Committee Report

C **Community Development Committee**

For the Metropolitan Council meeting of June 27, 2012

Item: 2012-202

Date Prepared: June 20, 2012

Subject: The Approval of HUD Sub-Recipient Grant Agreements – Sustainable Communities Local Implementation Capacity Planning Grants

Proposed Action:

The Committee is being asked to approve sub-recipient grant agreements in the amount of $953,000 with nine entities that were awarded Local Implementation Capacity (LIC) grants by the Corridors of Opportunity Policy Board. The grants were awarded for projects along transitway corridors that promote the principles of transit oriented development (TOD). The entities are:

Project for Pride in Living	Hamline Station*	$ 200,000
Aurora St. Anthony CDC	Old Home Redevelopment	100,000
The Cornerstone Group	Prospect Park Station*	300,000
L & H	L & H Station	114,750
LISC (Local Initiative Support Corp)	Corridor Development Initiative +	70,000
Aeon/YMCA	YMCA Site Selection	50,000
City of Minneapolis	E. Downtown Parking Lot Study	43,250
Hennepin County	SW Corridor Housing Inventory	25,000
City of Hopkins	8th Avenue Corridor*	50,000
		$ 953,000

*also received LCA TOD funds

Summary of Committee Discussion / Questions:

Corridors of Opportunity Staff member, Susan Hoyt, presented the request to approve nine sub-recipient grant agreements for TOD predevelopment projects through the Corridors of Opportunity Local Implementation Grant. The Corridors of Opportunity Policy Board had the authority to approve this one time grant program. She explained that the Metropolitan Council must approve the sub-recipient agreements for these predevelopment TOD projects awarded because the Metropolitan Council is the grantee for the HUD grant. CM Smith asked how the ranking criteria for equity was evaluated. Hoyt explained that the Grant Review Committee had a few different perspectives. These included if the project provided or preserved affordable housing units, had community support in an underrepresented community and/or created a sense of pride with the proposed project in a community. Chair Cunningham asked why this Local Implementation Capacity Grant was administered separately from the Metropolitan Council's LCA TOD grants given that they both had the same objective and could support each other. Hoyt replied that the HUD project preceded the LCA TOD Grant by a year (2010) so the implementation work was underway prior to the initiation of the LCA TOD Grant. She explained that the criteria for the two grants were similar and that the Local Implementation Capacity Grant used the LCA TOD application for its application. In addition, the Local Implementation Grants were made with the knowledge and intent to support the LCA TOD grants; three Local Implementation Grants went to LCA TOD funded projects. Chair Cunningham asked why the grants did not have more geographic distribution. Hoyt replied that there was no mandated geographic distribution for the grant funds. The grant applications were received for SW, Central, Hiawatha and Northstar. The Northstar application did not rank high enough for funding.

The Committee unanimously approved the nine sub-recipient grant agreements. Committee member Jon Commers abstained from voting.

Business Item
Item: 2012 - 202

C Community Development Committee

Meeting date: June 18, 2012

For the Council Meeting of June 27, 2012

ADVISORY INFORMATION	
Date:	June 11, 2012
Subject:	The Approval of HUD Sub- Recipient Grant Agreements – Sustainable Communities Local Implementation Capacity Planning Grant
District(s), Member(s):	District 3 – CM Munt District 6 – CM Brimeyer District 7 – CM Cunningham District 8 – CM Duinick District 14 – CM Commers
Policy/Legal Reference:	HUD Sustainable Communities Local Implementation Capacity Workplan
Staff Prepared/Presented:	Susan Hoyt, Corridors of Opportunity Outreach and Engagement
Division/Department:	Community Development

Proposed Action

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Background (see Attachment 1 for Staff Report to Corridors of Opportunity)

The Metropolitan Council is the administrator for the $ 5 million HUD Sustainable Communities Grant program for the Corridors of Opportunity. The Local Implementation Capacity (LIC) grant is one of the 22 projects in the grant program. It is a predevelopment grant intended to promote transit oriented development along the transitway corridors. The grant funds were divided into two categories: 1) 75% ($714,750) for site specific predevelopment projects (first four projects listed); and 2) 25% ($238,250) for predevelopment planning activities (second five projects listed). Projects were evaluated based upon threshold criteria supporting TOD, affordable housing and/or preserving or adding jobs, and upon six competitive ranking criteria including: high visibility, impact on equity, catalytic, leveraged resources, replicable and timing.

