



FUNDING AGREEMENT FOR HUD CDBG PUBLIC SERVICES

This Funding Agreement is made by and between the City of Amarillo, a municipal corporation located in Potter and Randall Counties, Texas, hereinafter called "CITY" and, **Agency Name**, Inc., a private, non-profit corporation, hereinafter called "AGENCY", upon the following mutual promises, consideration and terms:

WHEREAS, the CITY has applied for and received approval for a grant award pursuant to the Housing and Community Development Act of 1974, as Amended (Agreement Number B-25-MC-48-0002, CFDA Number 14.218);

WHEREAS, Amarillo City Council determined it to be in the public interest to provide **Agency Name** and has identified the need for such services in the 2026-2027 Annual Action Plan of the Consolidated Plan for Housing and Community Development for the above referenced grant award;

WHEREAS, the CITY signed an agreement with the U.S. Department of Housing and Urban Development ("HUD") being responsible for the administration of the Community Development Block Grant ("CDBG") Program and ensuring CDBG funds are used in accordance with all program requirements;

WHEREAS, the CITY desires to enter into an Agreement with the AGENCY, as a Subrecipient, to make funding available for **Agency Name**, Inc., hereinafter known as ("PROGRAM") at **Street Address Ave, Amarillo, TX 79105** to accomplish the objectives and conditions set forth in this Agreement; and

WHEREAS, AGENCY will conduct, in a satisfactory manner as determined by CITY and HUD, a CDBG Program, pursuant to 24 CFR Part 570, the scope and performance of which will be in accordance with the following documents:

- Exhibit A -- Scope of Services
- Exhibit B -- Performance Objectives
- Exhibit C -- Budget
- Exhibit D -- Invoice Requirements
- Exhibit E -- Reporting Requirements
- Exhibit F -- Assurances and Conditions for Community Development Block Grant Program;

NOW, THEREFORE, the CITY and AGENCY do hereby mutually agree as follows:

Section 1. The CITY is responsible for administration of the CDBG contract, and ensures these funds are used in accordance with all program requirements as stated in 24 C.F.R. 570.501(b) and the contract referenced above. AGENCY shall receive such assistance and guidance as may be required to achieve the objectives and conditions set forth in this Agreement.

Section 2. The funding made available through this agreement shall be used by the AGENCY solely for the purposes of **a full-time, dedicated case manager to offer intensive case management enabling residents to move through our system more efficiently. This creates more**



room for the many women and mothers with children currently on our waiting list.

Section 3. The AGENCY’s services shall benefit low and moderate-income persons residing in Amarillo whose gross household income does not exceed the low and moderate-income eligibility requirements as established by HUD. The Scope of Services, attached and incorporated as Exhibit A, has detailed objectives for each activity and the specific tasks that shall be accomplished to achieve those objectives. The CITY shall monitor the achievement of such stated objectives to acknowledge that the tasks detailed are achieved. Except as otherwise required in this Agreement, the AGENCY shall administer and operate the services funded as stated in this Agreement consistent with the operating standards and procedures established by the AGENCY's Board of Directors.

Section 4. The CITY agrees to reimburse AGENCY for actual expenses paid in the performance of services described in this agreement in an amount not to exceed Amount Dollars and Amount cents (\$xx,xxx.xx). CITY will make payments to AGENCY as provided in Exhibits B and C, attached and incorporated as a part of this Agreement. Reimbursement shall be based on invoices supported by appropriate documentation of actual costs incurred as stated in Exhibit D, attached hereto and incorporated herein. No reimbursement claims shall be submitted in excess of the actual, immediate cash requirements necessary to carry out this Agreement’s purpose. All funds received under this Agreement shall be used to supplement rather than replace funds otherwise available.

- 4.1. AGENCY understands and agrees that the funding made available under this Agreement is contingent upon the actual receipt of adequate federal funds to meet the CITY's liabilities under this Agreement. It is expressly understood that this agreement in no way obligates the General Fund or any other monies or credit of the CITY.
- 4.2. Without limiting any of the other obligations or liabilities of the AGENCY, the AGENCY shall at its own expense provide minimum insurance coverage as listed below, and maintain coverage without interruption, provided by an insurer authorized to do business in Texas and, of a Best Rating of B+ or better, against all liabilities claims, damages, suits, and attorney fees for incidents arising out of or in connection with AGENCY's performance under this Agreement. A certificate of insurance will be placed on file with the Community Development Department of the CITY by AGENCY. Coverage must include the CITY as an Additional Insured for all work performed for or on behalf of the CITY. In the event of any material change, non-renewal or cancellation of any policy, AGENCY's insurance company will give 30 days actual prior written notice to the CITY for such changes or cancellation.

