



AGENDA ITEM FORM

TYPE OF AGENDA ITEM:

- CONSENT AGENDA
- PRESENTATION
- ACTION ITEM
- TOWN MANAGER & STAFF COMMENTS
- PUBLIC HEARING
 - Duly Advertised

PURPOSE OF ITEM:

- INFORMATION ONLY
- DISCUSSION ONLY
- DISCUSSION AND/OR DECISION
 - Introduction Resolution
 - Ordinance Grant/MOU
 - By Motion Bylaws
 - Certificate

PRESENTER: Daniel E. Taber

PRESENTER TITLE: Town Manager

AGENDA ITEM:

Discussion Item Regarding Restrictions On Use of Ginn Park

BACKGROUND / SUMMARY:

When the Community Development Block Grant was applied for regarding the purchase of land to be used to establish Ginn Memorial Park, specific justifications and uses were outlined. According to the Grant Administrator in PWC, we are prohibited from leasing the fields/courts and from having any type of organized sports leagues using the park unless the participants are residents of the Town of Dumfries.

ATTACHMENTS:

Original grant documents and email clarification from PWC

REQUESTED ACTION: **X NO ACTION REQUESTED**

FOR MORE INFORMATION, CONTACT:

Name: Dan Taber

Phone#: (703) 221-3400 X113

E-mail: dtaber@dumfriesva.gov

FOR USE DURING MEETING

VOTE:

PASSED

NOT PASSED

Y	N		Y	N		Y	N	
<input type="checkbox"/>	<input type="checkbox"/>	Brewer	<input type="checkbox"/>	<input type="checkbox"/>	Foreman	<input type="checkbox"/>	<input type="checkbox"/>	Forrester
<input type="checkbox"/>	<input type="checkbox"/>	Reynolds	<input type="checkbox"/>	<input type="checkbox"/>	Toney	<input type="checkbox"/>	<input type="checkbox"/>	Washington
<input type="checkbox"/>	<input type="checkbox"/>	Wood						

Daniel Taber

To: Daniel Taber
Subject: FW: Dumfries CDBG Contract #11-19CD-0098-3 Land Aquisition for Playground

From: Lake, Bill J. [mailto:blake@pwcgov.org]
Sent: Monday, March 18, 2013 8:32 AM
To: Daniel Taber
Subject: RE: Dumfries CDBG Contract #11-19CD-0098-3 Land Aquisition for Playground

Daniel,

Sorry that I missed your call and hope that this response will answer any questions that you might have. Since the Community Development Block Grant (CDBG) was used to benefit low and moderate income residents of Dumfries you would not be able to utilize the space for organized sports for individuals who are not Dumfries residents. What I have to report to HUD on the use of CDBG funding is that more than 50% of the residents of the Towne of Dumfries are low and moderate-income regardless of where the reside within the incorporated town.

As for charging a fee for the land usage, that is something that you also do not want to consider because that money would be considered Program Income. The CDBG regulations regarding Program Income states:

- The term **“program income”** means any gross income received by the subrecipient that was directly generated from the use of CDBG funds (24 CFR 570.500(a)). This includes, but is not limited to:
 - Proceeds from the sale or long-term lease of **real property purchased or improved** with CDBG funds.
 - Proceeds from the disposition of **equipment purchased** with CDBG funds.
 - Gross income from the **use or rental of property acquired** by the grantee or subrecipient with CDBG funds, less the costs incidental to the generation of such income.
 - Gross income from the **use or rental of property owned by the grantee or subrecipient that was constructed or improved** with CDBG funds, less any costs incidental to the generation of such income.
 - Payments of **principal and interest on loans made** using CDBG funds.
 - Proceeds from the **sale of loans made** with CDBG funds.
 - Proceeds from the **sale of obligations secured by loans made** with CDBG funds.
 - **Interest earned on program income**, pending the disposition of such program income.

