recovery activities, will not be subject to the waivers and alternative requirements of this notice. Rather, those funds will be subject to the Grantee’s non-disaster formula CDBG program rules.

- iv) **Revolving Loan Funds.** Entitlement Grantees, State Grantees, and local governments or tribes (as permitted by a State Grantee) may establish revolving funds to carry out specific, identified activities. A revolving fund, for this purpose, is a separate fund (with a set of accounts that are independent of other program accounts) established to carry out specific activities. These activities generate payments, which will be used to support similar activities going forward. These payments to the revolving fund are program income and must be substantially disbursed from the revolving fund before additional grant funds are drawn from the U.S. Treasury for payments that could be funded from the revolving fund. Such program income is not required to be disbursed for non-revolving fund activities.

State Grantees may also establish a revolving fund to distribute funds to local governments or tribes to carry out specific, identified activities. The same requirements, outlined above, apply to this type of revolving loan fund. Lastly, note

that no revolving fund established per this notice, shall be directly funded or capitalized with an advance of CDBG-NDR grant funds.

- **Tracking Program Income in the DRGR System.** Recipient must use the DRGR system to draw grant funds for each activity. Recipients must also use the DRGR system to track program income receipts, disbursements, and revolving loan funds. If a Recipient permits local governments or subrecipients to retain program income, the Recipient must establish program income accounts in the DRGR system. The DRGR system requires Recipients to use program income before drawing additional grant funds, and ensures that program income retained by one organization will not affect grant draw requests for other organizations. Therefore, the SUBRECIPIENT will be responsible for reporting program income to RECIPIENT

- 13) **CONTRACT SECURITY** - The SUBRECIPIENT shall secure all materials and equipment, purchased or paid for with grant funds through insurance coverage at the full value of each item.

All persons contracted, employed or otherwise utilized in the grant and having responsibility for the management, disposition, expenditure or use of Grant funds shall be bonded by a surety registered to do business in the Commonwealth of Virginia in an amount commensurate with their authority and potential liability.

- 14) **METHOD AND TIMING OF PAYMENT** - The SUBRECIPIENT shall utilize Request for Payment procedures as specified in the MANUAL. The SUBRECIPIENT shall request funds only for those amounts which have been obligated, encumbered or expended through other accounts and which can be expended upon receipt or soon thereafter. To this end, the SUBRECIPIENT shall develop a financial management system which provides for timely expenditure of requested grant funds.
- 15) **DRAWDOWN AND PAYMENT OF GRANT FUNDS** - Drawdowns and expenditure of CDBG funds must be made subsequent to or in proportion to other funds within the budget per activity, and in accord with an agreed-upon pay-for-performance schedule.
- 16) **BUDGET REVISIONS/AMENDMENTS** - The SUBRECIPIENT shall not obligate, encumber, spend or otherwise utilize NDRC funds for any activity or purpose not included or not in conformance with the budget as apportioned and as submitted to RECIPIENT unless the SUBRECIPIENT has received explicit approval by WRITTEN NOTICE from RECIPIENT to undertake such actions.
- 17) **CHANGE ORDERS** - RECIPIENT must approve all change orders on construction contracts. Any change order, regardless of cost, which results in a change of project scope, will be a disallowed cost.

18) **INELIGIBLE COST** – Any cost found to be ineligible by RECIPIENT or HUD will not be reimbursed or must be repaid by SUBRECIPIENT.

19) **TERMINATION, SUSPENSION, CONDITIONS** –

- **FOR CAUSE** - If for any cause, the SUBRECIPIENT or RECIPIENT fails to comply with the terms, conditions or requirements of the GRANT AGREEMENT the other party may terminate or suspend this GRANT AGREEMENT by giving WRITTEN NOTICE of the same and specifying the effective date of termination or suspension at least thirty (30) days prior to such action.

If, after the effective date of any suspension of this AGREEMENT, it is mutually agreeable to RECIPIENT and the SUBRECIPIENT upon remedy of any contract violation by the SUBRECIPIENT or RECIPIENT, the suspension may be lifted and the AGREEMENT shall be in full force and effect at a specified date after the parties have exchanged WRITTEN NOTICES stating a mutual understanding that the cause for suspension has been identified, agreed to and remedied.

In the case of contract violations by the SUBRECIPIENT, RECIPIENT may impose conditions other than termination or suspension which are appropriate to ensure proper grant and project administration and adherence to the terms of the GRANT AGREEMENT. Such conditions must be WRITTEN NOTICE

- **FOR CONVENIENCE** - RECIPIENT may terminate this AGREEMENT for convenience in the event that RECIPIENT is no longer authorized as an agency to administer the CDBG program or if the federal funds allocated are no longer available.