Rationale

Implementing these projects promotes TOD along the transitway corridors and will result in more jobs, housing and a higher tax base. These projects potentially provide financial support for an estimated:

- 1,876 jobs (576 permanent)
- 1,043 housing units (368 affordable)
- $210,514,000 in private investment

Funding

The funds are provided through the HUD Sustainable Communities Planning Grant in the amount of $953,000 or almost 20% of the $5 million dollar HUD grant.

Known Support / Opposition

The Corridors of Opportunity Policy Board approved the LIC project goals, workplan, application and rating criteria. The Policy Board unanimously supported these nine projects for funding. Prior to the action by the Policy Board, a grant review committee comprised of staff from local government, state, nonprofit and philanthropic organizations reviewed 23 applications for funding and unanimously recommended these projects to the Policy Board for approval.

Attachments

Attachment 1: Corridors of Opportunity Policy Board Staff Report, 5. 23.2012
Attachment 2: Sub-recipient Grant Agreement

ITEM: Local Implementation Capacity (LIC) Recommendations for Funding

SUBMITTED BY: Local Implementation Capacity (LIC) Review Team

STAFF CONTACT: Susan Hoyt, Community Engagement and Outreach, Corridors of Opportunity

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PURPOSE AND ACTION REQUESTED: The Policy Board is being presented with the recommendations from the LIC Review Team for the $953,000 of funding for general and site specific pre-development grants for TOD related planning and development activities. The recommendations include 5 general predevelopment grants for $238,250 and 4 site specific predevelopment grants for $714,750. All projects were required to provide affordable housing (preservation / new) and/or jobs. The selection criteria for these grants included: high visibility, equity, catalytic, leverage, replicable and timing.

SUMMARY

- Eligible applicants included: non - profit, for profit and local government
- Eligible geographic areas:
  - Site specific located along one of the following corridors: Hiawatha, Central, Cedar, Northstar and Southwest
  - Applications received on Hiawatha, Central and Northstar
- General predevelopment planning anywhere in the 7-county region related to transit
  - Applications received from Southwest, Central and Hiawatha
- Three of the recommended grantees are receiving LCA TOD funding.

TABLE 1: SUMMARY OF RECOMMENDATIONS

PROJECT	APPLICANT	CORRIDOR	RECOMMENDED FUNDING
Site Specific			
Hamline Station	Project for Pride in Living	Central/St. Paul	$200,000*
Old Home Redevelopment	Aurora St. Anthony NDC	Central/St. Paul	$100,000
Prospect Park Masterplan	The Cornerstone Group	Central/ Minneapolis	$300,000*
L & H Station	L & H Station Development	Hiawatha	$ 114,750
Total			**$714,750**
General Predevelopment			
Corridor Development Initiative	Local Initiative Support Corporation (LISC)	Green Line (Central + Southwest)	$70,000
Aeon/YMCA	Aeon/YMCA	Central	$50,000
East Downtown Parking Lot Study	City of Minneapolis	Central/Hiawatha/Southwest	$43,250
8th Avenue Corridor	City of Hopkins	Southwest	$50,000*
SW Housing Inventory	Hennepin County on behalf of SW cities	Southwest	$25,000
Total (funded)			**$238,250**
Grand Total (funded)			**$953,000**

*received Metropolitan Council LCA TOD funds

Site Specific the following results:

