

**BRIEFING
DRAFT**

**FORSYTH COUNTY
BOARD OF COMMISSIONERS**

MEETING DATE: JANUARY 18, 2018

AGENDA ITEM NUMBER: 11

SUBJECT: RESOLUTION RATIFYING AND AUTHORIZING EXECUTION OF AN INTERLOCAL AGREEMENT BETWEEN FORSYTH COUNTY AND THE CITY OF WINSTON-SALEM TO ADMINISTER THE HOME INVESTMENT PARTNERSHIP PROGRAM IN FORSYTH COUNTY FOR THE PERIOD 2017-2022 (COMMUNITY AND ECONOMIC DEVELOPMENT DEPARTMENT)

COUNTY MANAGER'S RECOMMENDATION OR COMMENTS:-

SUMMARY OF INFORMATION:-

ATTACHMENTS: YES NO

SIGNATURE: _____ DATE: _____
COUNTY MANAGER

**RESOLUTION RATIFYING AND AUTHORIZING EXECUTION OF AN
INTERLOCAL AGREEMENT BETWEEN FORSYTH COUNTY AND
THE CITY OF WINSTON-SALEM TO ADMINISTER THE
HOME INVESTMENT PARTNERSHIP PROGRAM IN
FORSYTH COUNTY FOR THE PERIOD 2017-2022
(COMMUNITY AND ECONOMIC DEVELOPMENT DEPARTMENT)**

WHEREAS, the National Affordable Housing Act of 1990 created the HOME Investment Partnership Program; and

WHEREAS, a provision of the HOME Program is that multiple governmental bodies may join together to form a consortium and thereby qualify for a HOME formula grant; and

WHEREAS, the City, the County, and the other municipalities in Forsyth County (“Cooperating Units”) formed the Winston-Salem/Forsyth Housing Consortium (“Consortium”) in 1993 to jointly secure status as a Participating Jurisdiction in the HOME Investment Partnership (“HOME”) Program, and have renewed the Consortium every three years, most recently in Spring 2016; and

WHEREAS, pursuant to Section III.I. of the Consortium Agreement, the City is responsible for administering the HOME Program for the City, and the County is responsible for administering the HOME Program for the County and all Cooperating Units; and

WHEREAS, the Consortium is awarded HOME funds from the U.S. Department of Housing and Urban Development (HUD) annually; and

WHEREAS, pursuant to Section III.K. of the Consortium Agreement, the City, as the lead entity, is responsible for drawing HOME funds from HUD on a periodic basis, and the County requests reimbursements from the City; and

WHEREAS, the County desires to implement a homeowner rehabilitation program, a homebuyer assistance program, a rental housing production program and a tenant-based rental assistance program to further the goals of the Consolidated Housing and Community Development Plan; and

WHEREAS, pursuant to the provisions of N.C.G.S. 160A-461, agreements between units of local government in this State shall be ratified by resolution of the governing board of each unit and spread upon its minutes.

NOW, THEREFORE, BE IT RESOLVED by the Forsyth County Board of Commissioners that the interlocal agreement between Forsyth County and the City of Winston-Salem for administration of the HOME Investment Partnership Program funds in the amount of \$168,100.00 for the above purposes for the period 2017-2022 is hereby ratified as required by N.C.G.S. 160A-461.

BE IT FURTHER RESOLVED that the Chairman or County Manager and the Clerk to the Board are hereby authorized to execute the necessary documents, on behalf of Forsyth County, to administer the HOME Investment Partnership Program in Forsyth County for the period 2017-2022, subject to a pre-audit certificate thereon by the Chief Financial Officer, if applicable, and approval as to form and legality by the County Attorney.

BE IT FURTHER RESOLVED that this resolution ratifying interlocal cooperation is hereby spread upon the minutes of the Forsyth County Board of Commissioners.

Adopted this the 18th day of January 2018.

NORTH CAROLINA)
)
FORSYTH COUNTY)

**HOME INVESTMENT PARTNERSHIP PROGRAM
PROGRAM AGREEMENT**

THIS AGREEMENT, made this ____ day of _____, 2017, by and between the **CITY OF WINSTON-SALEM**, a North Carolina municipal corporation (hereinafter referred to as "City"), and **FORSYTH COUNTY**, a North Carolina political subdivision (hereinafter referred to as "County").