TYPE OF COVERAGE	MINIMUM
COMMERCIAL GENERAL LIABILITY:	LIMITS
Coverage A - Each Occurrence	\$500,000
Coverage B - Personal & Advertising Injury	\$500,000
General Aggregate Other Than Products/Completed Operations	\$500,000
Products/Completed Operations Aggregate	\$500,000

AGENCY shall also provide workers’ compensation insurance coverage for all of its employees involved in this Agreement’s performance throughout the term.

- 4.3. In the event AGENCY's funding is less than \$25,000 in a fiscal year, AGENCY



agrees to provide the CITY with a year-end compilation report prepared by an independent Certified Public Accountant (CPA). In the event AGENCY receives \$25,000 to 499,999.99 in funding from the CITY in a fiscal year, AGENCY agrees to provide the CITY with the year-end audit report for its operations. In the event AGENCY expends \$500,000 or more in federal funds in a fiscal year, AGENCY shall submit an audit report that is in compliance with the provisions of the Single Audit Act and OMB Circular A-128 or A-133. All audits shall be prepared by an independent CPA and shall include as supplemental information statements of compliance and internal control with respect to federal financial assistance provided to the AGENCY by the CITY. The financial statement or audit report shall be submitted no later than 120 days following the end of the AGENCY's fiscal year.

- 4.4. AGENCY shall recognize the roles of the CDBG program and the CITY in providing services, including all activities, facilities, and items used, by prominently labeling the funding source.
- 4.5. This Agreement is funded with CDBG funds and is subject to those regulations and restrictions normally associated with federally funded programs, including those assurances and conditions listed in Exhibit "F" attached hereto and incorporated herein.

Section 5. The AGENCY agrees that the performance of work and services pursuant to the requirements of this Agreement shall conform to high professional standards. The AGENCY shall not at any time or in any manner represent that it or any of its agents or employees are in any manner agents or employees of the CITY. Since the AGENCY is an independent contractor, the CITY shall be exempt from payment of all unemployment compensation, FICA, retirement, life and/or medical insurance and workers' compensation insurance.

- 5.1. The AGENCY further agrees to make its facility, books and records available to PROGRAM monitoring or inspection by any representative of the CITY, HUD, and the CITY's independent auditors that the CITY may determine necessary at any mutually convenient time. AGENCY also agrees to provide CITY, HUD, and the CITY's independent auditors with such reports as the CITY may from time-to-time require as proof of AGENCY's compliance with any or all terms and conditions of this Agreement as set out in Exhibit "E," attached hereto and incorporated herein. AGENCY shall maintain all records related to this Agreement for a period of not less than six years after City's final audit of the CDBG project, unless a longer period is required to resolve audit findings or litigation.
- 5.2. Any deficiencies noted in audit reports must be fully cleared by the AGENCY within 30 days after AGENCY's receipt. AGENCY's failure to comply with the above audit requirements shall be a violation of this Agreement and may result in future payments being withheld.
- 5.3. The AGENCY agrees to transfer to the CITY any unused CDBG funds or any accounts receivable attributed to the PROGRAM on hand at the expiration of this Agreement.
- 5.4. AGENCY agrees to repay the CITY for any real property acquired or improved in part or in whole with CDBG funds in excess of \$25,000 which is not used to meet one of the CDBG national objectives until ten years after the contract between HUD and the CITY is closed. If AGENCY fails to use such real property in a manner that



meets a CDBG National Objective for this ten year time period, then the AGENCY will pay the CITY an amount equal to the property's current fair market value less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property after the CDBG program's approval. Such payment will then become program income for the CITY. AGENCY may retain real property acquired or improved under this Agreement after the ten year expiration period.

- 5.5. If equipment acquired with these funds, in whole or part, under this Agreement, is sold, then the proceeds become program income. Equipment not needed by the AGENCY for activities under this Agreement will be (a) transferred to the CITY for CDBG-eligible activities as approved by the CDBG program or (b) retained after compensating the CITY.
- 5.6. AGENCY agrees that the services provided by the AGENCY under this Agreement shall be devoted primarily to assist low and moderate-income households.
- 5.7. It is understood and hereby agreed that the AGENCY shall not deny benefits to or discriminate against any person on the basis of race, color, religion, age, sex, national origin, or handicapped status in the performance of any activities funded under this Agreement.

Section 6. No program income is anticipated from this PROGRAM. In the event PROGRAM income is derived from the use of CDBG funds disbursed under this Agreement, such PROGRAM income shall be returned to CITY and revert to the CDBG Program for reallocation.