Site Specific:
From $714,750 investment
Number of jobs

- Construction 1,300 jobs
- Permanent (FT & PT) 576 jobs
- Total **1,876 jobs**

Number of Housing Units

- Market Rate 675 units
- Affordable 368 units
- Total **1,043 units**

Investment

- Public $ 20,220,000
- Private $ 190,294,000
- Total **$ 210,514,000**

TABLE 2: Not recommended for predevelopment funding due to limited funds

PROJECT	APPLICANT	CORRIDOR	FUNDING REQUESTED
Site Specific			
1890 University Ave Apts	Episcopal Homes	Central	$ 250,000*
Central Exchange Phase 1	Model Cities	Central	$ 172,500*
LAAND Sites St. Paul	City of St. Paul	Central	$ 55,000
Artspace	Artspace Projects	Central	$ 250,000
Frogtown Square West	Neighborhood Dev. Corporation	Central	$ 92,000
Franklin Creative District	Seward Redesign	Hiawatha	$ 113,000
VA Housing	Hiawatha	Common Bond	$ 250,000
Municipal Plaza	City of Ramsey	Northstar	$ 79,500
The Mendoza	The Natural, LLC	Multi-modal transit hub	$ 200,000
Total (unfunded)			$1,597,250
General Predevelopment			
Hiawatha Powerline Study	City of Minneapolis	Hiawatha	$ 25,000
Historic Rondo	Aurora St. Anthony NDC	Central	$ 65,000
TOD Zoning	City of Eden Prairie	Southwest	$ 75,000
Open for Business on SW	MCCD	Southwest	$ 50,000
Penn and Broadway	Rose Development	Bottineau	$ 30,000*
Total (unfunded)			$ 296,750
Grand Total (unfunded)			$1,894,000
* received Met Council LCA TOD funds			

BACKGROUND:
The Corridors of Opportunity Policy Board allocated $953,000 of the HUD Sustainable Communities Grant to support general predevelopment and site specific predevelopment planning on the transitway corridors. A task force developed a grant program for allocating these funds which was discussed, revised and approved by the Policy Board. A Local Implementation Grant Review Committee, whose composition varies from the original task force to include members of housing finance agencies and fiscal expertise, is making recommendations on how to spend this fund for Policy Board consideration. (Attachment 1 – Committee)

EVALUATION CRITERIA:
All applications were required to provide or preserve affordable housing and/or jobs.
All applications were evaluated with a pass or fail on threshold criteria demonstrating no conflict and support of basic TOD principles and were ranked according to six criteria:

High Visibility: Support development that is exemplary of the TOD principles identified above, the significance of the impact relative to existing development context and physical visibility from the nearest station area.

Impact on Equity: Support the development of affordable housing or projects that will result in quality jobs retained or created and/or made more accessible to low-income and underserved populations including opportunities for entrepreneurship.
Catalytic: Lead to additional housing and/or economic development investments that create highly visible positive change in neighborhoods.
Leveraged Resources: Leverage other private funding or philanthropic or public sources, including resources not previously used for transit-oriented development.
Replicable: Provide area-wide benefit (e.g. storm water management, energy efficiencies) and serve as models for development in other TOD locations**.**
Timing: Be ready for implementation. Projects that are closest to "ground breaking" will received priority.

APPROACH:
The goal of the LIC Review Committee was to recommend projects that most closely met these criteria. The approach taken by the LIC Review Committee in making its recommendations was to jointly develop 'prompts' to define how each of the six criteria might be evaluated by individual reviewers during the evaluation process before any applications were received or seen by Committee members or Met Council staff (Attachment 2 – Criteria with prompts). The Committee also defined a conflict of interest policy for reviewing the grants since some members worked in organizations or were in geographic areas affected by the grants. After receiving the grants, the Committee met 1) to identify conflicts of interest in applications and sign forms regarding conflict; 2) to review applications for meeting the application requirements and threshold criteria which included adding or preserving affordable housing and/or jobs as well as some basic TOD criteria. One application was found not compliant with the requirements of the grant; and 3) to raise any questions about the grants that required clarifications. The Committee met a second time after each committee member ranked the applications. The compiled ranking was reviewed, discussed and amended to reflect the final recommendations of the committee.