- **Funds collected through special assessments made against properties owned and occupied by households not of low- and moderate-income**, where such assessments are used to recover part or all of the CDBG portion of a public improvement.

Program income does **not** include (except for funds in lump-sum drawdown accounts), the interest earned on cash advances from the grantee or funds held in a revolving loan fund account. Such interest must be returned to the grantee for remittance to HUD.

When income is generated by an activity that is only **partially** assisted with CDBG funds, the income must be prorated to reflect the percentage of CDBG funds used to determine the portion that is program income.

- The **written agreement** between the subrecipient and the grantee will specify whether any program income received by the subrecipient is to be **returned to the grantee or retained by the subrecipient for use in carrying out CDBG activities**.
- If the program income is to be retained by the subrecipient, the **written agreement will also specify what CDBG-eligible activities** the subrecipient may undertake with the program income.
- The receipt and expenditure of program income **must be recorded** by the subrecipient as part of its records of financial transactions.
- When a subrecipient retains program income, such income must be used for any authorized activity **before drawing down additional grant funds** from the grantee, except in the case of a revolving fund. In the case of **program income in a revolving fund**, the subrecipient must use the program income for the activity for which the revolving fund was established, **before** drawing down additional grant funds for that activity.
- **At the expiration of the Subrecipient Agreement**, any program income on hand or subsequently received by the subrecipient must **be returned to the grantee**.

Should you have any additional questions please let me know.

*Bill Lake, Community Planning and Development Division Chief
Dr. A.J. Ferlazzo Building
15941 Donald Curtis Drive, Suite 112
Woodbridge, VA 22191
703-492-2300 (Office) 703-492-0499 (fax)
blake@pwcgov.org*

Attachment D

Applications will be funded based upon score. For applications that receive the same scores, applications will be ranked based upon date and time applications are received.

I. PROJECT DESCRIPTION - 110 points maximum (2 page limit for narrative)

A. Answer each of the following questions: 1) describe the project (not your agency) with reference to "Eligible Activities", 2) who will administer the project, 3) which objective and outcome your project will address within the CP and how the project affects the Consolidated Plan, 4) where the project is located and why, 5) how lead-based paint requirements will be addressed 6) Single Service Delivery agencies and public service activity describe new or increased level of service 7) type of loan and provisions, if applicable for repayment and match, 8) what methods will be used to publicize funding of this activity with CDBG funds?

1. **The "Eligible Activity" for which the Town seeks funding is the acquisition of real property (land), for the purpose of public facilities and improvements, specifically a park and playground.**

The Town of Dumfries will use CDBG funds to acquire property in the Graham Park Road area of the Town, in the vicinity of Williamstown, South Cove, and Port O' Dumfries (aka "the townhouse communities"), for the purpose of a recreational park to serve the residents in those communities. If there is CDBG funding remaining after the property acquisition, the remaining funds shall be spent on park and playground equipment, facilities, and improvements. The Town has received a commitment from Mr. Pete Singh of Town Center Development, LLC to improve such newly acquired property with facilities comparable to those removed from Garrison Park. Such facilities would constitute a leverage/match of between \$50,000 and \$100,000, and would include (but not be limited to) a basketball court, playground equipment, and swing set. The Town is also committed to pursuing other sources of funding and in-kind donations to supplement this match and to maximize improvements of the area.

2. The project will be administered by the Town of Dumfries, specifically the Town Manager. The Town Manager has 5 years of experience managing CDBG entitlement funding for the City of Harrisonburg, Virginia, including management of more than 50 CDBG projects and Subrecipients for activities from park and playgrounds development to public service activities to housing rehabilitation and more. Additionally, the Town Manager has 2 years of experience managing a competitive state CDBG grant for the Town of Shenandoah for Streetscape improvements.
3. This project will address Objective I – Suitable Living Environment. This project will address Outcome A.7 – Availability/Accessibility: "4 Park and Recreation projects will be available to low-and-moderate-income persons through improvement to parks and recreational facilities for the purpose of creating a suitable living environment." This project will address the County's Non-housing Community Development Plan Goal to "Improve living conditions in Prince William County by addressing non-housing community development needs." Under this goal, Objective 1: "Address infrastructure needs in the CDBG eligible areas of Prince William County..." will be achieved through Strategy 1.2 – "Improve parks and recreation facilities." This project will affect the County's Consolidated Plan by serving as the final project in that category needed for the County to achieve its 5-year performance measurement goal of 4 projects.
4. The project will be located at the most suitable available site in the Graham Park Road area of the Town of Dumfries, in the vicinity of Williamstown, South Cove, and Port O' Dumfries. This location was selected for the following reasons:

With the development of the new "Town Center" building along Main Street next to Town Hall, recreational park equipment and facilities were removed from Garrison Park. The

Town has a contract with Mr. Pete Singh which states that he will replace the removed equipment. After careful consideration, it is apparent that the facilities would be much more accessible to the residents of the townhouse communities (where the vast majority of children live) if they were relocated to an area on Graham Park Road. If this was done, the children would no longer have to cross Route 1/Fraley Blvd. in order to get to the park. Further, the improvements would no longer be located within the floodplain and subject to flood damage, which would decrease maintenance costs and concerns while increasing the sustainability of the facilities. And finally, the Town has identified a serious need for such recreational facilities in this targeted LMI area. The children and teens in these communities currently have very few options and because of this are often seen playing in the streets or loitering on the sidewalks. Park improvements in this area would provide a safe alternative for recreation and play. It is also very likely that such facilities would also serve the nearby apartment complexes located just beyond Town limits, including Melrose Place and Linden Park.

5. The Town does not anticipate any issues with lead based paint, as the park improvements will be new.
6. This criteria/question is not applicable to this project.
7. The Town is applying for the 30 year deferred/forgivable loan. The Town's match will be in the form of improvements to the area. The Town has received a commitment from Mr. Pete Singh of Town Center Development, LLC to improve the newly acquired property with facilities comparable to those removed from Garrison Park. Such facilities would constitute a leverage/match of between \$50,000 and \$100,000, and would include (but not be limited to) a basketball court, playground equipment, and swing set. This commitment is secured via a "Parking Franchise Agreement" between the Town and Mr. Singh. The Town is also committed to pursuing other sources of funding and in-kind donations to supplement this match and to maximize improvements of the area.
8. The Town will publicize funding of this activity with CDBG funds in several ways. First, quarterly updates on the funding and the project will appear in the Town's Newsletter, which is mailed out to all Town residents. Announcements and updates, including progress photos, will also appear on the Town's website, in the Community Center, and in Town Hall. A sign will be placed on the acquired property during development and also as a part of the Park's permanent improvements, publicizing the CDBG assistance received from the County. Finally, Town Staff will publicly update the Council on the project at each Council Meeting, all of which are televised and replayed daily on the Town's Public Access Channels. Town Staff will also include this project in all other updates to various organizations, groups, government entities, the media, and citizens.

MEMORANDUM OF AGREEMENT BETWEEN
Prince William County Office of Housing and Community Development
AND
Town of Dumfries
FOR
Acquisition of Real Property for Playground

THIS AGREEMENT, entered effective this 1st day of July, 2010 by and between the Prince William County Office of Housing and Community Development (herein called the "Grantee") and Town of Dumfries (herein called the "Subrecipient") Case Number 11-19CD-0098-3.

