

ORDINANCE NO. 25-1440

AN ORDINANCE OF THE CITY OF DENTON AUTHORIZING THE CITY MANAGER TO EXECUTE A FUNDING AGREEMENT BETWEEN THE CITY AND DENTON COUNTY FRIENDS OF THE FAMILY, INC. TO PROVIDE COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS FOR A TRANSITIONAL HOUSING REPAIR PROJECT IN DENTON, TEXAS; AUTHORIZING THE EXPENDITURE OF FUNDS IN AN AMOUNT NOT TO EXCEED \$53,000.00; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Denton (the “City”) has received Community Development Block Grant (“CDBG”) funds from the U.S. Department of Housing and Urban Development (“HUD”) under Title I of the Housing and Community Development Act of 1974, as amended; CDBG Program, CFDA Number 14-218; and

WHEREAS, the City has adopted a budget and included therein an authorized budget for the expenditure of CDBG funds in accordance with its 2023-2027 City of Denton Consolidated Plan; and

WHEREAS, the Community Services Advisory Committee ("CSAC") of the City has reviewed the proposal for services of Denton County Friends of the Family, Inc. (the “SUBRECIPIENT”) for a Transitional Housing Repair Project and has determined that the SUBRECIPIENT performs an important service for the residents of Denton without regard to race, religion, color, age, or national origin, and the CSAC recommends the award of CDBG funds for such services in accordance with the 2023-2027 City of Denton Consolidated Plan pursuant to the 2025-2026 Community Development Block Grant Service Agreement between the City and SUBRECIPIENT attached hereto as Attachment 1 and incorporated herein for all purposes (the “Agreement”); and

WHEREAS, the Transitional Housing Repair Project will provide a benefit to low- and moderate-income persons in the City of Denton; and

WHEREAS, the City has designated the Community Development Division as the division responsible for the administration of the Agreement and all matters pertaining thereto; and

WHEREAS, the City Council deems it in the public interest to enter into the Agreement in support of much needed services for Denton residents; NOW, THEREFORE,

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The findings and recitations in the preamble of this ordinance are incorporated herein by reference as true and as if fully set forth in the body of this ordinance.

SECTION 2. The City Manager or their designee is hereby authorized to execute the Agreement with Denton County Friends of the Family to provide for the Transitional Housing Repair Project.

SECTION 3. The City Manager or their designee is hereby authorized to expend an amount not to exceed \$53,000.00 of CDBG funds in the manner specified in the Agreement, and to take any other actions, including granting an extension of the term of the Agreement in accordance therewith, that may

be necessary or convenient in the reasonable opinion of either the City Manager or the City Attorney, to carry out the City’s rights and obligations under the Agreement.

SECTION 4. This ordinance shall become effective immediately upon its passage and approval.

The motion to approve this ordinance was made by _____ and seconded by _____ . The ordinance was passed and approved by the following vote [____ - ____]:

	Aye	Nay	Abstain	Absent
Mayor Gerard Hudspeth:	_____	_____	_____	_____
Vicki Byrd, District 1:	_____	_____	_____	_____
Brian Beck, District 2:	_____	_____	_____	_____
Suzi Rumohr, District 3:	_____	_____	_____	_____
Joe Holland, District 4:	_____	_____	_____	_____
Brandon Chase McGee, At Large Place 5:	_____	_____	_____	_____
Jill Jester, At Large Place 6:	_____	_____	_____	_____

PASSED AND APPROVED this the _____ day of _____, 2025.

GERARD HUDSPETH, MAYOR

ATTEST:
INGRID REX, INTERIM CITY SECRETARY

BY: _____

APPROVED AS TO LEGAL FORM:
MACK REINWAND, CITY ATTORNEY

BY:  _____
Scott Bray
Deputy City Attorney

**2025-2026 COMMUNITY DEVELOPMENT BLOCK GRANT SERVICE AGREEMENT
BETWEEN THE CITY OF DENTON, TEXAS AND
DENTON COUNTY FRIENDS OF THE FAMILY, INC.**

This 2023-2027 Grant Service Agreement (“Agreement”) is made and entered into by and between the City of Denton, a Texas municipal corporation, acting by and through its City Manager, hereinafter referred to as “CITY,” and Denton County Friends of the Family, Inc., a Texas nonprofit corporation with its principal place of business at 4845 S. I35E, Suite 100, Corinth, Texas 76210, hereinafter referred to as “SUBRECIPIENT.”

WHEREAS, CITY has received certain funds from the U.S. Department of Housing and Urban Development (“HUD”) under Title I of the Housing and Community Development Act of 1974, as amended (the “ACT”); CDBG Program, CFDA Number 14-218; and

WHEREAS, CITY’s Community Services Advisory Committee (“CSAC”) has reviewed the SUBRECIPIENT’s proposal for services and has determined that SUBRECIPIENT performs an important service for the residents of the City of Denton without regard to race, religion, color, age, or national origin, and the CSAC recommends SUBRECIPIENT’s proposal for services; and

WHEREAS, CITY has determined that the SUBRECIPIENT’s proposal for services can provide needed services to the residents of the City of Denton in accordance with the 2023-2027 City of Denton Consolidated Plan and will benefit low- and moderate-income persons in the City of Denton, and desires to enter into an agreement for such services; and

WHEREAS, CITY has adopted a budget and included therein an authorized budget for the expenditure of funds in accordance with its 2023-2027 City of Denton Consolidated Plan and 2025 Action Plan;

WHEREAS, CITY has designated the Community Development Division as the division responsible for the administration of this Agreement and all matters pertaining thereto; and

WHEREAS, CITY’s City Council has approved the expenditure of up to \$53,000.00 in CDBG funds consistent with the terms of this Agreement;

NOW, THEREFORE, the parties hereto agree, and by the execution hereof are bound to the mutual obligations and to the performance and accomplishment of the conditions hereinafter described.

1. TERM

This Agreement shall commence on or as of October 1, 2025, and shall terminate on September 30, 2026, unless sooner terminated in accordance with Section 25 “Termination.” The City shall have the right, but not the obligation, to extend the term of this agreement for one (1) additional one-year period.

2. RESPONSIBILITIES

SUBRECIPIENT hereby accepts the responsibility for the performance of all services and activities described in the Scope of Services attached hereto as Exhibit A, and incorporated herein by reference, in a satisfactory and efficient manner as determined by CITY, in accordance with the terms herein. CITY will consider

SUBRECIPIENT's executive officer to be SUBRECIPIENT's representative responsible for the management of all contractual matters pertaining hereto, unless written notification to the contrary is received from SUBRECIPIENT and approved by CITY.

The CITY's Director of Community Services will be CITY's representative responsible for the administration of this Agreement. Beneficiaries of the activities to be provided hereunder must reside in the City of Denton and SUBRECIPIENT certifies that the activities carried out with these funds shall meet the Community Development Block Grant ("CDBG") program's National Objective of benefit to low and moderate-income persons. SUBRECIPIENT shall provide services to persons whose income is equal to or lower than 80% of the median income of the Dallas standard metropolitan statistical area. To accomplish this, the SUBRECIPIENT shall use the current applicable income limits published by HUD for lower income housing assistance under Section 8 of the United States Housing Act of 1937. Income eligibility shall be determined by the sum of the gross income of all individuals residing in the household. Services must be provided directly to or on behalf of specific identified eligible clients. Eligibility documentation must be included in each client's file and updated annually, or services must be provided to a clientele that is within a "presumed benefit" category as specified in 24 CFR 570.208.

3. REPRESENTATIONS

- A. SUBRECIPIENT assures and guarantees that it possesses the legal authority, pursuant to any proper, appropriate, and official motion, resolution, or action passed or taken, to enter into this Agreement.
- B. The person or persons signing and executing this Agreement on behalf of SUBRECIPIENT do hereby warrant and guarantee that he, she, or they have been fully authorized by SUBRECIPIENT to execute this Agreement on behalf of SUBRECIPIENT and to validly and legally bind SUBRECIPIENT to all terms, performances, and provisions herein set forth.
- C. CITY shall have the right, at its option, to either temporarily suspend or permanently terminate this Agreement if there is a dispute as to the legal authority of either SUBRECIPIENT or the person signing the Agreement to enter into this Agreement. SUBRECIPIENT is liable to CITY for any money it has received from CITY for performance of the provisions of this Agreement if CITY has suspended or terminated this Agreement for the reasons enumerated in this Section.
- D. SUBRECIPIENT agrees that the funds and resources provided under the terms of this Agreement will in no way be substituted for funds and resources from other sources, nor in any way serve to reduce the resources, services, or other benefits which would have been available to, or provided through, SUBRECIPIENT had this Agreement not been executed.

4. OBLIGATIONS

CITY agrees to the following terms and conditions:

- A. **Limit of Liability.** CITY will reimburse SUBRECIPIENT for expenses incurred pursuant to and in accordance with the Project Budget attached hereto as Exhibit B and the Scope of Services herein attached as Exhibit A and incorporated herein by reference. Notwithstanding any other provision of the Agreement, the total of all payments and other obligations made or incurred by CITY hereunder shall not exceed the sum of Fifty-Three Thousand Dollars - \$53,000.00.
- B. **Measure of Liability.** In consideration of full and satisfactory services and activities hereunder by SUBRECIPIENT and receipt of a requisition for payment with appropriate documentation of expenditures, CITY shall make payments to SUBRECIPIENT based on the Budget in Exhibit B, subject to the limitations and provisions set forth in this Section and Section 7 of this Agreement. Payments may be contingent upon

certification of the SUBRECIPIENT's financial management system in accordance with the standards specified in 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

- (1) The parties expressly understand and agree that CITY's obligations under this Section are contingent upon CITY's receipt of adequate CDBG funds to meet CITY's liabilities under this Agreement. If adequate funds are not available to make payments under this Agreement, CITY shall notify SUBRECIPIENT in writing within a reasonable time after such fact has been determined. CITY may, at its option, either reduce the amount of its liability, or terminate the Agreement. If funds eligible for use for purposes of this Agreement are reduced, CITY shall not be liable for further payments due to SUBRECIPIENT under this Agreement.
- (2) It is expressly understood that this Agreement in no way obligates the General Fund or any other monies or credits of the City of Denton.
- (3) CITY shall not be liable for any cost or portion thereof which:
 - (a) has been paid, reimbursed, or is subject to payment or reimbursement, from any other source;
 - (b) was incurred prior to the beginning date or after the ending date specified in Section 1;
 - (c) is not in strict accordance with the terms of this Agreement, including all exhibits attached hereto;
 - (d) has not been billed to CITY within 90 calendar days following billing to SUBRECIPIENT, or termination of the Agreement, whichever date is earlier; or
 - (e) is not an allowable cost as defined by Section 10 of this Agreement or the project budget.
- (4) CITY shall not be liable for any cost or portion thereof which is incurred with respect to any activity of SUBRECIPIENT requiring prior written authorization from CITY, or after CITY has requested that SUBRECIPIENT furnish data concerning such action prior to proceeding further, unless and until CITY advises SUBRECIPIENT to proceed.
- (5) CITY shall not be obligated or liable under this Agreement to any party other than SUBRECIPIENT for payment of any monies or provision of any goods or services.
- (6) Funding not expended within the term of the Agreement will revert to the City of Denton CDBG budget for use on alternative projects.