PROCESS LEADING UP TO RECOMMENDATIONS:

- The Policy Board provided general direction on the grant at the outset by stating the importance of having visible, catalytic projects that can be identified along the corridors.
- The Policy Board assigned the task of creating the grant guidelines to a committee made up of local government, philanthropic and non- profit leaders. Gretchen Nicholls chaired this committee. (Attachment 1)
- The Policy Board reviewed the draft guidelines including the criteria and allocation of funds between general and site specific categories and including government, profit and non profit developers as eligible for application and accepted the guidelines on September 28, 2011.
    - Included 25% of funds for general planning predevelopment associated with transit development anywhere throughout the 7 county region
    - Included 75% of funds for site specific predevelopment on transit corridors completed or nearly completed (SW, Central, Cedar, Hiawatha qualified)
- The LIC Task Force finalized the guidelines in January 2012.
- The LIC Notice of Funding Availability was distributed on January 24, 2012 and put on the Metropolitan Council-Corridors of Opportunity web site.
- The LIC informational meeting was held on February 2, 2012
- The LIC Task Force membership was revised to incorporate additional perspectives dealing with housing, equity and financing housing. (Attachment 1).
- The LIC Task Force met to finalize the criteria and identify key phrases or prompts that further defined the six criteria. (Attachment 2)
- Twenty three applications for LIC funds were received on or before the March 8, 2012, 4 PM deadline.
    - Applications required a letter of support from the cities within which they were located.

- The LIC Review Team met twice to discuss the grant applications.
    - All LIC Review Team members identified and signed conflict of interest statements before proceeding with the discussion of the grants.

Project Summaries: Site Specific Predevelopment Recommendations	
Hamline Station	**1333 and 1319 University Avenue West Saint Paul**
Applicant	Project for Pride in Living
Amount Requested	$ 200,000
Amount recommended	$ 200,000
Corridor	Central LRT
Project Summary	Mix of uses on a redevelopment parcel across from the Hamline LRT station; will provide 108 housing units and 13,700 square feet of commercial area on 2.1 acres; high quality and higher density housing along University Avenue. Includes a small pocket park. Highly leveraged. Brings a retail environment along with the housing.
Jobs	150 construction; 5 permanent (3 FT and 2 PT)
Total Housing Units	108 affordable units with rents at 60% of Area Median Income
Private Investment	$ 18,363,047
Public Investment	$ 6, 00,000 including $2,500,612 of LCA TOD funds
Total Investment	$ 19,046,882
Reason for recommendation	Density, very close to the station, public space, introduces residential units in a retail area, catalytic, demonstrates car free lifestyle, affordability. (Warm market area – Investment Framework). Timing element is strong.