WHEREAS, the Grantee has applied for and received funds, Catalog of Federal Domestic Assistance Number 14-218 (CDBG), from the United States Government under Title I of the Housing and Community Development Act of 1974, Public Law 93-383; and

WHEREAS, the Grantee wishes to engage the Subrecipient to assist the Grantee in utilizing such funds;

NOW, THEREFORE, it is agreed between the parties hereto that;

1. SCOPE OF SERVICE

A. Activities

The Subrecipient will be responsible for administering a CDBG Year [2011] [Acquisition of Real Property for Playground] in a manner satisfactory to the Grantee and consistent with any standards required as a condition of providing these funds. Such program will include the following activities eligible under the Community Development Block Grant Program:

Program Delivery

- | | |
|-------------|---|
| Activity #1 | Locate parcel of real property within the Town of Dumfries for a recreational park to serve the residents of the community. |
| Activity #2 | Make offer to purchase identified property conditional upon <ol style="list-style-type: none">a) Appraisalb) Environmental Assessment conducted by Prince William County Office of Housingc) HUD's approval of Request for Release of Funds and Certification |
| Activity #3 | Settlement on the purchase of identified property prior to June 30, 2011. |

Consolidated Plan Performance Measurement

Each project must help to address one of the 5-Year Consolidated Plan Performance Measurements. This project activity outcome will assist the County in obtaining the following Performance Measurement.

Objective: Suitable Living Environment

Outcome: Affordability/Accessibility

Outcome Statement: 4 Park and Recreation projects will be available to low and moderate-income persons through improvements to parks and recreational facilities for the purpose of creating a suitable living environment.

General Administration

The Subrecipient will maintain program and financial records documenting eligibility, provisions of services, and Subrecipient's expenses relative to the project as a result of assistance provided through the CDBG program.

B. National Objectives

The Subrecipient certifies that the activities carried out with funds provided under this Agreement will meet one or more of the CDBG program's National Objectives - 1) project benefits at least 51% low/moderate income persons, 2) aid in the prevention or elimination of slums or blight, 3) meet community development needs having a particular urgency - as defined in 24 CFR Part 570.208.

C. Implementation Schedule

Unless amended by mutual written agreement by the Subrecipient and the Grantee, the Subrecipient will perform the described tasks in conformance with the schedule below.

TASK/PROGRAM GOAL	DATE
Review Potential Properties and Place Contract for Purchase Settlement	7-1-10 to 12-30-10 Before 3-30-11

D. Staffing

The Subrecipient shall assign the following staff as Key Personnel to this project.

Staff Member/Title
Kimberly Alexander, Town Manager
Greg Tkac, Public Works Director
Cathy Holtzlander, Director of Community Services

E. Performance Monitoring

The Grantee will monitor the performance of the Subrecipient against goals and performance standards required herein. Substandard performance as determined by the Grantee will constitute non-compliance with this Agreement. If action to correct such substandard performance is not taken by the Subrecipient within ten (10) days after being notified by the Grantee, contract termination and all funding will end. Subrecipient must return any unused funds promptly.

II. TIME OF PERFORMANCE

Services of the Subrecipient shall start on the 1st day of July, 2010 and end on the 30th day June, 2011. The term of this Agreement and the provisions herein shall be extended to cover any additional time period during which the Subrecipient remains in control of CDBG funds or other assets, including program income.

III. BUDGET

Line Items:	CDBG Funds	Non-CDBG Funds	Total Funds
Acquisition	\$270,000	\$0	\$270,000
TOTAL	\$270,000	\$0	\$270,000

Any indirect costs charged must be consistent with the conditions of Paragraph VIII (C)(2) of this Agreement. In addition, the Grantee may require a more detailed budget breakdown than the one contained herein, and the Subrecipient shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the Grantee. Any amendments to this budget must be approved in writing by the Grantee and the Subrecipient.

IV. PAYMENT

It is expressly agreed and understood that the total amount to be paid by the Grantee under this contract shall not exceed **\$270,000**. Drawdowns for the payment of eligible expenses shall be made against the line item budget specified in Paragraph III herein and in accordance with performance. The Subrecipient will be reimbursed, on no more than a monthly basis, provided verification of eligible expenses are provided.

Payments maybe contingent upon certification of the Subrecipient's financial management system in accordance with acceptable standards specified in OMB Circular A-110.