SECTION 7. AGENCY AGREES TO INDEMNIFY AND HOLD THE CITY, ITS OFFICERS AND EMPLOYEES HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, DAMAGES OR CAUSES OF ACTION AND ALL RELATED COSTS, ATTORNEY FEES, EXPENSES AND INTEREST ARISING OUT OF OR RELATED TO INJURIES OR DEATH TO PERSONS, OR DAMAGE TO PROPERTY CAUSED BY THE AGENCY'S ACTS OR OMISSIONS IN PERFORMING SERVICES UNDER THIS AGREEMENT, OR THAT OF ITS AGENTS OR EMPLOYEES; PROVIDED HOWEVER, THAT AGENCY SHALL NOT BE LIABLE FOR ANY INJURY OR DAMAGE BY LOSS OCCASIONED BY THE ACTIVE NEGLIGENCE OF CITY'S OFFICERS OR EMPLOYEES; AND PROVIDED FURTHER, THAT AGENCY SHALL GIVE TO CITY PROMPT AND TIMELY WRITTEN NOTICE OF ANY CLAIM MADE OR SUIT INSTITUTED WHICH IN ANY WAY, DIRECTLY OR INDIRECTLY, CONTINGENTLY OR OTHERWISE, AFFECTS OR MIGHT AFFECT CITY, AND CITY SHALL HAVE THE RIGHT TO COMPROMISE AND DEFEND THE SAME TO THE EXTENT OF ITS OWN INTEREST.

Section 8. This Agreement may be suspended or terminated by CITY if, through any cause, AGENCY shall fail or refuse to fulfill in a timely manner any of its obligations under this Agreement or if the AGENCY violates any of the conditions or terms of this Agreement. Similarly, CITY may suspend or terminate this Agreement if the AGENCY improperly or ineffectively uses such funds or the reports are incorrect or incomplete in any material respect.

- 8.1. In this event, CITY shall give written notice of such violation, refusal, and/or failure to proceed in a timely manner to the AGENCY. Within ten (10) days after such



notice, the AGENCY shall inform the CITY in writing of the corrective action taken or to be taken.

- 8.2. Agency shall exercise all due diligence to correct any and all violations. In the event the violations, refusals and/or failures are not fully corrected within twenty (20) days from the date the AGENCY first gave notice to the CITY of the actions taken, the CITY retains the right to terminate this Agreement forthwith.
- 8.3. This Agreement may be terminated by AGENCY upon thirty days (30) prior written notice to the CITY.

This Agreement may also be terminated for convenience by either the CITY or AGENCY in writing setting forth the reasons, effective date, and in the case of partial termination, the portion to be terminated as set forth in 24 C.F.R. 85.44.

Section 9. This Agreement represents the entire and integrated Agreement between CITY and AGENCY, and supersedes all prior negotiations, representations or agreements either written or oral. Any notice or notices required or permitted to be given pursuant to this Agreement will be served by certified mail, return receipt requested to the following:

CITY Jason Riddlespurger, Director
 Community Development Department
 City of Amarillo,
 P. O. Box 1971
 Amarillo, TX 79105-1971

AGENCY **Name, Executive Director**
 Agency Name, Inc.
 Street Address
 Amarillo, TX 79102

Section 10. The AGENCY shall not assign or transfer any of its interest in this Agreement without the prior written approval of the CITY; provided however, that claims for money due or to become due to the AGENCY from the CITY under this Agreement may be assigned to a bank, trust company or other financial institution, or a trustee in a bankruptcy without such approval. In the event of such assignment or transfer, notice shall be given to CITY as provided herein within three days of the assignment or transfer.

Section 11. No member of the governing body, officers, employees, or agents of the CITY or AGENCY who exercises any functions or responsibilities with respect to the carrying out of the PROGRAM shall have any interest, direct or indirect, in this Agreement or the proceeds thereof.

Section 12. For purposes of determining venue and the law governing this Agreement, activities performed under this Agreement are performed in the City of Amarillo, Potter County, State of Texas.

Section 13. No member or delegate of the Congress of the United States shall be admitted to any share or part of this Agreement or to any benefit to arise here from.



Section 14. AGENCY shall comply with all laws, statutes, regulations, ordinances, rules, and other legal requirements in effect during the time of this Agreement.

Section 15. If any provision of this Agreement is declared invalid or unenforceable, such provision shall be deemed modified to the extent necessary to render it valid and enforceable so long as said modification is reasonably within the intent of the parties as originally expressed. In the event such provision may not be so modified, the unenforceability or invalidity of any provision shall not affect any other provision of this Agreement, and this Agreement shall continue in force and effect as if such provision had not been included in this Agreement.