C. SUBRECIPIENT'S Obligations. In consideration of the receipt of funds from the CITY, the SUBRECIPIENT agrees to the following terms and conditions:

- (1) Fifty-Three Thousand Dollars - \$53,000.00 may be paid to SUBRECIPIENT by CITY under the terms of this Agreement on a reimbursement basis. Subrecipient shall be eligible for reimbursement only for expenditures made in accordance with the Project Budget set forth in Exhibit B to complete those expenses listed in the Scope of Services in Exhibit A. SUBRECIPIENT shall not utilize these funds for any other purpose.
- (2) SUBRECIPIENT will establish, operate, and maintain an account system for these funds that will allow for a tracing of funds and a review of the financial status of the project. The system will be based on generally accepted accounting principles as recognized by the American Institute of Certified Public Accountants.
- (3) SUBRECIPIENT will permit authorized officials of the City to review its books at any time.
- (4) SUBRECIPIENT will reduce to writing all of its rules, regulations, and policies and file a copy with CITY's Community Development Office along with any amendments, additions, or revisions upon request.

- (5) SUBRECIPIENT will not enter into any contracts that would encumber CITY funds for a period that would extend beyond the term of this Agreement.
- (6) SUBRECIPIENT will promptly pay all bills when submitted unless there is a discrepancy in a bill; any errors or discrepancies in bills shall be promptly reported to CITY's Community Development Division for further direction.
- (7) SUBRECIPIENT will appoint a representative who will be available to meet with CITY officials when requested.
- (8) SUBRECIPIENT will indemnify and hold harmless CITY, its officers, and employees, from any and all claims and suits arising out of the activities of SUBRECIPIENT, its employees, and/or contractors.
- (9) SUBRECIPIENT will submit to CITY copies of year-end audited financial statements.

5. COMPLIANCE WITH FEDERAL, STATE, AND LOCAL LAWS

- A. SUBRECIPIENT understands that funds provided to it pursuant to this Agreement are funds which have been made available to CITY by the Federal Government (U.S. Department of Housing and Urban Development) under the Housing and Community Development Act of 1974, as amended, in accordance with an approved Grant Application and specific assurances. Accordingly, SUBRECIPIENT assures and certifies that it will comply with the requirements of the Housing and Community Development Act of 1974 (P.L. 93-383) as amended and with regulations promulgated thereunder and codified at 24 CFR 570. The foregoing is in no way meant to constitute a complete compilation of all duties imposed upon SUBRECIPIENT by law or administrative ruling or to narrow the standards which SUBRECIPIENT must follow.
- B. SUBRECIPIENT shall comply with all applicable federal laws, laws of the State of Texas, and ordinances of the City of Denton.
- C. SUBRECIPIENT agrees to abide by the conditions of and comply with the requirements of 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
- D. SUBRECIPIENT further agrees and certifies that if the regulations and issuances promulgated pursuant to the Act are amended or revised, it shall comply with them, or notify CITY, as provided in Section 23 of this Agreement.
- E. SUBRECIPIENT is required to comply with the applicable uniform administrative requirements as described in 24 CFR 570.502, 570.505, and 24 CFR 570 subpart K with the exceptions noted below:
 - a. SUBRECIPIENT does not assume CITY'S environmental responsibilities described at CFR 570.604; and
 - b. SUBRECIPIENT does not assume the CITY's responsibility for initiating the review process under the provisions of 24 CFR Part 52.
- F. SUBRECIPIENT shall give the CITY, HUD, the Comptroller General of the United States, the Auditor of the State of Texas, and any authorized representative, access to and the right to reproduce all records belonging to or in use by SUBRECIPIENT pertaining to this Agreement. Such access shall continue as long as SUBRECIPIENT retains the records. SUBRECIPIENT shall maintain such records in an accessible location for three (3) years after the end of the term or, for records that relate to real property that is acquired or improved in whole or in part using funds provided pursuant to this agreement, for five (5) years after the end of the term.
- G. SUBRECIPIENT agrees to abide by the conditions of this Agreement and all other applicable Federal, state, and local laws and regulations such as the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of the Contract Work Hours Safety Standards Act, the

Copeland "Anti-Kickback Act" (40 U.S.C. 276a-276a-5; 40 USC 327 and 40 USC 276c) pertaining to the performance of this Agreement.

- H. SUBRECIPIENT will work with CITY to obtain and maintain documentation of compliance. Upon written request by the CITY, SUBRECIPIENT will obtain the services of consultant to monitor the contractor's compliance with these requirements.
- I. SUBRECIPIENT agrees to comply 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 Agreement and agrees that these provisions shall also be binding on any of the SUBRECIPIENT'S subcontractors. The SUBRECIPIENT certifies that no contractual or other disability exists which would prevent compliance with these requirements. SUBRECIPIENT further agrees to include a statement in all subcontracts requiring compliance with Section 3 and requiring subcontractors, to the greatest extent feasible, to provide opportunities for training and employment to low and moderate-income individuals that are residents of the project area. Upon written request of the CITY, SUBRECIPIENT will obtain the services of a consultant to monitor the general contractor's compliance with the Section 3 requirements.
- J. SUBRECIPIENT shall not use funding under this Agreement to influence the outcome of elections or the passage or defeat of any legislative measures. SUBRECIPIENT understands that funds provided to it pursuant to this Agreement are funds which have been made available to CITY by the Federal Government (U.S. Department of Housing and Urban Development) under the Housing and Community Development Act of 1974, as amended, in accordance with an approved Grant Application and specific assurances. Accordingly, SUBRECIPIENT assures and certifies that it will comply with the requirements of the Housing and Community Development Act of 1974 (P.L. 93-383) as amended and with regulations promulgated thereunder and codified at 24 CFR 570. The foregoing is in no way meant to constitute a complete compilation of all duties imposed upon SUBRECIPIENT by law or administrative ruling, or to narrow the standards which SUBRECIPIENT must follow.
- K. SUBRECIPIENT will comply with the Federal procurement standards at 2 CFR 200 Subpart D – Post Federal Award Requirements.
- L. SUBRECIPIENT Agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606(b); (b) the requirements of 24 CFR 570.606(c) governing the Residential Anti-displacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and 9(c) the requirements in 24 CFR 570.606(d) governing optional relocation policies. SUBRECIPIENT shall provide relocation assistance to displaced persons as defined by 24 CFR 570.606(b)(2) that are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for a CDBG-assisted project.
- M. SUBRECIPIENT has submitted herewith a completed Form 1295 generated by the Texas Ethics Commission's (the "TEC") electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (the "Form 1295"). The Parties understand and agree that, with the exception of information identifying the CITY and the contract identification number, if any, the CITY is not responsible for the information contained in the Form 1295; the information contained in the Form 1295 has been provided solely by the SUBRECIPIENT; and the City has not verified such information.
- A. Any real property that is acquired or improved in whole or in part using funds provided pursuant to this agreement shall be used for the benefit of low- and moderate-income persons for a period of at least five years following the expiration of the term of this agreement. To secure this use, CITY may place a lien or restrictive covenants on such property. SUBRECIPIENT shall duly execute and record any necessary documentation to

give effect to any such lien or restrictive covenants. To secure this use, SUBRECIPIENT shall obtain and provide to the CITY one or more letters of credit as provided herein.

- a. The letter(s) of credit shall be provided to the CITY prior to grant disbursements either:
 - i. prior to or contemporaneous with the first request for reimbursement pursuant to this agreement, SUBRECIPIENT shall provide to CITY one letter of credit for the sole benefit of the CITY in an amount not less than the sum of Fifty-Three Thousand Dollars - (\$53,000.00) or
 - ii. prior to or contemporaneous with each request for reimbursement pursuant to this Agreement, a letter of credit for the benefit of the CITY in an amount not less than the amount requested in the request for reimbursement.
- b. Each letter of credit shall be issued by a bank or financial institution in a form approved by the CITY, name the CITY as sole beneficiary, and permit partial draws.
- c. Each letter of credit shall be drawable upon presentation of CITY's written statement that the SUBRECIPIENT has materially breached or defaulted on the terms of this Agreement or that real property acquired or improved in whole or in part using funds provided pursuant to this agreement is no longer being used to fulfill the national objective of benefitting low- and moderate-income persons.
- d. Each letter of credit shall expire upon the fifth anniversary of the expiration of this Agreement.
- e. In no event shall the CITY reimburse the SUBRECIPIENT for any amount not secured by one or more letters of credit received prior to the request for reimbursement.
- f. This Section 5.M. shall survive expiration of this Agreement.

6. PERFORMANCE BY SUBRECIPIENT

SUBRECIPIENT will provide, oversee, administer, and carry out activities and services set out in Exhibit A, utilizing the funds in accordance with the budget described in Exhibit B. Both parties agree and acknowledge that the amount of funds provided hereunder is necessary and sufficient payment for full and satisfactory performance of the program in accordance with all terms, provisions, and requirements of this Agreement.

No modifications or alterations may be made to the Scope of Services or Budget without the prior written approval of the CITY's Director of Community Services.