The SUBRECIPIENT may terminate this AGREEMENT for convenience at any time provided that all of the following conditions are met:

- i) SUBRECIPIENT gives RECIPIENT ten (10) days WRITTEN NOTICE; and
- ii) The PRODUCTS which have been initiated either have been completed and may be utilized in their stage of completion in a manner consistent with the objectives in the RECIPIENT'S NDRC Application, or will be completed by the SUBRECIPIENT through its own or other resources; and
- iii) The SUBRECIPIENT has honored or will honor all contractual obligations to third parties affected by the PROJECT; and
- iv) A SUBRECIPIENT'S valid termination for convenience in accordance with this GRANT AGREEMENT shall not affect nor prejudice the SUBRECIPIENT'S future relationship with neither RECIPIENT nor its future consideration as a CIG recipient.

- 20) **SUBSEQUENT CONTRACTS** - The SUBRECIPIENT shall remain fully obligated under the provisions of the GRANT AGREEMENT notwithstanding its designation of any third parties for the undertaking of all or part of the PRODUCTS for which the Grant assistance is being provided to the SUBRECIPIENT.

Any SUBRECIPIENT or CONTRACTOR which is not the APPLICANT shall comply with all the legal requirements made of the APPLICANT which are necessary to ensure that the PROJECT for which this assistance is being provided under this AGREEMENT is carried out in accordance with the APPLICANT'S Assurances and Certifications.

SUBRECIPIENTs shall obtain a financial disclosure report from all contractors, subcontractors, developers, and consultants which certifies the financial interest of all officers, directors, principal stockholders, or other persons who will have a \$50,000 or 10 percent or greater interest in the contract whichever is lower.

- 21) **POLITICAL ACTIVITY PROHIBITED** - None of the funds, materials, property or services contributed by the RECIPIENT or the SUBRECIPIENT, under this GRANT AGREEMENT, shall be used in the performance of this AGREEMENT for any partisan political activity, or to further the election or defeat of any candidate for public office.

- 22) **CONFLICT OF INTEREST** - No officer, member, or employee of the SUBRECIPIENT and no member of its governing body, and no other public official of the governing body of the locality or localities in which the PROJECT is situated or being carried out, who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of this PROJECT shall participate in any decision relating to this GRANT AGREEMENT which affects his personal interest or have any personal or pecuniary interest, direct or indirect, in this GRANT AGREEMENT or the proceeds thereof.

No member of or delegate to the Congress of the United States of America and no Resident Commissioner shall be admitted to any share or part hereof or to any benefit to arise therefrom.

- 23) **CERTIFICATIONS** - The SUBRECIPIENT certifies that it will comply with the following:

- Virginia Freedom of Information Act;
- Virginia Conflict of Interest Act; and
- Virginia Fair Employment Contracting Act.

- 24) **BENEFICIARIES** - There are no third party beneficiaries of this GRANT AGREEMENT. The provisions contained in this GRANT AGREEMENT represent the entire GRANT AGREEMENT between RECIPIENT and the SUBRECIPIENT. The provisions are designed to assist in meeting the community needs of the SUBRECIPIENT identified in the RECIPIENT'S NDRC Application, but are not designed to accrue to the specific benefit of any individual person or entity residing



or located in the SUBRECIPIENT’S community or elsewhere. Consequently, the terms of these GRANT AGREEMENT may be enforced by RECIPIENT or the SUBRECIPIENT exclusively and not by any individual person or entity residing or located in the SUBRECIPIENT’S community or elsewhere as a third-party beneficiary of this contract.

- 25) **DUPLICATION OF BENEFITS REQUIREMENTS** - Duplication of benefits requirements in section 312 of the Stafford Act and in the Appropriations Act apply to the use of CDBG–NDR funds. To help prevent the duplication of benefits, HUD published a notice in the Federal Register on November 16, 2011, at 76 FR 71060. The Department published additional guidance on July 25, 2013, titled “Guidance on Duplication of Benefit Requirements and Provision of CDBG–DR Assistance.” The steps and actions described in the November 2011 and the July 2013 guidance documents are mandatory requirements applicable to the use of CDBG–NDR funds.
- 26) **AUDITS** – All SUBRECIPIENTS that receive funding during a specific program year are required to submit one of the following financial documents: Financial Statement\*\*, Reviewed Financial Statement prepared by an independent Certified Public Accountant (CPA), Audited Financial Statement prepared by an independent CPA or an OMB A-133 Audit (Single Audit) prepared by an independent CPA. Please see the table below to determine which document your organization is required to submit.