W I T N E S S E T H:

WHEREAS, the City, the County, and the other municipalities in Forsyth County ("Cooperating Units") formed the Winston-Salem/Forsyth Housing Consortium ("Consortium") in 1993 to jointly secure status as a Participating Jurisdiction in the HOME Investment Partnership ("HOME") Program, and have renewed the Consortium every three years, most recently in Spring 2016; and

WHEREAS, pursuant to Section III.I. of the Consortium Agreement, the City is responsible for administering the HOME Program for the City, and the County is responsible for administering the HOME Program for the County and all Cooperating Units; and

WHEREAS, the Consortium is awarded HOME funds from the U.S. Department of Housing and Urban Development (HUD) annually; and

WHEREAS, pursuant to Section III.K. of the Consortium Agreement, the City, as the lead entity, is responsible for drawing HOME funds from HUD on a periodic basis, and the County requests reimbursements from the City; and

WHEREAS, the County desires to implement a homeowner rehabilitation program, a homebuyer assistance program, a rental housing production program and a tenant-based rental assistance program to further the goals of the Consolidated Housing and Community Development Plan.

NOW, THEREFORE, in consideration of the premises, the City and County hereby agree as follows:

1. **Statement of Work and Budget**

a) The County agrees to administer a HOME Program (hereinafter the "Program") in an amount not to exceed One Hundred Sixty-Eight Thousand One Hundred Dollars and No/100 (\$168,100.00) in Federal Fiscal Year (FFY) 2017 HOME funds, exclusive of program income.

b) Funds made available to the County pursuant to this Agreement shall be administered in accordance with the exhibits attached to this Agreement and incorporated herein by reference and shall be expended in accordance with applicable federal, state and local laws.

c) Funds will be disbursed to the County for expenses incurred in accordance with the activities and procedures described in Exhibit A. Should the County overspend the budgeted funds, the City shall have no obligation to reimburse the County for such expenses.

d) This Agreement and the funds which are its subject are expressly not assignable without the prior written consent and approval of the City. The County shall at all times remain an independent contractor with respect to performance of services under this Agreement.

e) The term of this Agreement shall be for a period beginning on **October 5, 2017** and ending **June 30, 2022**. Notwithstanding the above, the contract shall expire upon completion of the work program contained in Exhibit A or disbursement of all contract funds. Requests for reimbursements may be submitted up to ninety (90) days following expiration of the term of this Agreement.

2. Administrative Requirements

a) County shall comply with all applicable provisions of 2 CFR 200, Subpart D "Post Federal Award Requirements" and Subpart E "Cost Principles."

b) County shall carry out each activity required by this Agreement in a manner consistent with the requirements of Federal laws and regulations described in 24 CFR Part 92, and other applicable regulations as referenced in the attached Exhibit B, "Standard Certifications and Assurances."

c) In accordance with 24 CFR Part 58, recipients, owners, developers, sponsors, or any third party partners cannot undertake any physical actions on a site, commit, expend, or enter into legally binding agreements that constitute choice-limiting actions for any HUD or non-HUD funds before the environmental review process has been completed and the County has received a Release of Funds from HUD, if required. Choice-limiting actions are defined by HUD as property acquisition, demolition, movement, rehabilitation, conversion, repair, or construction prior to the environmental clearance. Undertaking a choice-limiting action with any funding source (as defined above) prior to receiving environmental clearance will result in the automatic de-obligation of the HOME award.

3. Records and Reports

a) County shall maintain Program and project records necessary to document compliance with applicable provisions of the HOME Program. County shall maintain records necessary to document compliance with the policies, guidelines, and requirements of 2 CFR 200, as they relate to the acceptance and use of grant funds by governmental organizations.

b) Upon project completion and no less frequently than annually, County shall submit to the City data on each beneficiary showing household data and sources and uses of funds. County shall provide any information which may be subsequently requested by the City or HUD.

c) County shall maintain original files and provide copies of contracts, invoices and other supporting documentation as determined appropriate upon which cost reimbursements or fund advances may be made. County shall maintain and provide to the City detailed income and expense statements, as applicable.

d) All records pertaining to each fiscal year of HOME funds must be retained for the most recent five-year period. For homeownership housing projects, records may be retained for five years after the project completion date, except for documents imposing recapture/resale restrictions which must be retained for five years after the affordability period terminates.