Section 16. This Agreement, with the included Exhibits and Attachments adopted herein by reference, constitutes and expresses the entire Agreement between the parties hereto and shall not be amended or modified except by written instrument signed by both parties. The effective date of this Agreement shall be October 1, 2026 through September 30, 2027.

EXECUTED this _____ day of _____, 2026.

CITY OF AMARILLO

BY: _____

Grayson Path, City Manager

ATTEST:

Stephanie Coggins, City Secretary

BY: _____

Name, Executive Director
Agency Name, Inc.



Exhibit A

SCOPE OF SERVICES

The CITY is responsible for administering the CDBG contract, and ensuring CDBG funds are used in accordance with all Program requirements in accordance with 24 CFR 570, 501(b). As a result, the CITY shall provide such assistance and guidance to the AGENCY as may be required to accomplish the objectives and conditions set forth in this Agreement. AGENCY shall manage the CDBG Fiscal Year 2026-2027. Program called **Agency Name**, Inc. in a manner satisfactory to the CITY and consistent with any standards required as a condition of providing these funds. The AGENCY will also be required to attend a mandatory SUBRECIPIENT meeting that will review operating procedures for the contract year.

A. NATIONAL OBJECTIVE

All activities funded with CDBG funds must meet one of the CDBG National Objectives:

- a. Benefit Low and Moderate Income Persons;
- b. Aid in the prevention or elimination of slum/blight, or
- c. Urgent need.

The AGENCY certifies that the **Agency Name**, Inc. will meet the following National Objective: Serving low-mod income clients with a public service by providing a full-time, dedicated case manager offering intensive case management allowing residents to move efficiently through our system, creating more room for the many women and mothers with children currently on our waiting list;

B. PROJECT ACTIVITIES OR PRINCIPAL TASKS:

- The Case Manager meets with all of the AGENCY's residents on a weekly basis. She assesses their needs and works to coordinate the services and resources they need to overcome their challenges and move from homelessness to independence.
- Frequent case management helps equip our current residents with the resources and skills they need to become independent.

Add an additional page to list principal tasks, if necessary.

C. AGENCY RESPONSIBILITIES:

AGENCY shall complete in a satisfactory and proper manner as the City determines the following tasks to accomplish the PROGRAM's objectives. The AGENCY will periodically meet with the CITY to review the status of these tasks.

D. TIME OF PERFORMANCE

The Agreement's effective date shall be the date the parties sign and complete execution of this Agreement and shall be in effect for the time period during which the AGENCY remains in control of CDBG funds or other CDBG assets.



Exhibit B

PERFORMANCE OBJECTIVES

A. LEVELS OF PERFORMANCE AND GOALS

The AGENCY certifies that the activities funded under this Agreement as identified below will meet the National Objective as indicated.

<u>Activity</u>	<u>National Objective</u>	<u>Total Units/Year</u>	<u>Total Unduplicated Low/Mod Income Persons/Year</u>
Agency Name, Inc.	Low-Mod Limited Clientele	-	xxx

B. PERFORMANCE MONITORING

The CITY will monitor the performance of the AGENCY against goals and performance standards that are stated above. Substandard performance as determined by the CITY will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the AGENCY within a reasonable period of time after being notified by the CITY, contract suspension or termination procedures may be initiated as provided in Section 7 of the Agreement.



Exhibit C
BUDGET

The AGENCY will adhere to the following budget for the duration of this Agreement. Any changes to the budget must be submitted in writing to the CITY for approval prior to implementation.

A. AGENCY BUDGET

Activity 1

Line Item	Amount
Salaries	\$xx,xxx.xx
Fringe Benefits	\$ x,xxx.xx
Office Space	\$0.00
Utilities	\$0.00
Communications	\$0.00
Reproduction/Printing	\$0.00
Supplies/Materials	\$0.00
Mileage	\$0.00
Audit	\$0.00
Other	\$0.00
Indirect Costs	\$0.00
Total	\$xx,xxx.xx

Any indirect costs charge must be consistent with the conditions of this Agreement. In addition, the CITY may require a more detailed budget breakdown for any line item. The AGENCY agrees to provide this breakdown in a timely manner in a format agreed upon between the CITY and the AGENCY.

The AGENCY agrees to manage and expend grant funds in alignment with the approved project budget and timeline. Grant expenditures shall be distributed proportionally over the grant period to support the ongoing execution of project activities.