The threshold requirements outlined below are the *minimal* standards required by RECIPIENT. We strongly encourage all organizations receiving funds from RECIPIENT to undertake the highest level of financial management review to ensure practices and procedures are fully examined and evaluated.

Threshold Requirement	Document
Total annual expenditures ≤\$100,000 – regardless of source	Financial Statement prepared by organizations**
Total annual expenditure between \$100,001 and \$300,000 – regardless of source	Reviewed Financial Statement prepared by an Independent Certified Public Accountant (CPA)
Total annual expenditures > \$300,000 – regardless of source	Audited Financial Statement prepared by an Independent CPA
Federal expenditures ≥\$750,000	2 CFR 200 Subpart F Audit – Audited by an Independent CPA

\*\*Does not require preparation by a CPA

**SUBMISSION REQUIREMENTS**

Required financial statements must be submitted yearly, within nine (9) months after the end of your fiscal year or 30 (thirty) days after it has been accepted (reviewed financial statement(s), audited financial statements, and 2 CFR 200 Subpart F audit only) - whichever comes first.

Entities must electronically submit their financial statement(s), reviewed financial statements, audited financial statements, or 2 CFR 200 Subpart F audit in DHCD's Centralized Application and Management System (CAMS) which requires the organization to register in CAMS at <https://dmz1.dhcd.virginia.gov/camsportal/Login.aspx>.

Entities are required to have a DHCD reviewed and approved current audit or reviewed financial statement(s) in order to submit a remittance request.

Additional reporting requirement (for local governments and non-profits organizations)

In accordance with the Code of Federal Regulations; Title 2 CFR Part 200 Subpart F, non-Federal entities that expend \$750,000 or more in federal awards within the entity's fiscal year are required to complete a "Data Collection Form for Reporting on Audits of States, Local Governments, and Non-Profit Organizations" (see Appendix A for sample form), upload your audit to CAMS and submit a copy of your Audited Financial Statement to the Federal Audit Clearinghouse at <https://harvester.census.gov/facweb/files/2013%20Form%20SF-SAC.pdf>

**(GENERAL CONDITIONS)**

COASTAL COMMUNITY RESILIENCE, INC., DBA RISE

(SUBRECIPIENT)

BY:   
 Paul Robinson, Executive Director

DATE: 5/25/17

## ASSURANCES/CERTIFICATIONS

The SUBRECIPIENT hereby assures and certifies that:

- 1) It possesses legal authority to execute the PROJECT.
- 2) Its governing body has duly adopted or passed as an official act a resolution, motion, or similar action authorizing the filing of the PROJECT proposal including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the SUBRECIPIENT to act in connection with the PROJECT proposal and to provide such additional information as may be required.
- 3) Its chief executive officer or other officer of SUBRECIPIENT approved by the Virginia Department of Housing and Community Development:
  - a) Is authorized and consents on behalf of the SUBRECIPIENT and himself to accept the jurisdiction of the Federal and Commonwealth of Virginia courts for the purpose of enforcement of his responsibilities as such an official.
- 4) It will comply with the regulations, policies, guidelines and requirements of the UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS 2 CFR 200 and how they relate to the PROJECT, acceptance, and use of Federal funds under this Grant; and, as applicable, all State laws and administrative requirements which may supersede them (by virtue of being more stringent).
- 5) It will comply with the provisions of Executive Order 11988, relating to evaluation of flood hazards and Executive Order 12088 relating to the prevention, control and abatement of water pollution.
- 6) It will require buildings or facilities designed, constructed, or altered with funds provided under this Grant to comply with the "American Standard Specifications for Making Buildings and Facilities Accessible to, and Usable by, the Physically Handicapped," Number A-117.1-R 1980, or Uniform Federal Accessibility Standards (UFAS) in accordance with the Virginia Uniform Statewide Building Code. The SUBRECIPIENT will be responsible for conducting inspections to insure compliance with these specifications by the contractor.
- 7) It will not recover the capital costs for public improvements financed in whole or in part with CDBG funds through assessments against properties owned and occupied by low- and moderate- income persons nor will fees or assessments be charged to such persons as a condition of obtaining access to the public improvements. (Per section 104(b) (5) of Title I Housing and Community Development Act of 1974, as amended.)