7. PAYMENTS

- A. **Payments to SUBRECIPIENT.** The CITY shall pay to SUBRECIPIENT a maximum amount of money not to exceed Fifty-Three Thousand Dollars - \$53,000.00 for activities carried out under this Agreement. The CITY will pay these funds on a reimbursement basis to SUBRECIPIENT within twenty days after CITY has received supporting documentation of eligible expenditures. Expenses incurred on or after October 1, 2025, may be eligible for reimbursement. Documentation of expenditures must be submitted to the Community Development Division by dates required by Community Development. SUBRECIPIENT's failure to provide information on a timely basis may jeopardize present or future funding.
- B. Funds are to be used for the sole purpose of carrying out the activities described in the Scope of Services in Exhibit A and based on the Budget in Exhibit B.
- C. If, in CITY's sole judgment, SUBRECIPIENT's reimbursement request for any period does not provide sufficient documentation of allowable expenditures or if CITY requests inspection or verification of claimed expenditures after receipt of a reimbursement request, CITY may withhold reimbursement for those expenditures for an amount of time deemed reasonable by CITY pending such inspection, verification, or receipt of documentation.

- D. **Excess Payment.** SUBRECIPIENT shall refund to CITY within ten working days of CITY's request, any sum of money which has been paid by CITY and which CITY at any time thereafter determines:
- (1) has resulted in overpayment to SUBRECIPIENT; or
 - (2) has not been spent strictly in accordance with the terms of this Agreement; or
 - (3) is not supported by adequate documentation to fully justify the expenditure.
- E. **Disallowed Costs.** Upon termination of this Agreement, should any expense or charge for which payment has been made be subsequently disallowed or disapproved as a result of any auditing or monitoring by CITY, the U.S. Department of Housing and Urban Development, or any other Federal agency, SUBRECIPIENT will refund such amount to CITY within ten working days of a written notice to SUBRECIPIENT, which specifies the amount disallowed. Refunds of disallowed costs may not be made from these or any funds received from or through CITY
- F. **Reversion of Assets.**
- (1) SUBRECIPIENT, upon expiration of this Agreement, shall transfer to the CITY any funds on hand at the time of expiration and any accounts receivable attributable to the use of funds.
 - (2) The reversion of these financial assets shall be in addition to any other remedy available to CITY either at law or in equity for breach of this Agreement.
- G. **Obligation of Funds.**
- (1) In the event that actual expenditure rates deviate from SUBRECIPIENT's provision of a corresponding level of performance, as specified in Exhibit A, CITY hereby reserves the right to reappropriate or recapture any such under expended funds.
 - (2) If CITY finds that SUBRECIPIENT is unwilling and/or unable to comply with any of the terms of this Agreement, CITY may require a refund of any and all money expended pursuant to this Agreement by SUBRECIPIENT, as well as any remaining unexpended funds which shall be refunded to CITY within ten working days of a written notice to SUBRECIPIENT to revert these financial assets.
- H. **Contract Close Out.** SUBRECIPIENT shall submit a final expenditure report, for the time period covered by the last invoice requesting reimbursement of funds under this Agreement, within 15 working days following the close of the Agreement period.

8. ALLOWABLE COSTS

- A. Costs must comply with eligible CDBG Program Activities pursuant to guidance published by HUD and CDBG regulations located at 24 CFR Part 570.
- B. Costs shall be considered allowable only if incurred directly and specifically in the performance of and in compliance with this Agreement and in conformance with the standards and provisions of Exhibits A and B.
- C. Approval of SUBRECIPIENT's Budget, Exhibit B, does not constitute prior written approval, even though certain items may appear herein. CITY's prior written authorization is required in order for the following to be considered allowable costs:
- (1) Encumbrances or expenditures during any one-month period which exceed one-fourth (1/4) of the total budget for any particular line-item as specified in Exhibit B.
 - (2) CITY shall not be obligated to any third parties, including any contractors or subcontractors of SUBRECIPIENT, and CITY funds shall not be used to pay for any contract service extending beyond the expiration of this Agreement.
 - (3) Any alternations, deletions, or additions to the Project Budget incorporated in Exhibit B.
 - (4) Any fees or payments for consulting services.
 - (5) Any fees or payments for consultant services.

- D. Written requests for prior approval are SUBRECIPIENT's responsibility and shall be made within sufficient time to permit a thorough review by CITY. SUBRECIPIENT must obtain written approval by CITY prior to the commencement of procedures to solicit or purchase services, equipment, or real or personal property. Any procurement or purchase which may be approved under the terms of this Agreement must be conducted in its entirety in accordance with the provisions of this Agreement.

9. PROGRAM INCOME

- A. For purposes of this Agreement, Program Income means earnings of SUBRECIPIENT realized from activities resulting from this Agreement or from SUBRECIPIENT's management of funding provided or received hereunder. Such earnings include, but are not limited to, income from interest, usage or rental or lease fees, income produced from contract-supported services of individuals or employees, or from the use or sale of equipment or facilities of SUBRECIPIENT provided as a result of this Agreement, and payments from clients or third parties for services rendered by SUBRECIPIENT under this Agreement.
- B. SUBRECIPIENT shall maintain records of the receipt and disposition of Program Income in the same manner as required for other contract funds and reported to CITY in the format prescribed by CITY. CITY and SUBRECIPIENT agree that any fees collected for services performed by SUBRECIPIENT shall be used for payment of costs associated with service provision. Revenue remaining after payment of all program expenses for service provision shall be considered Program Income and shall be subject to all the requirements of this Agreement and the regulations found at CFR, Section 570.504.
- C. SUBRECIPIENT shall include this Section in its entirety in all of its subcontracts which involve other income-producing services or activities.
- D. It is SUBRECIPIENT's responsibility to obtain from CITY a prior determination as to whether or not income arising directly or indirectly from this Agreement, or the performance thereof, constitutes Program Income. SUBRECIPIENT is responsible to CITY for the repayment of any and all amounts determined by CITY to be Program Income, unless otherwise approved in writing by CITY.

10. REPORTS AND INFORMATION

- A. At such times and in such form as CITY may require, SUBRECIPIENT shall furnish such statements, records, data, and information as CITY may request and deem pertinent to matters covered by this Agreement. SUBRECIPIENT shall submit beneficiary and financial reports to CITY no less than once every three months. The beneficiary report shall detail client information, including race, ethnicity, income, head of household, disabled, and elderly households and other statistics required by CITY. The financial report shall include information and data relative to all programmatic and financial reporting as of the beginning date specified in Section 1 of this Agreement. SUBRECIPIENT shall submit its annual budget and schedule of board meetings, along with the resolutions or minutes adopting the same, to CITY no later than October 1, 2025. Unless the CITY has granted a written exemption, SUBRECIPIENT shall submit an audit conducted by independent examiners in accordance with Generally Accepted Accounting Principles. If the SUBRECIPIENT receives and/or expends more than \$1,000,000 in federal funding, the audit must be conducted in accordance with OMB audit requirements in 2 CFR Part 200, as applicable. On or before October 1, 2025, SUBRECIPIENT shall certify whether it receives or expends more than \$1,000,000 in federal funding by submitting an audit certification form in a form authorized and provided by the City.

11. MONITORING AND EVALUATION

SUBRECIPIENT agrees to participate in a monitoring and evaluation system whereby the services can be continuously monitored. CITY shall perform monitoring of the SUBRECIPIENT's performances under this Agreement.

- A. SUBRECIPIENT agrees that CITY may carry out monitoring and evaluation activities to ensure adherence by SUBRECIPIENT to the provisions of this Agreement which are attached hereto.
- B. SUBRECIPIENT agrees to cooperate fully with CITY and to provide data determined by CITY to be necessary for CITY to effectively fulfill its monitoring and evaluation responsibilities.
- C. SUBRECIPIENT agrees to cooperate in such a way so as not to obstruct or delay CITY in such monitoring and to designate one of its staff to coordinate the monitoring process as requested by CITY staff.
- D. To comply with this section, SUBRECIPIENT agrees to maintain records that will provide accurate, current, separate, and complete disclosure of the status of funds received and the services performed under this Agreement. SUBRECIPIENT's record system shall contain sufficient documentation to provide in detail full support and justification for each expenditure. SUBRECIPIENT agrees to retain all books, records, documents, reports, and written accounting procedures pertaining to the services provided and expenditure of funds under this Agreement for the period of time and under the conditions specified by the CITY. Nothing in the above subsections shall be construed to relieve SUBRECIPIENT of responsibility for retaining accurate and current records, which clearly reflect the level and benefit of services, provided under this Agreement.
- E. After each official monitoring on-site visit, CITY shall provide SUBRECIPIENT with a written report of monitoring findings, documenting findings and concerns that will require a written response to the CITY. An acceptable response must be received by the City within 60 days from the SUBRECIPIENT's receipt of the monitoring report or audit review letter. Future contract payments can be withheld for the SUBRECIPIENT's failure to submit a response within 60 days.
- F. SUBRECIPIENT shall submit copies of any fiscal, management, or audit reports by any of the SUBRECIPIENT's funding or regulatory bodies to CITY within ten working days of receipt by SUBRECIPIENT.
- G. 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 taken to correct areas of noncompliance.
- H. SUBRECIPIENT will refer to Exhibit E for the Monitoring Checklist.

12. MAINTENANCE OF RECORDS

- A. SUBRECIPIENT agrees to maintain records that will provide accurate, current, separate, and complete disclosure of the status of the funds received under this Agreement, in compliance with the provisions of Exhibit A and Exhibit B, and attached hereto, with any other applicable Federal and State regulations establishing standards for financial management, SUBRECIPIENT's expenditures of funds made under this Agreement will conform to (2 CFR §200) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and the regulations at 24 CFR Part 570 as applicable including, Title 24 CFR Sections 570.502 (b), 570.504, and 570.506 as they pertain to costs incurred, audits, program income, administration, and other activities and functions. SUBRECIPIENT's record system shall contain sufficient documentation to provide in detail full support and justification for each expenditure. Nothing in this Section shall be construed to relieve SUBRECIPIENT of fiscal accountability and liability under any other provision of this Agreement or any applicable law. SUBRECIPIENT shall include the substance of this provision in all subcontracts.