V. NOTICES

Communication and details concerning this contract shall be directed to the following contract representatives:

Grantee	Subrecipient
Bill Lake, CPD Manager Prince William County OHCD 15941 Donald Curtis Drive, Suite 112 Woodbridge, Virginia 22191 Telephone: 703-792-7532 Fax: 703-792-7393 E-mail: blake@pwcgov.org	Name & Title Kimberly Alexander, Town Manager Subrecipient Town of Dumfries Address P.O. Box 56 (17755 Main Street) City, State, Zip Dumfries, VA 22026 Phone: 703-221-3400 Fax: 703-221-3544 E-mail: kalexander@dumfriesvirginia.org

VI. SPECIAL CONDITIONS

[This section of the Agreement can be used by Grantee to include special conditions specific to the particular activity or individual subrecipient such as limit of public service dollars]

ACQUISITION

Property Selection

Step 1: Property Selection

- The property selected must be located within the Town of Dumfries.

- Agreed upon Contract Price must be at or below current Fair Market Appraised value as determined by a Licensed Appraiser.
- Property must be outside the floodplain and project must be evaluated to consider both potential flood hazards on site as well as off site resulting from anticipated construction.

Step 2: Submit Appraisal and Sales Contract for Review

All negotiated sales price must be at or below appraised value as determined by a licensed appraiser. All written Contract should include these contingencies:

- Appraisal must be minimum of Contract Price
- Environmental & Historical Review
- Release of Funds and Certification from HUD after completion of Environmental Assessment
- Joan Duckett (703)-792-7777 assigned OHCD staff for Environmental Reviews
- Contingent upon Purchaser's receipt of CDBG funds from Prince William County Office of Housing and Community Development

Step 3: Environmental Review

OHCD will complete initial environmental review. For the Acquisition of Real Property to construct playground equipment an Environmental Assessment must be completed advertised in the legal section of local paper and a Release of Funds and Certification submitted to HUD for release of funds before settlement can occur.

Ratified Contract

Step 1: After the Contract is Ratified

Return to OHCD:

- Fax copy of legible ratified contract
- Copy of MRIS listing
- Purchaser financing if applicable.

Loan Process

After contract is ratified the Purchaser arranges for insurance on property for settlement along with listing Prince William County Board of County Supervisors as mortgagee. OHCD will send Settlement Company Closing Instructions for Loan. The Settlement Attorney will need to provide the HUD1 within 7- 10 days prior to settlement for OHCD to requisition check. The Settlement Attorney will need to register with the County so that funds needed for closing can be direct deposit. OHCD will review and approve HUD 1. Settlement date is scheduled based on availability of funds by settlement. OHCD will prepare Deed/Note, which is signed at closing along with closing instructions.

Types of Loan

Deferred loan for 30 years with shared market appreciation provision

Conditions for Loan Repayment

Forgive loan?

Property ceases to be used for the designated purpose, or is sold, or the borrower fails or neglects to pay the taxes, assessments, or premiums for hazard, flood (if required) or mortgage insurance, or terms of the deed of trust are violated. Subordination of Loan – All Loans will not be subordinated at anytime during the deferral or repayment period to a home equity loan, reverse mortgage or any other form of refinance of the first trust that result in removal of equity from the property for any reason (i.e. cash, loan consolidation, debt repayment, home improvements, education expenses, etc.)

- Deferred 30 Year Loan with Shared Market Appreciation – Repayment of principal balance and a portion of the shared market appreciation based upon federal dollars used towards acquisition.

Utilization of Funds

If the Subrecipient fails to comply with the terms of this Agreement such as C. Implementation Schedule or the expenditure of 50% of obligated funds by the 3rd Quarterly Report, the Grantee can terminate this contract without giving a 30-day notice. See Section H. Suspension or Termination.

VII. GENERAL CONDITIONS

A. General Compliance

The Subrecipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)). The Subrecipient also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this contract. The Subrecipient further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

B. "Independent Contractor"

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

C. Hold Harmless

The Subrecipient, to the extent permitted by law, shall hold harmless, defend and indemnify the Grantee from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the Subrecipient's performance or nonperformance of the services or subject matter called for in this Agreement.