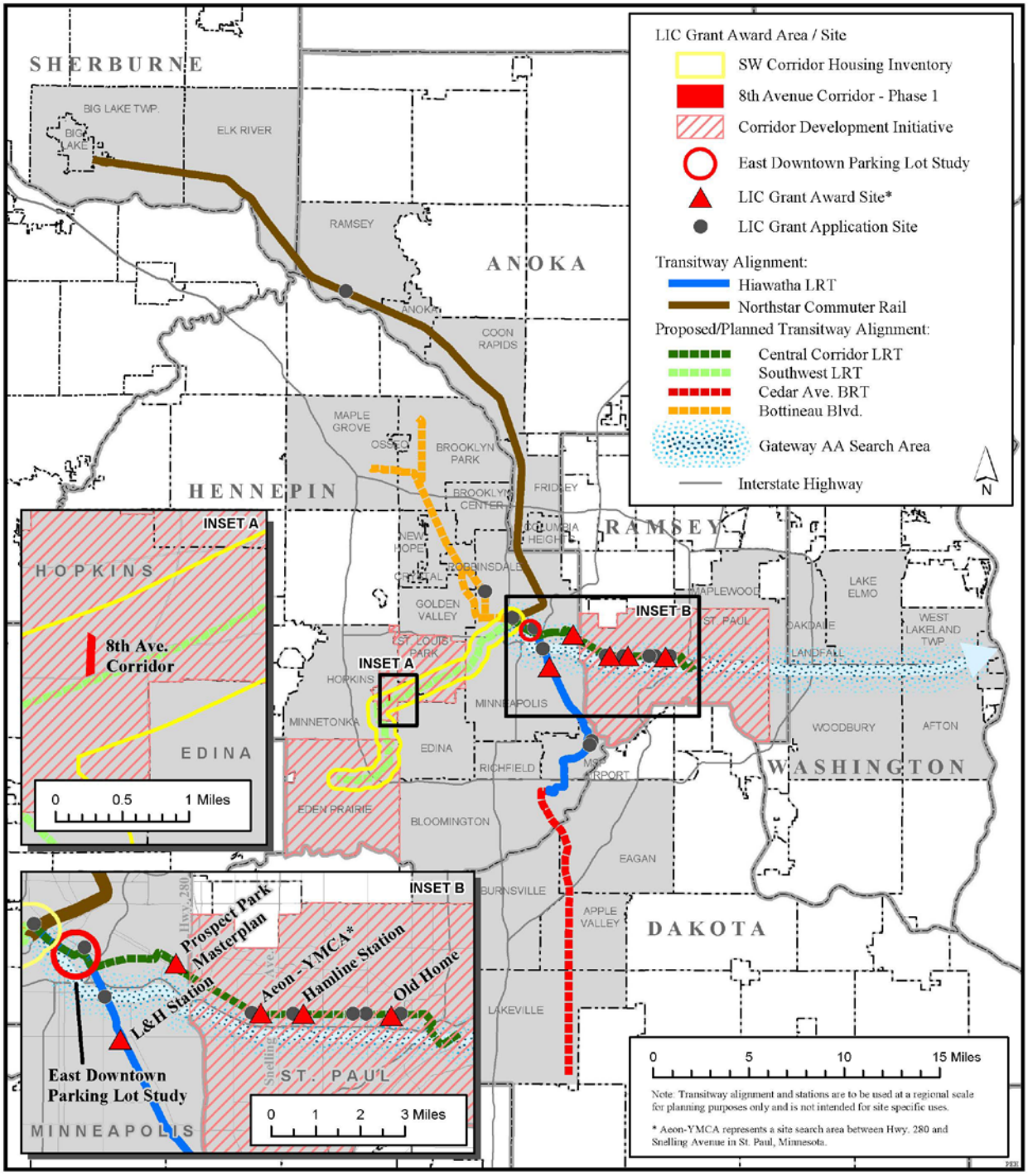
Old Home Redevelopment	**370-378 University Avenue at Western Saint Paul**
Applicant	Aurora St. Anthony NDC
Amount Requested	$100,000
Amount Recommended	$100,000
Corridor	Central LRT
Project Summary	This is a community based project with community strong community support. It is on 1.62 acres of land on the historic Old Home site with a mix of housing types and potentially 30,000 to 60,000 of commercial. It is a combination of rehabilitation and new construction. It will build on the cultural heritage and the concept of a cultural heritage district. The land is currently being held for the ASNDC by the TCCLB.
Jobs	100 Construction; 106 Permanent (56 FT & 50 PT)
Total Housing Units	Up to 110 housing units of which 100 rental units at 60% Area Median Income; 10 ownership units at 80% Area Median Income
Private Investment	$ 19,046,884 (proposed includes MHFA loans; tax credits)
Public Investment	$ 2,700,000 (proposed)
Total Investment	$ 21,746,884 (proposed)
Reason for Recommendation	Strong community process and support, level of emotional connection to the project, right at the station, historic preservation, adaptive reuse, mixed use, cultural connection leverage; (Cold market area in Investment Framework)

    - Review Team members assigning point ranking to each application for discussion purposes only.
    - Review Team members informally agreed that priority would be to retain full funding requested by site specific projects where feasible; members were more open to moving funding among projects for general predevelopment.
    - Review Team was informed of the LCA TOD grant award recommendations from the Metropolitan Council on the day that the LIC Review Team considered its recommendations.
- LIC Applicants will be notified of the status of their application on May 17, 2012, when the Policy Board information item on LIC is publicly posted.