- B. SUBRECIPIENT agrees to retain all books, records, documents, reports, and written accounting procedures pertaining to the operation of programs and expenditures of funds under this Agreement for five years after the termination of all activities funded under this agreement.
- C. Nothing in the above subsections shall be construed to relieve SUBRECIPIENT of responsibility for retaining accurate and current records, which clearly reflect the level and benefit of services provided under this Agreement.
- D. At any reasonable time and as often as CITY may deem necessary, the SUBRECIPIENT shall make available to CITY, HUD, or any of their authorized representatives, all of its records and shall permit CITY, HUD, or any of their authorized representatives to audit, examine, make excerpts and copies of such records, and to conduct audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment, and all other data requested by said representatives.

13. DIRECTORS' MEETINGS

During the term of this Agreement, SUBRECIPIENT shall cause to be delivered to CITY copies of all notices of meetings of its Board of Directors, setting forth the time and place thereof. Such notice shall be delivered to CITY in a timely manner to give adequate notice and shall include an agenda and a brief description of the matters to be discussed. SUBRECIPIENT understands and agrees that CITY representatives shall be afforded access to all of the Board of Directors' meetings. Minutes of all meetings of SUBRECIPIENT's governing body shall be available to CITY within ten days after Board approval.

14. WARRANTIES

SUBRECIPIENT represents and warrants that:

- A. All information, reports, and data heretofore or hereafter requested by CITY and furnished to CITY, are complete and accurate as of the date shown on the information, data, or report, and, since that date, have not undergone any significant change without written notice to CITY.
- B. Any supporting financial statements heretofore requested by CITY and furnished to CITY, are complete, accurate, and fairly reflect the financial condition of SUBRECIPIENT on the date shown on said report, and the results of the operation for the period covered by the report, and that since said date, there has been no material change, adverse or otherwise, in the financial condition of SUBRECIPIENT.
- C. No litigation or legal proceedings are presently pending or threatened against the SUBRECIPIENT.
- D. None of the provisions herein contravene or are in conflict with the authority under which SUBRECIPIENT is doing business or with the provisions of any existing indenture or agreement of SUBRECIPIENT.
- E. SUBRECIPIENT has the power to enter into this Agreement and accept payments hereunder and has taken all necessary action to authorize such acceptance under the terms and conditions of this Agreement.
- F. None of the assets of SUBRECIPIENT are subject to any lien or encumbrance of any character, except for current taxes not delinquent, except as shown in the financial statements furnished by SUBRECIPIENT to CITY.
- G. Each of these representations and warranties shall be continuing and shall be deemed to have been repeated by the submission of each request for payment.
- H. SUBRECIPIENT agrees to execute a lien that will be placed on the property improved with CDBG funds. The lien will name CITY as the primary beneficiary for a period not to exceed ten years.

15. COVENANTS

- A. During the period of time that payment may be made hereunder and so long as any payments remain unliquidated, SUBRECIPIENT shall not, without the prior written consent of the Community Development Manager or her authorized representative:
- (1) Mortgage, pledge, or otherwise encumber or suffer to be encumbered, any of the assets of SUBRECIPIENT now owned or hereafter acquired by it, or permit any pre-existing mortgages, liens, or other encumbrances to remain on, or attached to, any assets of SUBRECIPIENT which are allocated to the performance of this Agreement and with respect to which CITY has ownership hereunder.
 - (2) Sell, assign, pledge, transfer, or otherwise dispose of accounts receivables, notes, or claims for money due or to become due.
 - (3) Sell, convey, or lease all or a substantial part of its assets.
 - (4) Make any advance or loan to, or incur any liability for any other firm, person, entity, or corporation as guarantor, surety, or accommodation endorser.
 - (5) Sell, donate, loan, or transfer any equipment or item of personal property purchased with funds paid to SUBRECIPIENT by CITY, unless CITY authorizes such transfer.
 - (6) Enter into any subcontracts with any agency or individual in the performance of this Agreement without the written consent of CITY prior to the execution of such an agreement or subcontract.
- B. SUBRECIPIENT agrees, upon written request by CITY, to require its employees to attend training sessions sponsored by the Community Development Division.

16. INSURANCE

- A. SUBRECIPIENT shall observe sound business practices with respect to providing such bonding and insurance as would provide adequate coverage for services offered under this Agreement.
- B. The premises on and in which the activities described in Exhibit A are conducted, and the employees conducting these activities, shall be covered by premise liability insurance, commonly referred to as "Owner/Tenant" coverage, with CITY named as an additional insured. Upon request of SUBRECIPIENT, CITY may, at its sole discretion, approve alternate insurance coverage arrangements. On or before October 1, 2025, SUBRECIPIENT shall provide a certificate of insurance naming the City as additional insured consistent with the requirements of this Section.
- C. SUBRECIPIENT will comply with applicable workers' compensation statutes and will obtain employers' liability coverage where available and other appropriate liability coverage for program participants, if applicable.
- D. SUBRECIPIENT will maintain adequate and continuous liability insurance on all vehicles owned, leased, or operated by SUBRECIPIENT. All employees of SUBRECIPIENT who are required to drive a vehicle in the normal scope and course of their employment must possess a valid Texas driver's license and automobile liability insurance. Evidence of the employee's current possession of a valid license and insurance must be maintained on a current basis in SUBRECIPIENT's files.
- E. Actual losses not covered by insurance as required by this Section are not allowable costs under this Agreement and remain the sole responsibility of SUBRECIPIENT.
- F. The policy or policies of insurance shall contain a clause which requires that CITY and SUBRECIPIENT be notified in writing of any cancellation or change in the policy at least 30 days prior to such change or cancellation.

17. CIVIL RIGHTS / EQUAL OPPORTUNITY

- A. SUBRECIPIENT shall comply with all applicable equal employment opportunity and affirmative action laws or regulations. The SUBRECIPIENT shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, gender, age, or disability. The SUBRECIPIENT will take affirmative action to ensure 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.
- B. SUBRECIPIENT shall comply with all applicable equal employment opportunity and affirmative action laws or regulations. 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), Section 109 of Title 1 of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063 and Executive Order 11246 as amended by Executive Orders 11375 and 12086.
- C. SUBRECIPIENT shall comply with all applicable fair housing, civil rights, and anti-discrimination laws in its selection of beneficiaries and its implementation of the program including, but not limited to, the Fair Housing Act; Title VI of the Civil Rights Act of 1964; the Age Discrimination Act of 1975; the Age Discrimination Act of 1973; and Title II and Title III of the Americans with Disabilities Act of 1990.
- D. SUBRECIPIENT will furnish all information and reports requested by the CITY, and will permit access to its books, records, and accounts for purposes of investigation to ascertain compliance with local, state, and Federal rules and regulations.
- E. In the event of SUBRECIPIENT's non-compliance with the non-discrimination requirements, CITY may cancel or terminate the Agreement in whole or in part, and SUBRECIPIENT may be barred from further contracts with CITY.
- F. SUBRECIPIENT will use its best efforts to afford small businesses, minority business enterprises and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the term "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one percent (51%) owned and controlled by minority group members or women. For the purpose of these definitions, "minority group members" are Afro-Americans; Spanish-speaking, Spanish surnamed, or Spanish-heritage Americans; Asian Americans; and American Indians. SUBRECIPIENT may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

18. PERSONNEL POLICIES

Personnel policies shall be established by SUBRECIPIENT and shall be available for examination. Such personnel policies shall:

- A. Include policies with respect to employment, salary and wage rates, working hours and holidays, fringe benefits, vacation and sick leave privileges, and travel; and
- B. Be in writing; and
- C. Be approved by the governing body of SUBRECIPIENT.

19. CONFLICT OF INTEREST

- A. SUBRECIPIENT covenants that neither it nor any member of its governing body presently has any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. SUBRECIPIENT further covenants that in the performance of this Agreement, no person having such interest shall be employed or appointed as a member of its governing body.
- B. SUBRECIPIENT further covenants that no member of its governing body or its staff, subcontractors, or employees shall possess any interest in or use his/her position for a purpose that is or gives the appearance of being motivated by desire for private gain for himself/herself, or others, particularly those with which he/she has family, business, or other ties.
- C. No officer, member, or employee of CITY and no member of its governing body who exercises any function or responsibilities in the review or approval of the undertaking or carrying out of this Agreement shall participate in any decision relating to the Agreement which affects his or her personal interest or the interest in any corporation, partnership, or association in which he or she has a direct or indirect interest.

20. NEPOTISM

SUBRECIPIENT shall not employ in any paid capacity any person who is a member of the immediate family of any person who is currently employed by SUBRECIPIENT or is a member of SUBRECIPIENT's governing board. The term "member of immediate family" includes wife, husband, son, daughter, mother, father, brother, sister, in-laws, aunt, uncle, nephew, niece, stepparent, stepchild, half-brother, and half-sister.

21. POLITICAL OR SECTARIAN ACTIVITY

- A. Neither the funds advanced pursuant to this Agreement, nor any personnel which may be employed by the SUBRECIPIENT with funds advanced pursuant to this Agreement shall be in any way or to any extent engaged in any conduct or political activity in contravention of Chapter 15 of Title 5 of the United States Code.
- B. 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, or nepotism activities.
- C. The SUBRECIPIENT agrees that none of the funds or services provided directly or indirectly under this Agreement shall be used for any partisan political activity or to further the election or defeat of any candidate for public office, or for publicity, lobbying, and/or propaganda purposes designed to support or defeat pending legislation. Employees of the SUBRECIPIENT connected with any activity that is funded in whole or in part by funds provided to SUBRECIPIENT under this Agreement may not under the term of this Agreement:
 - (1) Use their official position or influence to affect the outcome of an election or nomination;
 - (2) Solicit contributions for political purposes; or
 - (3) Take an active part in political management or in political campaigns.
- D. SUBRECIPIENT hereby agrees to sign a Certification Regarding Lobbying included herein as Exhibit C and if necessary, the Disclosure of Lobbying Activities provided by the CITY.

22. PUBLICITY

- A. Where such action is appropriate, SUBRECIPIENT shall publicize the activities conducted by SUBRECIPIENT under this Agreement. In any news release, sign, brochure, or other advertising medium, disseminating information prepared or distributed by or for SUBRECIPIENT, the advertising medium shall state that the U.S. Department of Housing and Urban Development's Community Development Block Grant Program funding through the City of Denton has contributed to make the project possible.
- B. All published material and written reports submitted under this project must be originally developed material

unless otherwise specifically provided in this Agreement. When material not originally developed is included in a report, the report shall identify the source in the body of the report or by footnote. This provision is applicable when the material is in a verbatim or extensive paraphrase format.