D. Workers' Compensation

The Subrecipient shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this contract.

E. Insurance

The Subrecipient shall carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud and/or undue physical damage. The Subrecipient shall comply with insurance requirement of OMB Circular A-110, Bonding and Insurance.

F. Grantor Recognition

The Subrecipient shall insure recognition of the role of the grantor agency in providing services through this contract. All activities, facilities and items utilized pursuant to this contract shall be prominently labeled as to funding source. In addition, the Subrecipient will include reference to the support provided herein in all publications made possible with funds available under this contract.

G. Amendments

The Grantee or Subrecipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of both organizations. Such amendments shall not invalidate this Agreement, nor relieve the Grantee or Subrecipient from its obligations under this Agreement.

The Grantee may, in its discretion, amend this Agreement to conform with Federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in funding, the scope of services, or schedule of activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendments signed by both Grantee and Subrecipient.

H. Suspension or Termination

Either party may terminate this contract at any time by giving written notice to the other party of such termination and specifying the effective date thereof at least 30 days before the effective date of such termination. Partial termination of the Scope of Service in Paragraph I. A above may only be undertaken with the prior approval of the Grantee. In the event of any termination for convenience and at any time, at the Grantee's option, all finished or unfinished documents, data, studies, surveys, maps, models, photographs, reports or other materials prepared by the Subrecipient under this Agreement shall, at the option of the Grantee, become the property of the Grantee, and the Subrecipient shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents or materials prior to termination.

The Grantee may also suspend or terminate this Agreement, in whole or in part without notice, if the Subrecipient materially fails to comply with any term of this Agreement, or with any of the rules, regulations or provisions referred to herein and all payments shall cease; and the Grantee may declare the Subrecipient ineligible for any further participation in the Grantee's contracts, in addition to other remedies as provided by law. In the event there is probable cause to believe the Subrecipient is in noncompliance with any applicable rules or regulations, the Grantee may withhold up to fifteen (15) percent of said contract funds due to be paid for past work until such time as the Subrecipient is found to be in compliance by the Grantee, or is otherwise adjudicated to be in compliance.

VIII. ADMINISTRATIVE REQUIREMENTS

A. Financial Management

1. Accounting Standards

The Subrecipient agrees to comply with OMB Circular A-110 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all cost incurred.

2. Cost Principles

The Subrecipient shall administer its program in conformance with OMB Circulars A-122 "Cost Principles for Non-Profit Organizations," or A-21 "Cost Principles for Educational Institutions," as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

If the Subrecipient is a governmental or quasi-governmental agency, the applicable sections of 24 CFR Part 85, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments," and OMB Circular A-87 would apply.

B. Documentation and Record-Keeping

1. Records to be Maintained

The Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR Part 570.506, that are pertinent to the activities to be funded under this Agreement. Such records shall include but not limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one of the National

- Objectives of the CDBG program;
- c. Records required to determine the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG assistance;
- e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- f. Financial records as required by 24 CFR Part 570.502, and OMB Circular A-110; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR 570.

2. Retention

The Subrecipient shall retain all records pertinent to expenditures incurred under this contract for a period of three (3) years after the termination of all activities funded under this Agreement. Records for non-expendable property acquired with funds under this contract shall be retained for three (3) years after final disposition of such property. Records for any displaced person must be kept for three (3) years after he/she has received final payment. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the three-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the three-year period, whichever occurs later.

3. Client Data

The Subrecipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to Grantee monitors or their designees for review upon request.

4. Disclosure

The Subrecipient understands that client information collected under this contract is private and the use or disclosure of such information, when not directly connected with the administration of the Grantee's or Subrecipient's responsibilities with respect to services provided under this contract, is prohibited unless consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.