Twin Cities Metropolitan Area

Local Implementation Capacity (LIP) Grants - 2012

May 2012



Prospect Park Masterplan	**2901 Fourth Street Southeast Minneapolis (Boeser Site - 29th Ave SE to Malcolm Ave SE)**
Applicant	The Cornerstone Group
Amount Requested	$300,000
Amount Recommended	$300,000
Corridor	Central LRT
Project Summary	The site is adjacent to the Prospect Park Station. The Boeser site .5 acres plans for 250 units of housing, 20% affordable, at 99 units per acre and an additional public plaza from acres of industrial land. This is part of a larger masterplan that incorporates public spaces and a pedestrian oriented arts community to the north of the Prospect Park station.
Jobs	300 construction; potential of 225 with four block development of mixed use
Total Housing Units	250 with 50 affordable at 60% AMI
Private Investment	$ 59,480,000 million
Public Investment	$ 4,520,000 million includes $ $2,270,307 LCA TOD
Total Investment	$ 64,000,000
Reasons for Recommendation	Right at the station, strong public process, large area concept, strong neighborhood support, leveraging private resources, adaptive reuse from industrial, job creation, affordable housing opportunity, very green development, and a major change in the current landscape. Leveraging resources e.g. LCA TOD grant for $2,720,307. Timing element is strong.

L & H Station	**2225 Lake Street Minneapolis**
Applicant	L & H Station Development, LLC
Amount Requested	$250,000
Amount Recommended	$ 114,750 (remaining of site specific allocation)
Corridor	Hiawatha
Project Summary	This is a redevelopment that has four phases and includes a mix of housing, commercial and civic spaces. It covers six acres and currently is owned by the Minneapolis public schools. The redevelopment will include a permanent home for the Midtown Farmers market, 80,000 square feet of office space and up to 575 housing units along with connectivity elements for pedestrians and bicyclists and public spaces.
Jobs	750 construction; 240 permanent (FT and PT) with full build out
Total Housing Units	575 units 100 affordable and 475 market rate in four phases
Private Investment	$ 93,404,000
Public Investment	$ 7,000,000 (working with the City of Minneapolis)
Total Investment	$ 100,403,000
Reason for Recommending	Highly visible, provides permanent location for the midtown farmers market with entrepreneurial opportunities, support from the neighborhood, opportunity for housing and jobs, connected to the station, is leveraging private market capital, place-making components.

Project Summaries:	**General Predevelopment Recommendations**

Corridor Development Initiative Plus	
Applicant	Local Initiative Support Corporation (LISC) w. city support
Amount Requested	$ 120,000
Amount Recommended	$ 70,000 (to allow for additional general project to be funded)
Corridor	Green Line (Central + Southwest)
Project Summary	The CDI Plus will partner with cities along the Green Line to build consensus around development objectives for key TOD sites, which include options for affordable housing, jobs and small business locations for entrepreneurs. This will provide information that will give developers access to LISC financing tools and developer workshops will be offered. The original number of 5 – 6 sites may be reduced to accommodate the reduced funding recommended.
Jobs	Planning for job opportunities and small businesses
Housing	Planning for affordable housing
Leveraged Funding	Will provide information for LISC financial support for future development along the corridors.
Reasons for Recommending	Critical in creating public support for on development on the corridor, identifying opportunity sites in advance of the SW LRT construction, replicable, strong partnerships, key opportunity, leveraged with other funds

Aeon/Midway YMCA	**Site Selection**
Applicant	Aeon Non-Profit Developer/ YMCA
Amount Requested	$ 50,000
Amount Recommended	$ 50,000
Corridor	Central
Project Summary	The YMCA on University Avenue has been considering how to replace its facility in the Midway area. These funds will be used to study the feasibility within ¼ mile of University Avenue between Snelling Avenue and Highway 280. The expanded campus will include affordable housing. The YMCA servers over 1025 people daily.
Jobs	265 Permanent jobs (FT and PT)
Housing	80 to 100 housing units ; the majority affordable as part of mixed use
Leveraged Funding	Future development funds to construct the facility.
Reasons for Recommending	Mixed use project, highly visible, partnership, high interest in the community, community facility and services, strong impact on equity.