- C. All published material submitted under this project shall include the following reference on the front cover or title page:

This document is prepared in accordance with the City of Denton's Community Development Block Grant Program, with funding received from the United States Department of Housing and Urban Development.

- D. All reports, documents, studies, charts, schedules, or other appended documentation to any proposal, content of basic proposal, or contracts and any responses, inquiries, correspondence and related material submitted by SUBRECIPIENT shall become the property of CITY upon receipt.

23. CHANGES AND AMENDMENTS

- A. Any alterations, additions, or deletions to the terms of this Agreement shall be by written amendment executed by both parties, except when the terms of this Agreement expressly provide that another method shall be used.
- B. SUBRECIPIENT may not make transfers between or among approved line items within budget categories set forth in Exhibit B without prior written approval of CITY. SUBRECIPIENT shall request, in writing, the budget revision in a form prescribed by CITY, and such request for revision shall not increase the total monetary obligation of CITY under this Agreement. In addition, budget revisions cannot significantly change the nature, intent, or scope of the program funded under this Agreement.
- C. SUBRECIPIENT will submit revised budget and program information whenever the level of funding for SUBRECIPIENT or the program(s) described herein is altered according to the total levels contained in any portion of Exhibit B.
- D. It is understood and agreed by the parties hereto that changes in the State, Federal, or local laws or regulations pursuant hereto may occur during the term of this Agreement. Any such modifications are to be automatically incorporated into this Agreement without written amendment hereto and shall become a part of the Agreement on the effective date specified by the law or regulation.
- E. CITY may, from time to time during the term of the Agreement, request changes to the Agreement, which may include an increase or decrease in the amount of SUBRECIPIENT's compensation. Such changes shall be incorporated in a written amendment hereto, as provided in Subsection A of this Section.
- F. Any alterations, deletions, or additions to the program budget incorporated in Exhibit B shall require the prior written approval of CITY.
- G. SUBRECIPIENT agrees to notify CITY of any proposed change in physical location for work performed under this Agreement at least 30 calendar days in advance of the change.
- H. SUBRECIPIENT shall notify CITY of any changes in personnel or governing board composition. SUBRECIPIENT shall submit a board roster to CITY prior to October 1, 2025, which shall include for each board member: board member name, address, email address, and term.

24. SUSPENSION OF FUNDING

Upon determination by CITY of SUBRECIPIENT's failure to timely and properly perform each of the requirements, time conditions, and duties provided herein, CITY, without limiting any rights it may otherwise have, may, at its discretion, and upon ten working days written notice to SUBRECIPIENT, withhold further payments to SUBRECIPIENT. Such notice may be given by mail to the Executive Officer and the Board of Directors of SUBRECIPIENT. The notice shall set forth the default or failure alleged, and the action required for cure.

The period of such suspension shall be of such duration as is appropriate to accomplish corrective action, but in no event shall it exceed 30 calendar days. At the end of the suspension period, if CITY determines the default or deficiency has been satisfied, SUBRECIPIENT may be restored to full compliance status and paid all eligible funds withheld or impounded during the suspension period. If however, CITY determines that SUBRECIPIENT has not come into compliance, the provisions of Section 25 may be effectuated.

25. TERMINATION

- A. CITY may terminate this Agreement for cause under any of the following reasons or for other reasons not specifically enumerated in this paragraph:
 - (1) SUBRECIPIENT's failure to attain compliance during any prescribed period of suspension as provided in Section 24.
 - (2) SUBRECIPIENT's failure to materially comply with any of the terms of this Agreement.
 - (3) SUBRECIPIENT's violation of covenants, agreements, or guarantees of this Agreement.
 - (4) Termination or reduction of funding by the CITY or HUD.
 - (5) Finding by CITY that the SUBRECIPIENT:
 - (a) is in such unsatisfactory financial condition as to endanger performance under this Agreement;
 - (b) has allocated inventory to this Agreement substantially exceeding reasonable requirements; or
 - (c) is delinquent in payment of taxes or of costs of performance of this Agreement in the ordinary course of business.
 - (6) Appointment of a trustee, receiver, or liquidator for all or substantial part of SUBRECIPIENT's property, or institution of bankruptcy, reorganization, rearrangement of, or liquidation proceedings by or against SUBRECIPIENT.
 - (7) SUBRECIPIENT's inability to conform to changes required by Federal, State, and local laws or regulations as provided in Section 4, and Section 2, of this Agreement.
 - (8) The commission of an act of bankruptcy.
 - (9) SUBRECIPIENT's violation of any law or regulation to which SUBRECIPIENT is bound or shall be bound under the terms of the Agreement.
- B. CITY shall promptly notify SUBRECIPIENT in writing of the decision to terminate and the effective date of termination. Simultaneous notice of pending termination may be made to other funding source specified in Exhibit B.
- C. CITY may terminate this Agreement for convenience at any time. If CITY terminates this Agreement for convenience, SUBRECIPIENT will be paid an amount not to exceed the total of accrued expenditures as of the effective date of termination. In no event will this compensation exceed an amount which bears the same ratio to the total compensation as the services actually performed bears to the total services of SUBRECIPIENT covered by the Agreement, less payments previously made.
- D. SUBRECIPIENT may terminate this Agreement in whole or in part by written notice to CITY, if a termination of outside funding occurs upon which SUBRECIPIENT depends for performance hereunder. SUBRECIPIENT may opt, within the limitations of this Agreement, to seek an alternative funding source, with the approval of CITY, provided the termination by the outside funding source was not occasioned by a breach of contract as defined herein or as defined in a contract between SUBRECIPIENT and the funding source in question.
- E. SUBRECIPIENT may terminate this Agreement upon the dissolution of SUBRECIPIENT's organization not occasioned by a breach of this Agreement.
- F. Upon receipt of notice to terminate, SUBRECIPIENT shall cancel, withdraw, or otherwise terminate any outstanding orders or subcontracts, which relate to the performance of this Agreement. CITY shall not be liable

to SUBRECIPIENT or SUBRECIPIENT's creditors for any expenses, encumbrances, or obligations whatsoever incurred after the termination date listed on the notice to terminate referred to in this paragraph.

- G. Notwithstanding any exercise by CITY of its right of suspension or termination, SUBRECIPIENT shall not be relieved of liability to CITY for damages sustained by CITY by virtue of any breach of the Agreement by SUBRECIPIENT, and CITY may withhold any reimbursement to SUBRECIPIENT until such time as the exact amount of damages due to CITY from SUBRECIPIENT is agreed upon or otherwise determined.

26. NOTIFICATION OF ACTION BROUGHT

In the event that any claim, demand, suit, or other action is made or brought by any person(s), firm, corporation, or other entity against SUBRECIPIENT, SUBRECIPIENT shall give written notice thereof to CITY within five working days after being notified of such claim, demand, suit, or other action or proceeding. Such notice shall state the date and hour of notification of any such claim, demand, suit, or other action; the names and addresses of the person(s), firm, corporation, or other entity making such claim, or that instituted or threatened to institute any type of action or proceeding; the basis of such claim, action, or proceeding; and the name of any person(s) against whom such claim is being made or threatened. Such written notice shall be delivered either personally or by mail in accordance with the provisions of Section 29.I.

27. INDEMNIFICATION

- A. It is expressly understood and agreed by both parties hereto that CITY is contracting with SUBRECIPIENT as an independent contractor and that as such, SUBRECIPIENT shall save and hold CITY, its officers, agents, and employees harmless from all liability of any nature or kind, including costs and expenses for, or on account of, any claims, audit exceptions, demands, suits, or damages of any character whatsoever resulting in whole or in part from the performance or omission of any employee, agent, or representative of SUBRECIPIENT.
- B. SUBRECIPIENT agrees to provide the defense for, and to indemnify and hold harmless CITY its agents, employees, or contractors from any and all claims, suits, causes of action, demands, damages, losses, attorney fees, expenses, and liability arising out of the use of these contracted funds and program administration and implementation except to the extent caused by the willful act or omission of CITY, its agents, employees, or contractors.

28. NON-RELIGIOUS ACTIVITIES

- A. As stated in 24 CFR Part 5.109, no organization will be prohibited from participating in activities supported by CITY funding including programs that make funds available through contracts, grants, or cooperative agreements. SUBRECIPIENT is prohibited from discriminating against beneficiaries in providing services or carrying out activities with such assistance based on religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice, while also noting that organizations that participate in programs only funded by indirect CITY or Federal financial assistance need not modify their program or activities to accommodate beneficiaries who choose to expend the indirect aid on those SUBRECIPIENTS' programs.
- B. Faith based organizations that carry out programs or activities with direct Federal financial assistance from HUD are required to provide written notice of certain protections to beneficiaries and prospective beneficiaries. Specifically, such organizations are required to give notice to beneficiaries that:
- (1) The organization may not discriminate against a beneficiary or prospective beneficiary based on religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice;

- (2) The organization may not require a beneficiary to attend or participate in any explicitly religious activities that are offered by the organization, and any participation by the beneficiary in such activities must be purely voluntary; and
- (3) The organization must separate, in time or location, any privately funded explicitly religious activities from activities supported by direct Federal financial assistance; and
- (4) If a beneficiary objects to the religious character of the organization, the organization must undertake reasonable efforts to identify and refer the beneficiary to an alternative provider to which the beneficiary has no such objection;
- (5) A beneficiary or prospective beneficiary may report an organization's violation of these protections, including any denials of services or benefits by an organization, by contacting or filing a written complaint to HUD or the intermediary administering the program, if applicable.
- (6) Faith-based organizations must provide this notice to prospective beneficiaries prior to enrollment. In the event of an emergency or exigent circumstance that make it impracticable to provide the written notice in advance, prospective beneficiaries may receive the notice at the earliest available opportunity. Current beneficiaries must receive the notice at the earliest available opportunity.
- (7) Faith-based organizations that carry out a program or activity with direct Federal financial assistance from HUD are to promptly undertake reasonable efforts to identify an alternative provider if a beneficiary or prospective beneficiary objects to the religious character of the organization, and to refer the beneficiary or prospective beneficiary to an alternative provider to which the beneficiary or prospective beneficiary has no such objection.