Exhibit D

INVOICE REQUIREMENTS

A. PAYMENT

- a. It is expressly agreed and understood that the total amount to be paid by the CITY under this Agreement shall not exceed **Amount** Dollars and **Amount** cents (**\$xx,xxx.xx**). This Agreement is to be paid on a reimbursement basis and requires that applicable source documentation be provided with each invoice that details the AGENCY'S payment for each item.
- b. The attached invoice sample should be used for each invoice submitted to the CITY for payment. If errors are found, the AGENCY will be contacted and an updated invoice must be submitted to the CITY for payment.

B. INVOICE SAMPLE

The invoice to be used by the AGENCY can be found in APPENDIX A.

- C. Such monthly invoices from AGENCY shall be submitted not later than the tenth (10th) day of each month and shall be in the format prescribed by the CITY.



Exhibit E

REPORTING REQUIREMENTS

AGENCY shall maintain sufficient records required by the Federal regulations at 24 CFR 570.506, including but not limited to the following:

- (1) Records shall provide a full description of each activity undertaken;
- (2) Records shall demonstrate that each activity meets one of the National Objectives of the CDBG program;
- (3) Records shall show an activity's eligibility;
- (4) Records shall document real property acquired, improved, or used with CDBG assistance;
- (5) Records document compliance with the civil rights components of the CDBG program;
- (6) Financial records shall be maintained in accordance with 24 CFR 570.502 and 24 CFR 84.21-28;
- (7) Labor standards records shall comply with the Davis Bacon Act, the Contract Work Hours and Safety Standards Act provisions, and all other applicable Federal, state, and local laws and regulations applicable to CDBG-funded construction projects; and
- (8) Other records required in compliance with 24 CFR, Part 570, Subpart K.

The AGENCY will further submit to the CITY with the monthly invoice an updated electronic spreadsheet and a hardcopy report that shows a confidential listing unduplicated clients receiving assistance through this Agreement. This data will include, but not be limited to a clients name or confidential identification number, address, ethnic group, age, sex, monthly gross family income, contribution, enrollment, and attendance period.

Each family/individual will be required to complete a CDBG Verifiable Self-Certification of Family Income Form. If necessary, the AGENCY will need to verify income on the form to validate the appropriate HUD income level.

The updated monthly client report is due by the 10th of the month and must accompany AGENCY'S invoice. The CITY will provide AGENCY technical assistance as requested.

Samples of the CDBG Verifiable Self-Certification of Family Income Form and Monthly Report are found in Appendix A.



Exhibit F

ASSURANCES AND CONDITIONS FOR COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The recipient of Community Development Block Grant assistance hereby certifies it possesses legal authority to execute this contractual Agreement and its governing body has duly adopted or passed as an official act authorizing the person identified as the official representative of the recipient to execute and carry out the activities in this Agreement.

This Agreement is subject to the provisions of 24 CFR 570.600 Subpart K of the Community Development Block Grant regulations as set forth as follows:

UNIFORM ADMINISTRATIVE REQUIREMENTS AND COST PRINCIPLES

The recipient, its agencies or instrumentalities, and subrecipients shall comply with the policies, guidelines, and requirements of 24 CFR Part 85 and OMB Circular A-87, A-110 (24 CFR Part 84), A-122, A-133 (24 CFR Part 45), and A-128 (24 CFR Part 44) as applicable, as they relate to the acceptance and use of Federal funds under this part.

PUBLIC LAW 88-352 AND PUBLIC LAW 90-284; EXECUTIVE ORDER 11063

Assistance under this Agreement will be conducted and administered in conformity with Public Law 88-352 and Public Law 90-284.

- a. "Public Law 88-352" refers to Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), 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 subjected to discrimination under any program or activity receiving Federal financial assistance. Section 602 of the Civil Rights Act of 1964 directs each Federal department and agency empowered to extend Federal financial assistance to any program or activity by way of grant to effectuate the foregoing prohibition by issuing rules, regulations, or orders of general applicability which shall be consistent with achievement of the statute authorizing the financial assistance. HUD regulations implementing the requirements of Title VI with respect to HUD programs are contained in 24 CFR Part 1.
- b. "Public Law 90-284" refers to the Fair Housing Act (42 U.S.C. 3601-20) which states it is the policy of the United States to provide, within constitutional limitations, for fair housing throughout the United States and prohibits any person from discriminating in the sale or rental of housing, the financing of housing, or the provision of brokerage services, including in any way making unavailable or denying a dwelling to any person, because of race, color, religion, sex, or national origin. The Fair Housing Act further requires the Secretary to administer the programs and activities relating to housing and urban development in a manner affirmatively to further the policies of the Fair Housing Act. Pursuant to this statutory direction, the Secretary requires that grantees administer all programs and activities related to housing and community development in a manner to affirmatively further fair housing.