5. Property Records

The Subrecipient shall maintain real property inventory records with clearly identify properties purchased, improved or sold. Properties retained shall continue to meet eligibility criteria and shall conform with the "changes in use" restrictions specified in 24 CFR Parts 570.503(b)(8), as applicable.

6. Close-Outs

The Subrecipient's obligation to the Grantee shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the Grantee), and determining the custodianship of records. The Closeout Report is due by July 15th.

7. Audits & Inspections

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

C. Reporting and Payment Procedures

1. Program Income

The Subrecipient shall report monthly all program income as defined at 24 CFR 570.500(a) generated by activities carried out with CDBG funds made available under this contract. The use of program income by the Subrecipient shall comply with the requirements set forth at 24 CFR 570.504. By way of further limitations, the Subrecipient may use such income during the contract period for activities permitted under this contract and shall reduce request for additional funds by the amount of any such program income balances on hand. All unused program income shall be returned to the Grantee at the end of the contract period. Any interest earned on cash advances from the U.S. Treasury is not program income and shall be remitted promptly to the Grantee.

2. Indirect Cost

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

3. Payment Procedures

The Grantee will pay to the Subrecipient funds available under this contract based upon information submitted by the Subrecipient and consistent with an approved budget and Grantee policy concerning payments. Payments will be made for eligible expenses actually paid by the Subrecipient (reimbursement). Payments will be adjusted by the Grantee in accordance with program income balances available in Subrecipient accounts. In addition, the Grantee reserves the right to liquidate funds available under this contract for costs incurred by the Grantee on behalf of the Subrecipient.

4. Progress Report

The Subrecipient shall submit quarterly Progress Reports to the Grantee in the form, content and frequency as required by the Grantee. The Progress Reports are due no later than October 15th, January 15th and April 15th with the Closeout Report due July 15th.

D. Procurement

1. Compliance

The Subrecipient shall comply with current Grantee policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpended program income, property, equipment, etc.) shall revert to the Grantee upon termination of this contract.

2. OMB Standards

The Subrecipient shall procure all materials, property, or services in accordance with the requirements of OMB Circular A-110, Procurement Standards, and Property Management Standards as modified by 24 CFR 570.502(b)(6), covering utilization and disposal of property.

3. Travel

The subrecipient shall obtain written approval from the Grantee for any travel outside the metropolitan area with funds provided under this contract.

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

The Subrecipient agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606(b); (b) the requirements of 24 CFR 570.606(c) governing the Residential Antidisplacement and Relocation Assistance Plan under section 104 (d) of the HCD Act; and (c) the requirements in 24 CFR 570.606(d) governing optional relocation policies. The Subrecipient shall provide relocation assistance to persons (families, individuals, businesses, nonprofit organizations and farms) that are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for a CDBG-assisted project. The Subrecipient also agrees to comply with applicable Grantee ordinances, resolutions and policies concerning the displacement of persons from their residences.

X. PERSONNEL & PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

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

2. Nondiscrimination

The Subrecipient will not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, nation origin, sex, disability or other handicap, age, marital/familial status, or status with regard to public assistance. The Subrecipient will take affirmative action to insure that all employment practices are free from such discrimination. Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The Subrecipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

3. Land Covenants

This contract is subject to the requirements of Title VI of the Civil Rights Act of 1964 and 24 CFR 570.601 and 602. In regard to sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this contract, the Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting

discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, and providing that the Grantee and the United States are beneficiaries of the deed or lease entitled to enforce such covenants. The Subrecipient, in undertaking its obligation to carry out the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. Section 504

The Subrecipient agrees to comply with any Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1974, which prohibits discrimination against the handicapped in any Federally assisted program. The Grantee shall provide the Subrecipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this contract.

B. Affirmative Action

1. Plan

The Subrecipient agrees that it shall be committed to carry out pursuant to the Grantee's specifications an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1965.