29. ENVIRONMENTAL CONDITIONS

- A. SUBRECIPIENT agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:
 - (1) Clean Air Act, 42 U.S.C., 7401, et seq.;
 - (2) 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;
 - (3) Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.
- B. In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), SUBRECIPIENT shall assure that for activities located in an area identified by the Federal Emergency Management SUBRECIPIENT (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. SUBRECIPIENT agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608 and 24 CFR Part 35, Subpart B. RECIPIENT shall comply with all notice, abatement, testing, risk assessment, and treatment requirements in the regulations.
- D. SUBRECIPIENT agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement.

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

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

31. IMMIGRATION REQUIREMENTS; PROHIBITION ON TRAFFICKING IN PERSONS

- A. SUBRECIPIENT shall administer the program in accordance with all applicable immigration restrictions and requirements, including the eligibility and verification requirements that apply under Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 as amended (8 U.S.C. §§ 1601-1646) ("PRWORA"),
- B. If SUBRECIPIENT is a nonprofit charitable organization, unless notified otherwise in writing by the CITY, SUBRECIPIENT shall not be required to determine, verify, or otherwise require proof of eligibility of any beneficiary of the program under PRWORA, pursuant to 8 U.S.C. § 1642(d).
- C. SUBRECIPIENT shall not engage in any of the activities prohibited by 2 C.F.R. Part 175.

32. MISCELLANEOUS

- A. SUBRECIPIENT shall not transfer, pledge, or otherwise assign this Agreement or any interest therein, or any claim arising thereunder, to any party or parties, bank, trust company, or other financial institution without the prior written approval of CITY.
- B. If any provision of this Agreement is held to be invalid, illegal, or unenforceable, the remaining provisions shall remain in full force and effect and continue to conform to the original intent of both parties hereto.
- C. All reports, documents, studies, charts, schedules, or other appended documentation to any proposal, content of basic proposal, or contracts and any responses, inquiries, correspondence, and related material submitted by SUBRECIPIENT shall become the property of CITY upon request.
- D. Debarment: SUBRECIPIENT certifies that it is not listed on the System for Award Management (SAM), which list the debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549 and 24 CFR Part 24.
- E. In no event shall any payment to SUBRECIPIENT hereunder, or any other act or failure of CITY to insist in any one or more instances upon the terms and conditions of this Agreement, constitute or be construed in any way to be a waiver by CITY of any breach of covenant or default which may then or subsequently be committed by SUBRECIPIENT. Neither shall such payment, act, or omission in any manner impair or prejudice any right, power, privilege, or remedy available to CITY to enforce its rights hereunder, which rights, powers, privileges, or remedies are always specifically preserved. No representative or agent of CITY may waive the effect of this provision.
- F. This Agreement, together with referenced Exhibits, constitutes the entire agreement between the parties hereto, and any prior agreement, assertion, statement, understanding, or other commitment antecedent to this Agreement, whether written or oral, shall have no force or effect whatsoever; nor shall an agreement, assertion,

statement, understanding, or other commitment occurring during the term of this Agreement, or subsequent thereto, have any legal force or effect whatsoever, unless properly executed in writing, and if appropriate, recorded as an amendment of this Agreement.

G. In the event any disagreement or dispute should arise between the parties hereto pertaining to the interpretation or meaning of any part of this Agreement or its governing rules, codes, laws, ordinances, or regulations, CITY as the party ultimately responsible to U.S. Department of Housing and Urban Development (HUD) for matters of compliance, will have the final authority to render or to secure an interpretation.

H. If SUBRECIPIENT provides services to the homeless it is required to:

- (1) Report homeless data to the Homeless Management Information System (HMIS). Homeless Management Information System (HMIS): HMIS is a countywide data management tool designed to facilitate data collection in order to improve human service delivery throughout Denton County. Participation in the Homeless Management Information System (HMIS) is a requirement per this agreement. Data entered into HMIS will help our community improve services to individuals experiencing homelessness by providing accurate information on the extent and nature of homelessness in our community and by accounting for our success in helping people move out of homelessness. Participation is also critical to help Denton and Denton County successfully compete for grants for federal funding, such as the U.S. Department of Housing and Urban Development's homeless assistance funds.
- (2) Participate in the Denton County Homeless Leadership Team meetings and any applicable workgroup(s). The Denton County Homeless Leadership Team is a collaborative, cross-sector team that convenes to improve the planning, coordination, oversight, and implementation required to create systems change for housing/homelessness initiatives in Denton County. Further, the Agency is encouraged to work in partnership with fellow service providers to improve efficiency and effectiveness.

I. For purposes of this Agreement, all official communications and notices among the parties shall be deemed made if sent postage paid to the parties and address set forth below:

TO CITY:

City Manager
City of Denton
215 E. McKinney
Denton, Texas 76201

TO SUBRECIPIENT:

Denton County Friends of the Family
Attn: Executive Director
4845 S I35E, Ste 100
Corinth, Texas 76210

w/ a copy to:

City Attorney
City of Denton
215 E. McKinney
Denton, TX 76201

This Agreement shall be interpreted in accordance with the laws of the State of Texas and venue of any litigation concerning this Agreement shall be in a court competent jurisdiction sitting in Denton County, Texas.

IN WITNESS OF WHICH this Agreement has been executed on this the _____ day of _____, 2025.


CITY OF DENTON

BY: _____
SARA HENSLEY,
CITY MANAGER


ATTEST:
INGRID REX, INTERIM CITY SECRETARY

BY: _____


APPROVED AS TO LEGAL FORM:

BY:  _____
MACK REINWAND,
CITY ATTORNEY

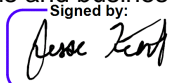
**DENTON COUNTY FRIENDS OF THE
FAMILY, INC.:**

BY:  _____
Executive Director

ATTEST:

BY:  _____
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THIS AGREEMENT HAS BEEN
BOTH REVIEWED AND APPROVED
as to financial and operational
obligations and business terms



F418EB1B782348F...

Signature

Director of Community Services

Title

Community Services

Department

Date Signed: 9/16/2025

Exhibit A
Scope of Services

Description of Project

CDBG funds will be used for repairs of the Denton County Friends of Family transitional housing unit in Denton, Texas. Project includes bathroom remodel, kitchen cabinets, flooring and tile replacement, interior painting, and electrical updates. The repairs will provide a rental unit in good condition for families leaving emergency shelter for six months, fostering housing stability as they transition to permanent housing.

Estimated Project Timeline

September 2025	Project Approval: Contract is executed with SUBRECIPIENT and approved by City Council
September 2025	Subrecipient Training and Quarterly Meeting on Project Status
October/November 2025	Pre-Construction: Subrecipient completes work write, cost estimate, and building permits.
December 2025/January 2026	Procurement: Subrecipient completes procurement process
January 2026	Quarterly Meeting on Project Status
March-August 2026	Construction: Subrecipient manages repairs.
April 2026	Quarterly Meeting on Project Status
July 2026	Quarterly Meeting on Project Status
August 2026	Project is completed
August 2026	Reimbursement: Request reimbursement for project costs.
September 30, 2026	Agreement Terms Ends
September 2026	Reporting: Subrecipient submits client data to the City to complete project
October 2026	Monitoring: Subrecipients begins reporting
September 2031	Monitoring: Subrecipient ends reporting

Work Statement

In order to complete the agreed upon activity, SUBRECIPIENT shall provide the following services from the improved facility:

Services for survivors of Domestic Violence and Sexual Assault that include transitional housing, crisis intervention, and support services. SUBRECIPIENT will operate a Transitional Housing Program at the facility to help victims of sexual assault and domestic violence secure safe housing options as they transition out of emergency shelter, flee from an abusive home, and/or recover from financial abuse. Services provided through the Transitional Housing Program may vary on a case-by-case basis and can include housing advocacy and case management, economic guidance, and employment assistance. All clients of the Transitional Housing Program are required to complete an intake to identify the services needed for a successful transition.

Exhibit B
Budget

City shall provide Fifty-Three Thousand Dollars - \$53,000.00 in Community Development Block Grant funds for the Transitional Housing Repair Project serving low and moderate-income family households with young children. SUBRECIPIENT shall provide the services listed in this Agreement within the monetary limits attached hereto and incorporated by reference herein. In no event shall compensation to the SUBRECIPIENT exceed the lesser of the SUBRECIPIENT's costs attributable to the work performed as stated herein or sum of \$53,000.00.

Prior to the start of construction, SUBRECIPIENT shall provide the Community Development Division with a project budget, documentation of any additional funding sources and commitments (if other funding sources are included in the project), and a project planning/construction schedule.

Allowable Expenditure	
Housing Repair Costs attributable to bathroom remodel, kitchen cabinets, flooring and tile replacement, interior painting, and electrical updates	\$53,000.00
Total	\$53,000.00

SUBRECIPIENT will be reimbursed in accordance with Section 7 of this Agreement for eligible expenditures made in connection with the Scope of Services described in Exhibit A to this Agreement. SUBRECIPIENT will submit reimbursement requests as provided in this Exhibit B and in this Agreement. Expenditures shall be made in connection with the Scope of Services described in Exhibit A to this Agreement.

To be reimbursed for the purchase of goods or services, SUBRECIPIENT must provide:

1. Invoice/Receipt
2. Proof of payment (copy of check with check number or bank statement)
3. If purchased with credit card, proof credit card was paid.

Exhibit C
U.S. Department of Housing and Urban Development (HUD)
Income Limits

Qualifying Income Limits for Federally Assisted Programs

FY 2025 Income Limits Summary
Dallas, TX HUD Metro FMR Area

Median Household Income: \$ 117,300 (Household of 4)

Income Limit Category	<u>Low (80%)</u>	<u>Very Low (50%)</u>	<u>30% Limits</u>
1	\$5,700.00	\$41,100.00	\$24,650.00
2	\$75,100.00	\$46,950.00	\$28,200.00
3	\$84,500.00	\$52,800.00	\$31,700.00
4	\$93,850.00	\$58,650.00	\$35,200.00
5	\$101,400.00	\$63,350.00	\$38,050.00
6	\$108,900.00	\$68,050.00	\$40,850.00
7	\$116,400.00	\$72,750.00	\$43,650.00
8	\$123,900.00	\$77,450.00	\$46,500.00

Exhibit D
Certification Regarding Lobbying


The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (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 officer or employee of Congress, or an employee of a Member of Congress in connection with a Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-ILL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this Certification be included in the award documents for all subawards at all tiers (including subcontractors, subgrants, and contracts under grants, loans, and cooperative agreements) and that all SUBRECIPIENTS shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of the certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, US 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.