- c. Executive Order 11063, as amended by Executive Order 12259, directs the Department to take all action necessary and appropriate to prevent discrimination because of race, color, religion (creed), sex, or national origin, in the sale, leasing, rental, or other disposition of residential property and related facilities (including land to be developed for residential use), or in the use or occupancy thereof, if such property and related facilities are, among other things, provided in whole or in part with the aid of loans, advances, grants, or contributions agreed to be made by the Federal Government. HUD regulations implementing Executive Order 11063 are contained in 24 CFR Part 107.

SECTION 109 OF THE ACT (Housing and Community Development Act of 1974 (the Act) Public Law 96-399)

- a. Section 109 of the Act requires that no person in the United States shall on the ground 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 in part with community development funds made available pursuant to the Act. For purposes of this section "program or activity" is defined as any function conducted by an identifiable administrative unit of the recipient, or by any unit of government, subrecipient, or private contractor receiving community development funds or loans from the recipient. "Funded in whole or in part with community development funds" means that community development funds in any amount in the form of grants or proceeds from HUD guaranteed loans have been transferred by the recipient or a subrecipient to an identifiable administrative unit and disbursed in a program or activity.
- b. Specific discriminatory actions prohibited and corrective actions.
 1. A recipient may not, under any program or activity to which the regulations of this Part may apply directly or through contractual or other arrangements, on the ground of race, color, national origin, or sex:
 - i. Deny any facilities, services, financial aid or other benefits provided under the program or activity.
 - ii. Provide any facilities, services, financial aid or other benefits, which are different, or are provided in a different form from that provided to others under the program or activity.
 - iii. Subject to segregated or separate treatment in any facility in, or in any matter of process related to receipt of any service or benefit under the program or activity.
 - iv. Restrict in any way access to, or in the enjoyment of any advantage or privilege enjoyed by others in connection with facilities, services, financial aid or other benefits under the program or activity.
 - v. Treat an individual differently from others in determining whether the individual satisfies any admission, enrollment, eligibility, membership, or other requirement or condition, which the individual must meet in order to be provided any facilities, services or other benefit provided under the program or activity.
 - vi. Deny an opportunity to participate in a program or activity as an employee.



2. A recipient may not utilize criteria or methods of administration which have the effect of subjecting individuals to discrimination on the basis of race, color, national origin, or sex, or have the effect of defeating or substantially impairing accomplishment of the objectives of the program or activity with respect to individuals of a particular race, color, national origin, or sex.
3. A recipient, in determining the site or location of housing or facilities provided in whole or in part with funds under this part, may not make selections of such site or location which have the effect of excluding individuals from denying them the benefits of, or subjecting them to discrimination on the ground of race, color, national origin, or sex; or which have the purpose or effect of defeating or substantially impairing the accomplishment of the objectives of the Act and of this section.
 - i. In administering a program or activity funded in whole or in part with CDBG funds regarding which the recipient has previously discriminated against persons on the ground of race, color, national origin, or sex, the recipient must take affirmative action to overcome the effects of prior discrimination.
 - ii. Even in the absence of such prior discrimination, a recipient in administering a program or activity funded in whole or in part with CDBG funds should take affirmative action to overcome the effects of conditions which would otherwise result in limiting participation by persons of a particular race, color, national origin or, sex. Where previous discriminatory practice or usage tends, on the ground of race, color, national origin, or sex, to exclude individuals from participation in, to deny them the benefits of, or to subject them to discrimination under any program or activity to which this part applies, the recipient has an obligation to take reasonable action to remove or overcome the consequences of the prior discriminatory practice or usage, and to accomplish the purpose of the Act.
 - iii. A recipient shall not be prohibited by this part from taking any action eligible under Subpart C to ameliorate an imbalance in services or facilities provided to any geographic area or specific group of persons within its jurisdiction, where the purpose of such action is to overcome prior discriminatory practice or usage.
4. Notwithstanding anything to the contrary in this section, nothing contained herein shall be construed to prohibit any recipient from maintaining or constructing separate living facilities or rest room facilities for the different sexes. Furthermore, selectivity on the basis of sex is not prohibited when only a member of the same sex can properly perform institutional or custodial services as the recipients of the services.

AGE DISCRIMINATION ACT OF 1975 AND REHABILITATION ACT OF 1973, as Amended

Section 109 of the Act further provides that any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.C.C. 6101 et seq.) or with respect to an otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as amended, shall also apply to any program or activity funded in whole or in part with funds made available pursuant to the Act.



AMERICANS WITH DISABILITIES ACT OF 1990 (PUB.L.101-336)

Subject to the provisions of this title, no qualified individual with a disability will, by reason of such disability, be excluded from participation in or be denied the benefits of the services, programs, or activities of a public entity, or be subjected to discrimination by any such entity.