- 8) In accordance with Section 104(l) of Public Law 93-383 the Housing and Community Development Act, as amended, certifies that: it has adopted and is enforcing a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations and a policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is subject of such nonviolent civil rights demonstration within its jurisdiction.
- 9)
- a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, 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.
  - 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 Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
  - c) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all SUBRECIPIENTS shall certify and disclose accordingly.
    - i) This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U. S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.
- 10) It will comply with:
- a) Title VI of the Civil Rights Act of 1964 (Pub. L 88-352), and the regulations issued pursuant thereto (24 CFR Part 1), which provides that no person in the United States shall on the grounds of race, color, or national origin, be excluded from participation in, be

denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the SUBRECIPIENT receives Federal financial assistance and will immediately take any measure necessary to effectuate this assurance. If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the SUBRECIPIENT, this assurance shall obligate the SUBRECIPIENT, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits.

- b) Title VIII of the Civil Rights Act of 1968 (Pub. L. 90-284), as amended, administering all programs and activities relating to housing and community development in a manner to affirmatively further fair housing; and will take action to affirmatively further fair housing in the sale or rental of housing, the financing of housing, and the provision of brokerage services.
- c) Section 109 of Title I of the Housing and Community Development Act of 1974, as amended, and the regulations issued pursuant thereto (24 CFR Part 570.602), which provides that no person in the United States shall, on the grounds of race, color, national origin, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or part with funds provided under this Grant. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973 shall also apply to this Grant.
- d) Executive Order 11063 on equal opportunity in housing and nondiscrimination in the sale or rental of housing built with Federal assistance.
- e) Executive Order 11246, and the regulations issued pursuant thereto (41 CFR Chapter 60), which provides that no person shall be discriminated against on the basis of race, color, religion, sex or national origin in all phases of employment during the performance of Federal or federally assisted construction contracts. Contractors and subcontractors on Federal and federally assisted construction contracts shall take affirmative action to insure fair treatment in employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation and selection for training and apprenticeship.
- f) Section 906 of Public Law 100-625 (Cranston-Gonzalez National Affordable Housing Act) which prohibits discrimination on the basis of religion or religious affiliation. No person shall be excluded from participation in, denied the benefit of, or be subjected to discrimination under any program or activity funded in whole or in part with CDBG funds on the basis of his or her religion or religious affiliation.

- 11) It will comply with Section 3 of the Housing and Urban Development Act of 1968, as amended, requiring that to the greatest extent feasible opportunities for training and employment be given to lower-income residents of the project area and contracts for work in connection with the project be awarded to eligible business concerns which are located in, or owned in substantial part by, persons residing in the area of the PROJECT.
- 12) It will in the acquisition of real property and in the process of relocation:
- a) Be guided, to the greatest extent practicable under State law, by the land acquisition policies in Sections 301 and 302 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970; as amended, and
  - b) Pay or reimburse property owners for necessary expenses as specified in Section 303 and 304 of the Uniform Act; and
  - c) Comply with the applicable Sections (202 through 205) of Title II (relocation assistance) of the Uniform Act in providing relocation payments and relocation assistance; and
  - d) Comply with U.S. Department of Transportation regulations at 49 CFR Part 24 and in implementing the requirements, it will:
    - i) Carry out the policies and procedures of Part 24 in a manner that insures that the acquisition and relocation processes do not result in different or separate treatment to persons on account of race, color, religion, sex, national origin, or source of income; and
    - ii) Assure that, within a reasonable period of time prior to displacement, comparable decent, safe and sanitary replacement dwellings will be available to all displaced families and individuals and that the range of choices available to such persons will not vary on account of race, color, religion, sex, national origin, or source of income; and
    - iii) Inform affected persons of their rights under the policies and procedures set forth under the regulations in Part 24, including their rights under Title VI of the Civil Rights Act of 1964 and Title VIII of the Civil Rights Act of 1968, as amended.
    - iv) Comply with Executive Order 12830, Governmental Actions and Interference with Constitutionally Protected Property Rights, and
  - e) It will implement and follow a "Residential Anti-Displacement and Relocation Assistance Plan," in accordance with Section 104(d) of the Housing and Community Development Act of 1974, as amended and 24 CFR Section 570.496 a(b).