2. W/MBE

The Subrecipient will use its best efforts to afford minority- and women-owned business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the term "minority and female business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The Subrecipient may rely on written representation by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

3. Access to Records

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

4. Notifications

The Subrecipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understandings, a notice, to provided by the agency contracting officer, advising the labor union or worker's representative of the Subrecipient's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5. EEO/AA Statement

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

6. Subcontracting Provisions

The Subrecipient will include the provisions of Paragraph X A, Civil Rights, and B, Affirmative Action, in every subcontract or purchase orders, specifically or by reference, so that such provisions will be binding upon each of its subrecipients or subcontracts.

C. Employment Restrictions

1. Prohibited Activity

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

2. Labor Standards (applicable to activity on property after purchase)

The Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with Davis-Bacon Act as amended, the provisions of Contract: Work Hours and Safety Standards Act, the Copeland "Anti-Kickback" Act and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this contract. The Subrecipient shall maintain documentation which demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Grantee for review upon request.

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

3. "Section 3" Clause

a. Compliance

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

The Subrecipient further agrees to comply with these "Section 3" requirements and to include the following language in all subcontracts executed under this Agreement:

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

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

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

b. Notifications

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

c. Subcontracts

The Subrecipient will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the grantor agency. The Subrecipient will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR 135 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. Conduct

1. Assignability

The Subrecipient shall not assign or transfer any interest in this contract without the prior written consent of the Grantee. Notice of any such assignments or transfer shall be furnished promptly to the Grantee.

2. Subcontracts

a. Approvals

The Subrecipient shall not enter into any subcontracts with any agency or individual in the performance of this contract without the written consent of the Grantee prior to the execution of such agreement.

b. Monitoring

The Subrecipient will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions to correct areas of noncompliance.

c. Content

The Subrecipient shall cause all the provisions of this contract in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

d. Selection Process

The Subrecipient shall undertake to insure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis. Executed copies of all subcontracts shall be forwarded to the Grantee along with documentation concerning the selection process.

3. Hatch Act

The Subrecipient agrees that no funds provided, nor personnel employed under this contract, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of the Title V United States Code.

4. Conflict of Interest

The Subrecipient agrees to abide by the provisions of 24 CFR 570.611 with respect to conflicts of interest, and covenants that it presently has no financial interest and shall not acquire any financial interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Agreement. The Subrecipient further covenants that in the performance of this Agreement no person having such a financial interest shall be employed or retained by the Subrecipient hereunder. These conflict of interest provisions apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the Grantee, or any designated public agencies or subrecipients which are receiving funds under the CDBG Entitlement program.

5. Lobbying

The Subrecipient hereby certifies that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of a 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;

- 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, it will complete and submit Standard Form -LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;
- c. It will require that the language of paragraph (d) 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; and
- d. Lobby Certification - Paragraph d

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.

6. Copyright

If this contract results in any copyrightable materials or inventions, the Grantee and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for government purposes.

7. Religious Organization

The Subrecipient agrees that funds provided under this contract will not be utilized for religious activities, to promote religious interest, or for the benefit of a religious organization in accordance with the Federal regulations specified in 24 CFR 570.200(j).

XI. ENVIRONMENTAL CONDITIONS

A. Air and Water

The Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this contract:

- Clean Air Act, 42 U.S.C., 7401, et seq..
- Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251, et seq., as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.
- Environmental Protection Agency (EPA) regulations pursuant to 40 C.F.R., Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973, the Subrecipient shall assure that for activities located in an area identified by FEMA as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

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

D. Historic Preservation

The Subrecipient agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended and the procedures set forth in 36 CFR, Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this contract.

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

XII. SEVERABILITY

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

IN WITNESS WHEREOF, the Parties have executed this contract as of the date first written above.

GRANTEE

Board of County Supervisors of
Prince William County

By: _____
Elijah T. Johnson

Title: _____
Director

SUBRECIPIENT

Town of Dumfries

By: _____
Kimberly Alexander

Title: _____
Town Manager