DENTON COUNTY FRIENDS OF THE FAMILY, INC.

Subrecipient

DocuSigned by:

297BCEB9C79442E...

Executive Director

Signature

Title

9/16/2025

Date

Exhibit E
Monitoring Checklist

Guide for Review of Individual CDBG-Funded Rehabilitation Activities			
Name of Program Participant:			
Staff Consulted:			
Property Address:		Project/Application/Identifying Number:	
Application Type (Loan, Grant, etc.):			
Name(s) of Reviewer(s)		Date	

NOTE: All questions that address requirements contain the citation for the source of the requirement (statute, regulation, NOFA, or grant agreement). If the requirement is not met, HUD must make a finding of noncompliance. All other questions (questions that do not contain the citation for the requirement) do not address requirements, but are included to assist the reviewer in understanding the participant's program more fully and/or to identify issues that, if not properly addressed, could result in deficient performance. Negative conclusions to these questions may result in a "concern" being raised, but not a "**finding**."

Instructions: Complete this Exhibit for each rehabilitation project or activity selected as part of the monitoring review. The Exhibit is divided into eight sections: Eligibility; National Objective; Rehabilitation of Multi-Family Housing; Rehabilitation of Rental Housing; Property Inspection; Rehabilitation Management; Rehabilitation Processing Procedures; and Other Requirements. HUD reviewers should select an appropriate sample (either randomly or judgmentally selected). Irrespective of the sampling type, consideration should be given to:

- the type of rehabilitation undertaken by the program participant, e.g., owner-occupied; investor-owned; multi-family; single family; mixed use; non-residential;
- completed, in-progress, and denied cases;
- properties that were substandard prior to rehabilitation and were brought up to standard with CDBG funds;
- cases for which the Field Office received a recent formal complaint.

If this program participant's overall rehabilitation program is being reviewed as part of the monitoring, conclusions reached in the individual file reviews conducted using this Exhibit should be used to support determinations made under Exhibit 3-10, *Guide for Review of CDBG-Funded Rehabilitation Program Management*. When reviewing larger programs, it may be necessary to either increase the sample size or select a random sample in order to support conclusions about the program participant's performance as a whole.

This Exhibit includes citations to regulations that pre-dated HUD's implementation of 24 CFR Part 200 (e.g., 24 CFR Part 85 (2013 edition) and 24 CFR Part 84 (2013 edition)). CPD staff conducting monitoring should use the appropriate citations based on the applicability of 24 CFR Parts 84/85 (2013 edition) or 24 CFR Part 200. For further information, please see the HUD Transition Notice (SD-2015-01), dated December 26, 2015, which describes the transition to 24 CFR Part 200 located at: <https://portal.hud.gov/hudportal/documents/huddoc?id=15-01sdn.pdf> and additional transition guidance available in a subsequent Notice (CPD-16-04), dated April 13, 2016, and located at: <http://portal.hud.gov/hudportal/documents/huddoc?id=16-04cpdn.pdf>.

On-Site or Remote Property Inspections. Because housing rehabilitation has been identified as a high risk CDBG activity, emphasis should be placed on visual property inspections, as frequently as time and

resources permit, to determine if the rehabilitation funds were expended to provide quality rehabilitation at reasonable costs. If the expenditure of funds for rehabilitation is not reflected in the work accomplished, then the reviewer needs to determine causes for any discrepancies and discuss them with the program participant. Suspicious circumstances should be referred to the Regional Inspector General, consistent with Departmental procedures.

It is recommended that HUD reviewers inspect a minimum of *five* properties when the program participant's annual rehabilitation program budget equals \$500,000 or more, or a minimum of *three* properties when the program participant's annual rehabilitation program budget is less than \$500,000.

Please note that "substandard but suitable for rehabilitation" is defined by the program participant in its Consolidated Plan and includes, as a minimum, those units that do not meet Section 8 Existing Housing Quality Standards. The term "standard" refers to units that do not meet the local definition of substandard. [See 24 CFR 91.205(b).]

On-site property inspections must be scheduled with advance notice to the owner/occupant. The program participant shall contact the owners/occupants involved to schedule an inspection. The owner or a representative of the owner and a program participant representative should be present, especially for inspection of property interiors. In the event it is not possible to inspect all the properties selected, HUD reviewers may select additional files for the purpose of property inspections only. To carry out the inspection, HUD reviewers should:

- a. Review documentation of substandard conditions, such as the initial property inspections, or equivalent;
- b. Review the work write-up and cost estimates, or the rehabilitation contract (or equivalent steps for documenting the work performed or to be performed);
- c. Review the final inspection (certificates, or equivalent documentation, if any);
- d. Review the actual work accomplished in comparison with the items established in the rehabilitation contract and the actual expenditures per item to the extent discernible; and
- e. Cover all aspects of the construction as set forth in the work write-up.

Questions

A. ELIGIBILITY

1.	
a. How is this activity classified in the Consolidated Plan Annual Action Plan or the Integrated Disbursement and Information System (IDIS)?	
Describe Basis for Conclusion:	
b. Does the project file for the CDBG assistance provide a full description sufficient to show that the activity is eligible and has been properly classified under Subpart C of Part 570? [24 CFR 570.506(a)]	
<div style="display: flex; justify-content: flex-end; align-items: center;"> <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A </div>	
Describe Basis for Conclusion:	

B. NATIONAL OBJECTIVE

2.

Which national objective is this activity intended to meet? <input type="checkbox"/> Housing activities [24 CFR 570.208(a)(3)] <input type="checkbox"/> Activities to address slums or blights on an area basis [24 CFR 570.208(b)(1)] <input type="checkbox"/> Activities to address slums or blight on a spot basis [24 CFR 570.208(b)(2)]
Describe Basis for Conclusion:

3.

a. If the activity was designed to benefit low- and moderate-income households, which of the two definitions of income at 24 CFR 570.3 did the program participant use (Section 8 or adjusted gross income from IRS Form 1040)? NOTE: The Census Long-Form definition is not applicable as of the 2010 Census.
Describe Basis for Conclusion:

b. If the low- and moderate-income national objective for housing applies to this activity, is there documentation that shows that the applicant is low- and moderate-income, based on the applicant's household size and household income at the time the assistance was provided? [24 CFR 570.208(a)(3) and 24 CFR 570.506(b)(4)(iii)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Describe Basis for Conclusion:	

c. For an activity determined to benefit low- and moderate-income households, were the correct <u>income limits applied</u> at the <u>point in time</u> when the benefit was determined? [24 CFR 570.506(b)(1) and 24 CFR 570.506(b)(4)(iii)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Describe Basis for Conclusion:	

4.

Where less than 51 percent of the units in a structure will be occupied by low- and moderate-income households, are there records demonstrating that the activity meets the criteria as set forth at 570.208(a)(3), (3)(i), and/or 570.208(d)? [24 CFR 570.506(b)(4)(vi)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Describe Basis for Conclusion:	

5.

For each property acquired for the purpose of providing or improving housing and on which there are no structures, is there evidence of commitments ensuring that the criteria in 24 CFR 570.208(a)(3) will be met when the structures are built? [24 CFR 570.506(b)(4)(v)]	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
Describe Basis for Conclusion:	

C. REHABILITATION OF MULTI-FAMILY HOUSING

6.

a. Is there a copy of a written agreement between the program participant/subrecipient and the landlord or developer receiving CDBG assistance? [24 CFR 570.506(b)(4)(i)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

b. If the answer to “a” above is “yes,” does the agreement include the total number of dwelling units in each multifamily structure assisted and the number of units that will be occupied by low-and moderate-income households upon completion? (Include the numbers below.) [24 CFR 570.506(b)(4)(i)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

c. Is there file documentation that shows the total cost of the activity, including both CDBG and non-CDBG funds? (Include in your response below the CDBG funds, the non-CDBG funds, and the total.) [24 CFR 570.506(b)(4)(ii)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

D. REHABILITATION OF RENTAL HOUSING

7.

Is there documentation showing the rent charged (or to be charged) after completion, for each CDBG-assisted dwelling unit in each structure? [24 CFR 570.506(b)(4)(iv)(A)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

8.

Is there documentation showing the affordability of the assisted units (occupied or to be occupied) by low- and moderate-income households, pursuant to criteria established and made public by the program participant? [24 CFR 570.506(b)(4)(iv)(B)]	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

E. PROPERTY INSPECTION

9.

Is there a copy of an initial inspection in the file?	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Yes No N/A
Describe Basis for Conclusion:	

10.

Does the file contain a Work Write-Up and Cost Estimate that addresses the issues raised in the initial inspection?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

F. REHABILITATION MANAGEMENT

11.

If a loan was made to the owner, is there a copy of a promissory note or loan agreement signed by the owner in a properly secured file?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

12.

a. Is there a construction contract or equivalent document in the file?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

b. If “yes” to “a” above, does the contract contain either: (i) a list of all of the work to be performed, or (ii) refer to some other document (e.g., a work write-up) that lists all of the work to be performed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

c. 1. Does the contract include the cost of the work to be performed and, if so, does the cost appear reasonable for the kind of work to be performed? (If “no,” describe what you found.) [24 CFR 570.502(a)(6); 24 CFR 85.22 (2013 edition)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

For Monitoring Covered by 2 CFR Part 200 Requirements.

c. 2. Does the contract include the cost of the work to be performed and, if so, does the cost appear reasonable for the kind of work to be performed? (If “no,” describe what you found.) [24 CFR 570.502; 2 CFR 200.323; 2 CFR 200.403; 2 CFR 200.404]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

d. Does the contract name all of the contractors and/or subcontractors responsible for performing each item of work?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			

e. 1. Is there documentation to show that the program participant ensured that all contractors and subgrantees that it is doing business with under the grant are not excluded (debarred/suspended) in accordance with 2 CFR Parts 180 and 2424? [24 CFR 570.609; 2 CFR Part 180; 2 CFR Part 2424]	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			

For Monitoring Covered by 2 CFR Part 200 Requirements.

e. 2. Is there documentation to show that the program participant ensured that all contractors and subgrantees that it is doing business with under the grant are not excluded (debarred/suspended) in accordance with 2 CFR Parts 180 and 2424? [24 CFR 570.609; 2 CFR 200.205; 2 CFR 200.213; 2 CFR Part 180; and 2 CFR Part 2424]	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			

13.