- f) It will comply with applicable Section 104(d) of the Housing and Community Development Act in providing relocation payments and relocation assistance.
- 13) PRIVATE GAIN - It will establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties.
- 14) It will comply with the provisions of the Hatch Act which limits the political activity of employees.
- 15) It will administer and enforce the provisions of the Davis-Bacon Act as amended and the Contract Work Hours and Safety Standards Act as set forth in the manual, *Community Improvement Grant Management Manual*.
- 16) It will give the Virginia Department of Housing and Community Development and the Comptroller General through any authorized representatives access to and the right to examine all records, books, papers, or documents related to the grant.
- 17) It will ensure that facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the PROJECT are not listed on the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify the Virginia Department of Housing and Community Development of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating consideration for listing by the EPA.
- 18) It will comply with the flood insurance purchase requirements of Section 102 (a) of the Flood Disaster Protection Act of 1973, Pub. L. 93-234, 87 Stat. 975, approved December 31, 1973. Section 103 (a) required, on and after March 2, 1974, the purchase of flood insurance in communities where such insurance is available as a condition for the receipt of any Federal financial assistance for construction or acquisition purposes for use in any area, that has been identified by the Director of the Federal Emergency Management Agency as an area of having special flood hazards. The phrase "Federal financial assistance" includes any form of loan, grant, guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect Federal assistance.
- 19) It will, in connection with its performance of environmental assessments under the National Environmental Policy Act of 1969, comply with Section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. 470), Executive Order 11593, and the Preservation of Archeological and Historical Data Act of 1966 (16 U.S.C. 469a-1, et. seq.) by:
  - a) Consulting with the State Historic Preservation Officer to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects (see 36 CFR Part 800.8) by the proposed ACTIVITY; and

- b) Complying with all requirements established by HUD and the Virginia Department of Housing and Community Development to avoid or mitigate adverse effects upon such properties.
  - c) Violation of any NEPA requirements by the Subrecipient that are found to be disallowed must be reimbursed to the Recipient and those costs will be the responsibility of the Subrecipient.
- 20) It will comply with The Federal Consistency Requirements for the Virginia Coastal Zone Management Program (VCP) (previously referred to as Virginia Coastal Resources Management Program) incorporates and reflects recent changes to the federal consistency regulations. Effective January 8, 2001, the National Oceanic and Atmospheric Administration (NOAA) revised the regulations implementing the federal consistency provisions of the Coastal Zone Management Act (CZMA) of 1972 (see link [Coastal Zone Management Act](http://coastalmanagement.noaa.gov/czm/czm_act.html) or go to [http://coastalmanagement.noaa.gov/czm/czm\\_act.html](http://coastalmanagement.noaa.gov/czm/czm_act.html).) The revisions were necessary based on new provisions in the 1990 Coastal Zone Act Reauthorization Amendments (CZARA) and the 1996 Coastal Zone Protection Act. Among the amendments were revisions to the federal consistency requirement contained in section 307 of the CZMA. The 1990 CZMA amendments clarified that all federal agency activities meeting the “effects” standard are subject to CZMA consistency and that there are no exceptions, exclusions or categorical exemptions from the requirement. The regulations were further revised in 2006 in response to *The National Energy Policy Development Group’s Report* (May 2001) (Energy Report) and the *Energy Policy Act of 2005*. Section 319 of the CZMA was amended by Section 381 of the Energy Policy Act of 2005 (Pub. L. No. 109-58) to mandate deadlines for decisions on appeals of consistency determination under the CZMA. Section 382 specified that the initial record to be used for CZMA appeals of energy projects is the record consolidated by the lead federal permitting agency.
- 21) It will implement all required actions to ensure compliance pursuant to 24 CFR Part 8, Nondiscrimination Based on Handicap in Federally Assisted Programs and Activities.

**(ASSURANCES / CERTIFICATIONS)**

COASTAL COMMUNITY RESILIENCE, INC., DBA RISE

(SUBRECIPIENT)