4. Suspension and Termination

a) In accordance with the provisions of 2 CFR 200.339(a)(1) and (a)(2), this Agreement may be suspended or terminated, at the sole discretion of the City, if the County fails to comply with the terms and conditions specified herein or for cause. In addition, the City may suspend or terminate payment of funds to the County if it fails to make satisfactory progress toward fulfilling the obligations of this Agreement, and the determination of whether satisfactory progress has been made shall be in the sole discretion of the City. If for any reason the

payment of funds is suspended or terminated, the County agrees to promptly remit to the City any payments previously received which the City deems to have been paid and received in violation of this Agreement.

- b) In accordance with the provisions of 2 CFR 200.339(a)(3), the Agreement may be terminated in whole or in part by the City with the consent of the Subgrantee, in which case the two parties must agree upon the termination conditions, including the effective date and portion to be terminated.
- c) In accordance with the provisions of 2 CFR 200.339(a)(4), the Agreement may be terminated by the Subgrantee upon written notification to the City setting forth the reasons for termination, effective date and portion of the grant to be terminated. However, in the case of a partial termination, if the City determines that the remaining portion of the grant will not accomplish the purposes for which it was made, the City may terminate the Agreement in its entirety.
- d) This Agreement may be amended upon agreement of the parties.

5. Release and Indemnity: The County hereby releases and forever discharges the City, its agents, officers and employees, from any and all claims, demands, expenses, costs and liabilities of any kind or nature directly or indirectly related to any personal injury and/or property damage arising out of the performance of the Service, except those claims that result from the sole negligence of the City or a City employee or officer acting within the scope of the employment. The County shall indemnify, defend, and hold harmless the City, its agents, officers and employees from and against any and all claims, demands, expenses, costs and liabilities of any kind or nature, directly or indirectly caused by, arising out of, or related to the intentional, negligent or reckless acts or omissions of the County, and its agents, officers or employees in the performance of these Services.

6. Insurance: During the performance of the Services described herein, the County shall maintain Commercial General Liability Insurance to protect the County against any and all injuries to third parties, including personal injury and property damage, and special and consequential damages, resulting from any negligent action, omission or operation by the County, or in connection with the Services described herein. This insurance shall provide bodily injury and property damage limits of not less than \$1,000,000 per occurrence, respectively. Said insurance shall name the City as an additional insured and provide that said coverage is primary to any other coverage the City may possess. County shall also maintain Workers' Compensation Insurance as required by law. Evidence of all required insurance policies shall be provided to the City's Risk Manager upon execution of the Agreement.

7. Exhibits

The attached Exhibits are incorporated herein by reference and shall have the same force and effect as if set forth herein, and are:

- (A) Budget, Purposes, and Procedures
- (B) Federal Requirements and Special Conditions

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in duplicate by their duly authorized representatives and signed under seal effective as of the date first written above.

ATTEST:

CITY OF WINSTON-SALEM:

_____(SEAL) BY: _____(SEAL)
Melanie Johnson, City Secretary Lee Garrity, City Manager

If Subgrantee has a corporate seal, please affix the seal below. If not, please complete the paragraph below:

I, _____ (Print Name) certify that I am the _____ (Print Position Title) for the Subgrantee and that I am authorized to execute contracts on behalf of the Subgrantee, which entity does not have a corporate seal; however, for purposes of the statute of limitations (NCGS § 1-47), both parties will treat this contract as if a corporate seal has been affixed hereto.

ATTEST:

FORSYTH COUNTY

_____(SEAL) BY: _____(SEAL)
Carla D. Holt, Clerk to the Board Dudley Watts, County Manager

In the event that the person executing this Agreement on behalf of the Subgrantee is the only officer of the company or is an individual doing business individually or as a trade name, please have the Subgrantee's signature notarized below.

Sworn to or subscribed before me this the ____ day of _____, 20__.

SEAL Notary Public _____ / / _____

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Approved as to form and legality.

This the ____ day of _____, 201_. This the ____ day of _____, 201_.

Lisa Saunders, Chief Financial Officer

Angela Carmon, City Attorney

NORTH CAROLINA)
)
FORSYTH COUNTY)

I, _____, a Notary Public of Forsyth County, North Carolina, do hereby certify that Melanie Johnson personally came before me this day and acknowledged that she is City Secretary of the City of Winston-Salem, a municipal corporation of North Carolina, and that, by authority duly given, and as the act of said corporation, the foregoing instrument was signed in its name by its City Manager, sealed with its corporate seal, and attested by herself as its City Secretary.