LABOR STANDARDS; SECTION 110 OF THE ACT (PUB.L.93-399)

Section 110 of the Act requires that all laborers and mechanics employed by contractors or subcontractors on construction work financed in whole or in part with assistance received under the Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a--276a-5). By reason of the foregoing requirement, the Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et seq.) also applies. However, these requirements apply to the rehabilitation of residential property only if such property is designated for residential use of eight or more families. With respect to the labor standards specified in this section, the Secretary of Labor has the authority and functions set forth in Reorganization Plan Number 14 of 1950 (5 U.S.C. 1332-15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

EMPLOYMENT AND CONTRACTING OPPORTUNITIES: EXECUTIVE ORDER 11246 AND SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968

- a. Recipients shall comply with 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. As specified in Executive Order 11246 and the implementing regulations, contractors and subcontractors on Federal or 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.
- b. Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and the regulations at 24 CFR Part 135 require that employment and other economic opportunities arising in connection with housing rehabilitation, housing construction, or other public construction projects shall, to the greatest extent feasible, and consistent with federal, state, and local laws and regulations, be given to low- and very low-income persons.

LEAD-BASED PAINT

The Lead-Based Paint Poisoning Prevention Act of 1971, as amended (42 U.S.C. 4821 *et seq.*) and the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851 *et seq.*) directs the Secretary to prohibit the use of lead-based paint in residential structures constructed or rehabilitation with Federal assistance in any form and to establish procedures to eliminate as far as practicable the hazards of lead-based paint poisoning with respect to any existing housing which may present such hazard and is assisted by applicable HUD programs. Such prohibitions are contained in 24 CFR Part 35, Subpart B and are applicable to residential structures constructed or rehabilitated with assistance provided under this Part.



USE OF DEBARRED, SUSPENDED OR INELIGIBLE CONTRACTORS AND SUBRECIPIENTS

Assistance provided under this contract shall not be used directly or indirectly to employ, award contracts to or otherwise engage the services of, or fund any contractor or subrecipient during any period of debarment, suspension, or placement in ineligibility status under the provisions of 24 CFR Part 24.

USE AND REVISION OF ASSETS

Property or Equipment acquired in whole or in part are subject to the regulations at 24 CFR 570.503(b) (8) which states that upon the expiration of the contract or program assisted the Agency shall transfer to the city CDBG funds on hand and any accounts receivable attributable to the use of CDBG funds. In addition, any real property that was acquired or improved in whole or in part with CDBG funds (grant or loan) in excess of \$25,000 be used to meet one of the National Objectives in 570.208 for a specific period of time to be set by the city, but not be less than five years in any event.

Failure to meet the required time period will result in repayment of a prorated portion of the CDBG funds used as outlined by the City in the Agreement as is applicable.

CONFLICT OF INTEREST

- a. Applicability
 1. In the procurement of supplies, equipment, construction, and services by subrecipients, the conflict of interest provisions in 24 CFR 85.36 and 84.42, respectively, shall apply.
 2. In all cases not governed by 24 CFR 85.36 and 84.42, the provisions of this section shall apply. Such cases include the acquisition and disposition of real property and the provision of assistance by the recipient, by its subrecipients, or to individuals, businesses and other private entities under eligible activities which authorize such assistance (e.g., rehabilitation, preservation, and other improvements of private properties of facilities pursuant to section 570.202, or grants, loans and other assistance to businesses, individuals and other private entities pursuant to sections 570.203, 570.204 or 570.455 or 570.703(i)).
- b. Conflicts prohibited. The general rule is that no persons described in paragraph (c) below who exercise or have exercised any functions or responsibilities with respect to CDBG activities assisted under this Part 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 or benefit from the activity, or have a financial interest in any contract, subcontract or Agreement with respect to a CDBG assisted activity, or with respect to the proceeds of the CDBG assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter.
- c. Persons covered. The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official, or appointment official of the recipient, or of any designated public agencies, or subrecipients, which are receiving funds under this Part.



ELIGIBILITY RESTRICTIONS FOR CERTAIN RESIDENT ALIENS

- a. Certain newly legalized aliens, as described in 24 CFR Part 49, are not eligible to apply for benefits under covered activities funded under this contract. “Benefits” under this section means financial assistance, public services, jobs and access to new or rehabilitated housing and other facilities made available under covered activities funded by this part. “Benefits” do not include relocation services and payments to which displacees are entitled by law.
- b. Covered activities means activities meeting the requirements of 570.208(a) that either:
 1. Have income eligibility requirements limiting the benefits exclusively to low- and moderate income- persons; or
 2. Are targeted geographically or otherwise to primarily benefit low and moderate income persons (excluding activities serving the public at large, such as sewers, roads, sidewalks, and parks), and that provide benefits to persons on the basis of an application.
- c. The restrictions under this section apply only to applicants for new benefits not being received by covered resident aliens as of the effective date of this section (May 2, 1990).