BY:  DATE: 5/25/17  
 Paul Robinson, Executive Director



## OTHER POST AWARD REQUIREMENTS

- 1) **Incorporated Sections of the General Section.** HUD is incorporating portions of the FY 2014 General Section to the Department's FY 2014 NOFAs for Discretionary Programs (General Section), as amended by the technical correction to HUD's General Section to the Department's FY 2014 NOFAs for Discretionary Programs (technical correction), relevant to the award of CDBG-NDR funds. Grantees must adhere to the requirements of the sections of the General Section, as amended by the technical correction, identified in the NOFA under the heading "1. Applicable Requirements of the General Section (as modified by the Technical Correction to the General Section)." Other requirements of the General Section are superseded by the requirements applicable to the use of CDBG-NDR funds identified in this notice and in the grant agreement.
- 2) **System for Award Management.** Grantees must have a valid, active registration in the System for Award Management (SAM).
- 3) **False Statements.** A false statement in an application is grounds for denial or termination of an award and possible punishment, as provided in 18 U.S.C. 1001.
- 4) **Conducting Business in Accordance with Ethical Standards/Code of Conduct.** Grantees must adhere to the conflict of interest requirements of 2 CFR part 570. In addition, local governments and States that have adopted the Uniform Requirements are required to develop and maintain a written standards of conduct as required by 2 CFR 200.318.
- 5) **Equal Access to HUD-assisted or HUD-insured Housing.** The Department is committed to ensuring that its programs are open to all eligible individuals and families regardless of sexual orientation, gender identity, or marital status. HUD funding recipients and subrecipients must comply with 24 CFR 5.105(a)(2) in connection with determining eligibility for housing assisted with HUD funds or subject to an FHA-insured mortgage, and in connection with making such housing available. This includes making eligibility determinations and making housing available regardless of actual or perceived sexual orientation, gender identity, or marital status, and prohibiting inquiries about sexual orientation or gender identity for the purpose of making eligibility determinations or making housing available. Applicants are encouraged to become familiar with these requirements, HUD's definitions of sexual orientation and gender identity at 24 CFR 5.100, clarifications to HUD's definition of family at 24 CFR 5.403, and other regulatory changes made through HUD's Equal Access Rule, published in the Federal Register on February 3, 2012 at 77 FR 5662.
- 6) **Compliance with the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. 109-282) (Transparency Act), as Amended.** Prime Grant Awardee Reporting. Prime recipients of the Department's financial assistance are required to report certain subawards in the Federal

Funding Accountability and Transparency Act Subaward System (FSRS) Web site located at <https://www.fsrs.gov/> or its successor system for all prime awards listed on the FSRS Web site. Starting with awards made October 1, 2010, prime financial assistance awardees receiving funds directly from the Department were required to report subawards and executive compensation information both for the prime award and subaward recipients, including awards made as pass-through awards or awards to vendors, if the initial prime grant award is \$25,000 or greater, or the cumulative prime grant award will be \$25,000 or greater if funded incrementally, as directed by HUD in accordance with OMB guidance; and the subaward is \$25,000 or greater, or the cumulative subaward will be \$25,000 or greater. For reportable subawards, if executive compensation reporting is required and subaward recipients' executive compensation is reported through the SAM system, the prime recipient is not required to report this information. The reporting of award and subaward information is in accordance with the requirements of the Transparency Act, as amended by section 6202 of Public Law 110-252, and OMB Guidance issued to Federal agencies on September 14, 2010 (75 FR 55669), and in OMB policy guidance. Please refer to [www.fsrs.gov](http://www.fsrs.gov) for complete information on requirements under the Transparency Act and OMB guidance.

- 7) Compliance with Section 872 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Pub. L. 110-417), (Section 872). Section 872 requires the establishment of a government wide data system (currently designated the Federal Awardee Performance and Integrity Information System) to contain information related to the integrity and performance of entities awarded Federal financial assistance. Federal officials will make use of this information in making awards. OMB published final guidance to implement this requirement on July 22, 2015, at 80 FR 43301, for Federal awards issued on or after January 1, 2016, that meet the thresholds described in the preamble to the OMB guidance. Grantees are required to comply with any guidance issued by HUD to implement OMB's rule.

**(OTHER POST AWARD REQUIREMENTS)**

COASTAL COMMUNITY RESILIENCE, INC., DBA RISE

(SUBRECIPIENT)

BY:  DATE: 5/25/17  
 Paul Robinson, Executive Director

## CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable.

- 1) Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.
- 2) All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.
- 3) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."
- 4) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of

Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

- 5) **Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708).** Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.
- 6) **Rights to Inventions Made Under a Contract or Agreement.** If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.
- 7) **Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—**Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).
- 8) **Debarment and Suspension (Executive Orders 12549 and 12689)—**A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR

part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

- 9) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.
- 10) See 2 CFR 200.322 Procurement of recovered materials. A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

**(CONTRACT PROVISIONS FOR NON-FEDERAL ENTITY CONTRACTS UNDER FEDERAL AWARDS)**

COASTAL COMMUNITY RESILIENCE, INC., DBA RISE

(SUBRECIPIENT)

BY:  DATE: 5/25/17  
 Paul Robinson, Executive Director