WITNESS my hand and notarial seal, this the ____ day of _____, A.D., 20__.

My Commission Expires: _____

Notary Public

NORTH CAROLINA)
)
FORSYTH COUNTY)

I, _____, a Notary Public of Forsyth County, North Carolina, do hereby certify that Carla D. Holt personally came before me this day and acknowledged that she is Clerk to the Board of Commissioners of Forsyth County, a political subdivision of North Carolina, and that, by authority duly given, and as the act of said county, the foregoing instrument was signed in its name by its County Manager, sealed with its corporate seal, and attested by herself as its Clerk to the Board.

WITNESS my hand and notarial seal, this the ____ day of _____, A.D., 20__.

My Commission Expires: _____

Notary Public

EXHIBIT A: BUDGET, PURPOSE, AND PROCEDURES

1. Project Budget:

FFY 2017 Housing	\$151,290
FFY 2017 Program Administration	16,810
Total	\$168,100

2. Purpose

HOME funds provided herein consist of Federal Fiscal Year 2016~~7~~ funds. HOME funds are provided for: 1) acquisition of newly constructed or existing housing, with or without rehabilitation, 2) rehabilitation of housing, 3) new construction of housing without acquisition, 4) tenant-based rental assistance, and 5) program administration costs. The County shall carry out the program consistent with 24 CFR 92, as amended. Pursuant to §92.254(a)(5), the Consortium has elected to impose recapture requirements.

3. Payment and Administrative Procedures

HOME funds provided herein will be disbursed on a reimbursement basis. For acquisition, rehabilitation and new construction, the County shall provide a HUD Set-Up and Completion form for each case, which summarizes all sources and uses of funds, including matching funds received from Cooperating Units, and client information for the case.

For tenant-based rental assistance (TBRA), the County must provide to the City a copy of any agreement between the County and the housing authority or other entity operating the TBRA program. A request for reimbursement must include a listing of assistance disbursed for each tenant by address and the period for which reimbursement is requested for each tenant. A TBRA set-up form must be submitted to the City for each newly admitted or recertified tenant.

For program administration, salary and fringe benefit reimbursement is limited to identified staff person(s) carrying out program activities. The County will submit a list of sources and uses of funds for personnel costs through the end of the period for which reimbursement is requested. Reimbursement for materials, supplies and other administrative expenses is limited to direct project-related expenditures which are documented by original vendor receipts containing the information described below.

- Contain the names of the vendor and purchaser
- Date of purchase, delivery, or projected date for delivery of service
- Itemization of purchase/service, including the description of items or service, number of each item/unit of service, and the cost of each item/unit of service
- Total purchase cost

The County shall keep program income generated by its HOME Consortium Program activities and use it solely for HOME-eligible activities. The County shall report the total amount of program income received during the fiscal year to the City no later than 60 days after the end of the fiscal year.

EXHIBIT B

FEDERAL REQUIREMENTS AND SPECIAL CONDITIONS

This Development Agreement is financed in whole or in part with HOME Investment Partnership program (hereinafter "HOME") funds received from the United States Department of Housing and Urban Development (hereinafter "HUD"). When multiple program sources are used, the regulations for each source will apply to the Project, as applicable. In the case of regulatory conflict, such will be resolved under the more stringent program requirement. Pursuant to the provisions applicable to such HUD financial assistance, Borrower, and all contracts entered into by Borrower as a result of or in connection with this Loan Agreement, shall comply with the following:

1. FAIR HOUSING AND EQUAL OPPORTUNITY

(a) Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d, et seq.), and the regulations at 24 CFR Part 1, which provide 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 subjected to discrimination under any program or activity receiving Federal (hereinafter "HUD") financial assistance, and that the recipient of said financial assistance shall immediately take any measures necessary to effectuate this assurance. If any real property or structure thereon is provided or improved with the aid of HUD financial assistance extended to the recipient, this assurance shall obligate the recipient, or in the case of a transfer of such real property or structure, any transferee, for the period during which said financial assistance is extended.

(b) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601, et seq.), as amended, popularly known as the Fair Housing Act, which prohibits discrimination in the sale, rental, or advertising of dwellings, in the provision of brokerage services, or in the availability of residential real estate related transactions, including otherwise making unavailable or denying a dwelling to any person, because of race, color, national origin, religion, sex, familial status or handicap.