Is a pre-construction conference held with the contract parties?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			

14.

Is there a copy of a written "Notice to Proceed" to the contractor in the file?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			

15.

a. Was there a local building permit taken out for the job?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			

b. If a permit was taken out, did the building official sign off on the permit, indicating that the work was completed?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			

16.

a. Is there documentation of routine progress inspections? [24 CFR 570.502(a)(14) and (b)(3)(vii); 24 CFR 84.51 and 85.40 (2013 edition)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			

For Monitoring Covered by 2 CFR Part 200 Requirements.

b. Is there documentation of routine progress inspections? [24 CFR 570.502; 2 CFR 200.328(a) & (c)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			

17.

Is the work inspected prior to paying the contractor?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			

18.

a. Is the actual cost of the work components documented?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			

b. Did the owner or the owner's authorized representative approve each payment?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			

19.

Are payment disbursement records maintained?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			

20.

a. Are change orders documented and approved by the owner?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A

Describe Basis for Conclusion:

b. 1. Does the scope and cost of change order work appear reasonable? [24 CFR 570.502(a)(6); 24 CFR 85.22 (2013 edition)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A

Describe Basis for Conclusion:

For Monitoring Covered by 2 CFR Part 200 Requirements.

b. 2. Does the scope and cost of change order work appear reasonable? [24 CFR 570.502; 2 CFR 200.323; 2 CFR 200.403; 2 CFR 200.404]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A

Describe Basis for Conclusion:

21.

Is there documentation of a final inspection of the work by program participant staff?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A

Describe Basis for Conclusion:

22.

Has a formal Notice of Completion been recorded? (This notice sets a time limit for filing any mechanic's liens against the property, if applicable.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A

Describe Basis for Conclusion:

23.

Is there documentation to show the contractor provided the appropriate lien releases?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A

Describe Basis for Conclusion:

24.

[OS] a. Does the work appear to correct the deficiencies noted in the initial inspection?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A

Describe Basis for Conclusion:

b. Does a walk-through inspection indicate that all items were completed as specified in the Work Write-Up?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

25.

a. Was the owner, the owner's representative, or property manager, satisfied with the work? NOTE: The owner, representative, or manager should be provided an opportunity to be interviewed with only HUD personnel present.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

b. Is there evidence that the owner received contractor and equipment warranties?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

G. REHABILITATION PROCESSING PROCEDURES

26.

What is the date of the initial application for rehabilitation assistance?
Describe Basis for Conclusion:

27.

What date was the application either approved or denied?
Describe Basis for Conclusion:

28.

If the application for rehabilitation assistance was approved, what date did the rehabilitation work begin?
Describe Basis for Conclusion:

29.

If the rehabilitation was approved, what date was the rehabilitation completed and final payment to the contractor made?
Describe Basis for Conclusion:

30.

Is there any indication that the rehabilitation processing time for this activity was excessive and not due to extenuating circumstances or circumstances beyond the control of the program participant?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Yes	No	N/A
Describe Basis for Conclusion:			

H. OTHER REQUIREMENTS

31.

Is there documentation to support compliance with the Lead Hazards requirements of 24 CFR Part 35? (Use appropriate Exhibits in Chapter 24 to answer this question.) [24 CFR 570.608]	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			

32.

If CDBG funds were used in a project involving the rehabilitation, acquisition, or demolition of the property and, if any tenants or owners were required to relocate permanently or temporarily, were the applicable relocation requirements followed [e.g., the Uniform Relocation Act (URA), Section 104(d)]? (If needed, refer to your Regional Relocation Specialist for assistance with this question.) [24 CFR 570.606; 49 CFR Part 24; and 24 CFR Part 42]	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			

33.

Were the environmental requirements at 24 CFR Part 58 met? (Use the applicable Exhibit(s) in Chapter 21 to answer this question.) [24 CFR 570.604]	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			

34.

If applicable, were the Davis-Bacon labor standards requirements met? (Use the appropriate question(s) in Exhibit 23-1 to answer this question.) [24 CFR 570.603]	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			

35.

If CDBG funds were used for rehabilitation of real property located within the Special Flood Hazard Area (SFHA), are those assisted properties in compliance with the flood insurance purchase and community participation requirements at Sections 102(a) and 202(a) of the Flood Disaster Protection Act of 1973, as amended, and at 24 CFR 570.605 and 24 CFR 570.509(c)(4)(iv)? (For review of compliance with Sections 102(a) and 202(a), use Exhibit 27-1 of this Handbook, <i>Guide for Review of Flood Insurance Protection</i> , especially questions 1-6, 9, 10 and 12.) [24 CFR 570.605 and 24 CFR 570.509(c)(4)(iv)]	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
Describe Basis for Conclusion:			

Certificate Of Completion

Envelope Id: F048E6BC-88E8-42B8-AA21-098AE9F66A38
 Subject: Complete with Docusign: HS-CDBG Housing Agreement DCFOF 25-26.pdf
 Source Envelope:
 Document Pages: 34
 Certificate Pages: 5
 AutoNav: Enabled
 Envelopeld Stamping: Enabled
 Time Zone: (UTC-06:00) Central Time (US & Canada)

Status: Completed
 Envelope Originator:
 Lauri Nack
 901B Texas Street
 Denton, TX 76209
 Lauri.Nack@cityofdenton.com
 IP Address: 198.49.140.10


Record Tracking

Status: Original
 9/16/2025 3:24:18 PM
 Holder: Lauri Nack
 Lauri.Nack@cityofdenton.com
 Location: DocuSign

Signer Events

Jesse Kent
 Jesse.Kent@cityofdenton.com
 Director
 Security Level: Email, Account Authentication (None)

Signature

Signed by:

 F418EB1B782348F...
 Signature Adoption: Drawn on Device
 Using IP Address: 2a09:bac2:bf90:15d7::22d:28

Timestamp

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Toni Johnson Simpson
 Toni@dcfof.org
 Executive Director
 denton county friends of the family
 Security Level: Email, Account Authentication (None)

DocuSigned by:

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 Signature Adoption: Pre-selected Style
 Using IP Address: 47.51.203.78

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 ID: e1dbe3ec-b604-4c90-bea1-adc43278a9e9

Lisa Stanley
 Lisa.Stanley@ntxca.org
 Board Chair
 Denton County Friends of the Family
 Security Level: Email, Account Authentication (None)

Signed by:

 FB5AE3D8CF324F8...
 Signature Adoption: Drawn on Device
 Using IP Address: 47.190.118.99

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Electronic Record and Signature Disclosure:
 Accepted: 9/16/2024 9:57:39 AM
 ID: 04765ff1-d22b-403b-8fc4-7a116d71d2c5

In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp
Lauri Nack lauri.nack@cityofdenton.com President & CEO City of Denton - Community Services Security Level: Email, Account Authentication (None) Electronic Record and Signature Disclosure: Not Offered via DocuSign	COPIED	Sent: 9/16/2025 5:02:54 PM Resent: 9/16/2025 5:02:58 PM
Scott Bray Scott.Bray@cityofdenton.com Security Level: Email, Account Authentication (None) Electronic Record and Signature Disclosure: Accepted: 9/15/2025 2:06:51 PM ID: 1a8f1fb4-ee34-4c76-8059-18b703a53794	COPIED	Sent: 9/16/2025 5:02:55 PM
Tamara Jones Tamara.Jones@cityofdenton.com Security Level: Email, Account Authentication (None) Electronic Record and Signature Disclosure: Not Offered via DocuSign	COPIED	Sent: 9/16/2025 5:02:56 PM Viewed: 9/17/2025 9:34:11 AM

Witness Events	Signature	Timestamp
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Notary Events	Signature	Timestamp
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Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	9/16/2025 3:28:28 PM
Certified Delivered	Security Checked	9/16/2025 5:02:45 PM
Signing Complete	Security Checked	9/16/2025 5:02:52 PM
Completed	Security Checked	9/16/2025 5:02:56 PM

Payment Events	Status	Timestamps
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Electronic Record and Signature Disclosure
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ELECTRONIC RECORD AND SIGNATURE DISCLOSURE

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If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. To indicate to us that you are changing your mind, you must withdraw your consent using the DocuSign 'Withdraw Consent' form on the signing page of your DocuSign account. This will indicate to us that you have withdrawn your consent to receive required notices and disclosures electronically from us and you will no longer be able to use your DocuSign Express user account to receive required notices and consents electronically from us or to sign electronically documents from us.

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Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through your DocuSign user account all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

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You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: purchasing@cityofdenton.com

To advise City of Denton of your new e-mail address

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at melissa.kraft@cityofdenton.com and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

In addition, you must notify DocuSign, Inc to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in DocuSign.

To request paper copies from City of Denton

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an e-mail to purchasing@cityofdenton.com and in the body of such request you must state your e-mail address, full name, US Postal address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with City of Denton

To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your DocuSign account, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an e-mail to purchasing@cityofdenton.com and in the body of such request you must state your e-mail, full name, US Postal Address, telephone number, and account number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

Operating Systems:	Windows2000? or WindowsXP?
Browsers (for SENDERS):	Internet Explorer 6.0? or above
Browsers (for SIGNERS):	Internet Explorer 6.0?, Mozilla FireFox 1.0, NetScape 7.2 (or above)
Email:	Access to a valid email account
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	<ul style="list-style-type: none">•Allow per session cookies•Users accessing the internet behind a Proxy Server must enable HTTP 1.1 settings via proxy connection

** These minimum requirements are subject to change. If these requirements change, we will provide you with an email message at the email address we have on file for you at that time providing you with the revised hardware and software requirements, at which time you will have the right to withdraw your consent.

Acknowledging your access and consent to receive materials electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

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- Until or unless I notify City of Denton as described above, I consent to receive from exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by City of Denton during the course of my relationship with you.