ARCHITECTURAL BARRIERS ACT AND THE AMERICANS WITH DISABILITIES ACT

- a. The architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) requires certain federal buildings and other facilities to be designed, constructed, or altered in accordance with standards that insure accessibility to and use by, physically handicapped people. A building or facility designed, constructed, or altered with funds allocated or reallocated under this part after December 1995, and that meets the definition of “residential structure” as defined in 24 CFR 40.2 or the definition of “building” as defined in 41 CFR 101-19.602(a) is subject to the requirements of the Architectural Barriers Act of 1968 and shall comply with the Uniform Federal Accessibility Standards (Appendix A to 24 CFR Part 40 for residential structures, and Appendix A to 41 CFR Part 101-19, subpart 101-19.6, for general type buildings).
- b. The Americans with Disabilities Act (42 U.S.C. 12131; 47 U.S.C. 155.201, 218 and 225) (ADA) provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, state and local government services, and telecommunications. It further provides that discrimination includes failure to design and construct facilities for first occupancy no later than January 26, 1993 that are readily accessible to and usable by individuals with disabilities. Further the ADA requires the removal of architectural barriers and communication barriers that are structural in nature in existing facilities, where such removal is readily achievable--that is, easily accomplishable and able to be carried out without much difficulty or expense.

FAITH BASED ORGANIZATIONS

Regulations at CFR Part 570.200(j) set forth the restrictions and limitations applicable to the provision of Community Development Block Grant assistance.



Executive Order 13279, issued on December 12, 2002 requires federal agencies and grantees to treat all organizations fairly and without regard to religion in federal programs. HUD issued a new rule on September 30, 2003 requiring equal treatment of faith-based organizations. Specifically, the new rule makes clear the following:

- a. Direct HUD funds may not be used to support inherently religious activities such as worship, religious instruction, or proselytizing. A faith-based organization may still engage in such activities so long as they are voluntary for program participants and occur separately in time or location from the activities directly funded under a HUD program.
- b. Faith-based organizations, like all organizations under HUD-funded programs, must serve all eligible beneficiaries without regard to religion.
- c. Faith-based organizations may receive HUD funds to acquire, rehabilitate, or repair buildings and other real property, so long as the funds only pay the percentage of the total costs attributable to the HUD activity. HUD funds may not be used to acquire or improve sanctuaries, chapels, and other rooms that a congregation uses as its principal place of worship.

FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA)

The Subrecipient shall comply with the requirements of 2 CFR part 25 Universal Identifier and System for Award Management (SAM). The grantee must have an active registration in SAM in accordance with 2 CFR part 25, appendix A, and must have a Data Universal Numbering System (DUNS) number. The grantee must also comply with provisions of the Federal Funding Accountability and Transparency Act, which includes requirements on executive compensation, and 2 CFR part 170 Reporting Subaward and Executive Compensation Information.



Appendix A

CDBG SAMPLE FORMS

1. Public Services Grant Effort Reporting Sheet (New)
2. CDBG Verifiable Self-Certification of Family Income Form
3. AGENCY Invoice for Services (to be attached)
4. CDBG Client Participation Report (to be attached)
5. Monthly salary expenditure calculator spreadsheet (to be attached)

EXAMPLE



Public Services Grant Effort Reporting Sheet

Institution/Organization Name:
Reporting Period: November 1 2025 – September 30, 2026 (Q3 FY2025)
Program Director (PD):

Grant Title:
Grant Number:

Name	Position Title	% Effort on Grant	% Effort on Other Activities	Total % Effort	Notes

Certification:

I certify that the above information represents a reasonable estimate of the effort expended during the period indicated.

Signature (Employee): _____

Date: _____

Signature (PI or Supervisor): _____

Date: _____

The CDBG Public Services Program Administrator must maintain legible files with documentation evidence provided by the agency performing the grant activity for the retention period provided by the grantor. This documentation should be submitted with any requests for reimbursement for employee salary/pay for the grant activities. The CDBG Public Services Program Administrator must ensure accessibility of documentation if requested by HUD, TDHCA and/or any applicable subrecipients.

Note:

1. Effort is expressed as a percentage of total work time, not number of hours.
2. Effort should align with payroll records and actual work performed



EXAMPLE