(c) Executive Order 11063, as amended by Executive Order 12259, and the regulations at 24 CFR Part 107, which prohibit discrimination on the basis of race, color, religion, 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 financed in whole or in part with HUD funds.

(d) The Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq) as amended, and the regulations at 24 CFR Part 146, which prohibits discrimination on the basis of age in programs or activities receiving HUD financial assistance.

(e) Section 282 of Title II of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101-625), and the regulations at 24 CFR 92.350, which provides that no person in the United States shall on the grounds of race, color, religion, 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 HOME Investment Partnership funds (hereinafter "HOME Funds").

2. EMPLOYMENT AND CONTRACTING OPPORTUNITIES

(a) Executive Order 11246, as amended by Executive Order 12066 (41 CFR Chapter 60), and the regulations at 24 CFR Part 130, which provide 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 HUD assisted construction contracts. Participating contractors and subcontractors must take affirmative action to ensure fair treatment in employment, upgrading, demotion, transfer, recruitment and recruitment advertising; lay-off and termination; rates of pay and compensation; and selection for training and apprenticeship. This provi-

sion shall apply to all construction contracts of \$10,000.00 or more entered into by Borrower as a result of or in connection with this Loan Agreement.

(b) Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), (24 CFR Part 135) which requires that, to the greatest extent feasible, opportunities for training and employment arising in connection with any project assisted with HUD funds be given to lower income persons residing within the project, project area, unit of local government, or metropolitan area. Contracts awarded in connection with said HUD financial assistance, must, to the greatest extent feasible, be awarded to eligible business concerns which are located in, or are owned in substantial part by persons residing in the same metropolitan area as the project. This provision shall apply to all construction contracts of \$200,000.00 or more of HUD funds entered into by Borrower as a result of or in connection with this Loan Agreement.

(c) Executive Orders 11625, 12432 and 12138 which require that efforts be made to encourage the use of minority and women's business enterprises in connection with construction contracts or subcontracts of \$25,000.00 or more, financed in whole or in part with HUD financial assistance.

(d) Title II of The Americans with Disabilities Act (42 U.S.C. 12101), and the regulations at 29 CFR Part 1630, which prohibits discrimination in the sale, rental of dwellings, including otherwise making unavailable or denying a dwelling to any person, because of disability.

3. **LABOR STANDARDS.** The following provisions are applicable to all construction contracts involving rehabilitation or new construction projects containing twelve (12) or more HOME-assisted units.

(a) The Davis-Bacon Act (40 U.S.C. 276a--276a-7), as amended, and the regulations at 29 CFR Part 5, which require that all laborers and mechanics employed on said construction contracts be paid wages at rates not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor.

(b) The Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et seq.), and the regulations at 29 CFR Part 5), which require overtime pay for all laborers and mechanics employed on said construction contracts.

(c) The Copeland "Anti-Kickback" Act (40 U.S.C. 276c), and the regulations at 29 CFR Part 3, which provide that no deduction or rebate on any account will be taken from an employees' pay on said construction contracts, except deductions permitted by law, and unless this deduction is authorized in writing by the employee.

(d) The applicable provisions of Section 6, 7, and 12 of the Fair Labor Standards Act of 1938, as amended, and that there will be no violations of the "hot goods" or "hot cargo" provisions of the Act involving restrictions on the use of underaged employees.

4. **HANDICAPPED ACCESSIBILITY**

(a) Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as amended, and the regulations at 24 CFR Part 8, which require that no individual shall, solely on the basis of handicap, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity receiving HUD financial assistance, and establishes design and construction standards for certain new or altered multifamily residential and nonresidential buildings, incorporating Sections 3-8 of the Uniform Federal Accessibility Standards (UFAS).

(b) The Fair Housing Amendments Act of 1988 (Pub. L. 101-430), amending Title VIII of the Civil Rights Act of 1968, and the regulations at 54 FR 3232, January 23, 1989, which prohibits discrimination in the sale, rental, or advertising of dwellings, in the provision of brokerage services, or in the availability of residential real estate related transactions, including otherwise making unavailable or denying a dwelling to any person, because of handicap or familial status, and establishes design and construction standards for certain covered multifamily dwellings containing four (4) or more dwelling units, for first occupancy on or after

March 13, 1991, incorporating the American National Standard for buildings and facilities providing accessibility and usability for physically handicapped people (ANSI A117.1--1986).

5. **NATIONAL FLOOD INSURANCE PROGRAM.** All applicable standards, orders or requirements issued pursuant to Sections 102(a) and 202(a) of The Flood Disaster Protection Act of 1973 (42 U.S.C. 4001 et seq.), and the HUD regulations at 24 CFR 570.605, which prohibit Federal financial assistance for acquisition or construction purposes in any area that has been identified by the Federal Emergency Management Agency (FEMA) as an area having special flood hazards, unless the community in which such area is situated is participating in the National Flood Insurance Program in accordance with the provisions of 44 CFR Parts 59-79, and unless flood insurance is obtained.

6. **LEAD-BASED PAINT.** All applicable standards, orders or requirements issued pursuant to Sections 302 and 401(b) of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4822 et seq.), the HUD regulations at 24 CFR Part 35, which prohibits use of lead-based paint in residential structures constructed or rehabilitated with HUD financial assistance, and establishes procedures to eliminate as far as practicable the hazards due to the presence of paint which may contain lead and to which children under seven years of age may be exposed in existing housing which is rehabilitated with said financial assistance.

7. **ASBESTOS.** The EPA Standards for Hazardous Air Pollutants (NESHAPS) at 40 CFR Part 61, Subpart M (asbestos), which apply to the HUD financed renovation or demolition of residential properties of five (5) or more units, and the Occupational Health and Safety Administration (OSHA) asbestos regulations at 29 CFR Part 1910.1001, which apply to all private sector work places where there is an employee/employer relationship and where asbestos is present.

8. **CONFLICT OF INTEREST.** The regulations at 2 CFR 200.317 and 200.318 and 24 CFR Part 92.356 (applicable to HOME Funds), which specify that no person who is an employee, agent, consultant, officer, or elected official or appointed official of an authorized recipient of HUD funds, or of any designated public agencies, or subrecipients which are receiving such HUD funds, who exercise or have exercised any functions or responsibilities with respect to HUD activities or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from a HUD assisted activity, or have an interest in a contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

9. **LOBBYING.** 1) No Federal funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement. 2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an office 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.

10. **CONTRACTOR ELIGIBILITY.** Funds shall not be used directly or indirectly to employ, award contracts to, or otherwise engage the services of, or fund any contractor during any period of debarment, suspension, or placement in ineligible status under the provision of 24 CFR Part 24. Contractor hereby certifies that neither it, or its agents or subcontractors; (i) are presently debarred, suspended, proposed for suspension or debarment from contracting by any Federal or State Department or Agency, or (ii) have been declared ineligible or voluntarily excluded from contracting by or with any Federal or State Department or Agency. Any contract entered into with a contractor or subcontractor that has been debarred or suspended, declared ineligible or voluntarily excluded from contracting with or by any Federal or State Department or Agency may be terminated at the sole discretion of the City.

11. **MISCELLANEOUS CONTRACT PROVISIONS.** All contracts entered into by Borrower as a result of or in connection with this Loan Agreement shall contain the following provisions, as applicable:

(a) Provisions which will allow for administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate.

(b) For all contracts in excess of \$10,000.00, provisions for termination by Borrower for cause and for convenience, including the manner by which it will be effected and the basis for settlement. In addition, such contracts shall describe conditions under which the contract may be terminated for default, or terminated because of circumstances beyond the control of the contractor.

(c) Provisions granting access to the City, HUD, the Comptroller General of the United States, or any of their duly authorized representatives, to any books, documents, papers, and records of the contractor or Borrower which are directly pertinent to that specific contract, for the purpose of making audit, examination, excerpts, and transcriptions.

(d) Provisions requiring Borrower and the contractor to maintain all required records for five (5) years after Borrower makes final payment and all other pending matters are closed.

12. **CLEAN AIR ACT AND THE FEDERAL WATER POLLUTION CONTROL ACT.** For grants of amounts in excess of \$150,000, Subgrantee agrees 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).

13. **PROCUREMENT OF RECOVERED MATERIALS.** The recipient 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 by 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.

14. **E-VERIFY COMPLIANCE.** Contractor shall comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes. Further, if the Contractor utilizes a subcontractor, the Contractor shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes.

15. **IRAN DIVESTMENT ACT.** Subgrantee hereby certifies that it is not on the North Carolina State Treasurer's list of persons engaging in business activities in Iran, prepared pursuant to NCGS §147-86.58, nor will Subgrantee utilize on this agreement any subcontractor on such list.