East Downtown Parking Lot Study Minneapolis	
Applicant	City of Minneapolis
Amount Requested	$ 45,000
Amount Recommended	$ 43,250 (to allow to fund an additional general project)
Corridor	Central and others in the vicinity
Project Summary	The Downtown East Parking Lot study is a technical and financial analysis to support predevelopment activities around the Downtown East LRT station. The funds will be used to hire a consultant to help the city answer the questions related to east downtown surface parking lots and help the city determine how TOD may be implemented. Questions being considered include: what would a prototypical revenue and expense statement or a surface parking lots look like? Are there existing city regulatory tools r incentives that can be used to encourage development of this land? What interim opportunities exist and are there options for adjusting factors affecting the perceived land value.
Housing	The analysis may promote TOD opportunities for housing in this area.
Jobs	The analysis may promote TOD job opportunities in this area of the city.
Leveraged funding	Potential future development revenue and increased tax base if areas in the north loop are developed.
Reasons for Recommending	Potentially removes barriers to TOD, replicable, creates opportunities for mixed use and high density, lead to development tools to shift land uses from surface parking to other uses with housing and jobs, timing strong, place-making.

8th Avenue Corridor Hopkins **Area including 8th Ave and Excelsior Boulevard, 1st Street North, Main Street and 1st Street South**	
Applicant	City of Hopkins
Amount Requested	$ 50,000
Amount Recommended	$ 50,000
Project Summary	Funds will be used to engage the public engagement to create a plan for this corridor that connects downtown Hopkins with the LRT station along 8th Avenue. It uses a comprehensive approach to creating the optimal link between the Station and Main Street. It focuses on integrating public design and art along with sidewalks, and public spaces to make connections between downtown and the LRT station as well as promote a pedestrian and bicyclist friendly environment.
Housing	There is potential housing being proposed in this vicinity.
Jobs	A well designed 8th Avenue will connect low income transit riders to the significant job base in the downtown and will preserve jobs.
Leveraged funding	$ 1,037,000 in LCA TOD funds were provided to the technical design and engineering and toward environmental clean up of the area.
Reasons for Recommending	Promotes corridor level place-making and integrates community design with pedestrian access that can be replicated. It is identified as a strong location in the current investments being made in this corridor and work, replicable, connectivity between transit that focuses on visible, attractive, improved pedestrian and bicycle access between a station and the downtown Hopkins destination. The land use is very strong, leverages private capital with public capital and provides a good model for the region, city owned sites in vicinity

SW Housing Inventory	
Applicant	Hennepin County on behalf of SW Corridor Cities
Amount Requested	$ 25,000
Amount Recommended	$ 25,000
Project Summary	The project will collect data on housing along the corridor to be used to consider and recommend joint development policies, tools and financing strategies to achieve a full range of housing choices along the SW LRT. This information will be used to meet the Corridors of Opportunity Fair and Affordable Housing work as well as build on the Hennepin County Community works Transitional Station Area Action Plan that is getting underway.
Housing	Potential preservation and addition of affordable housing along the corridor.
Jobs	The focus is on housing opportunities along the corridor, not focusing on jobs.
Leveraged Funding	Hennepin County is undertaking a TSAAP for $ 650,000 funded through the Corridors of Opportunity. This will look at housing in the context of transitional station area development.
Reason for Recommendations	Foundation for identifying equitable development opportunities along the corridor, multi-jurisdictional with a corridor focus, builds upon a Community Works model of corridor development, intent to identify affordable housing opportunities, clearly connected to the stations through walking (note walkshed maps from SW Investment Framework)

TABLE 3: Projects not recommended for funding due to limited funds and the Committee determined that these were not as strong as those being recommended. The Committee felt all applications warranted serious consideration.

Site Specific	Request	Brief Project Summary	Reason = Lack of funds+
1890 University Ave (Episcopal Homes)	$ 250,000*	Expand housing opportunities for seniors by 170 rental units adjacent to current campus	Expansion of existing facility so not as unique
Central Exchange Phase 1 (Model Cities)	$ 172,500*	Housing and jobs 3 blocks from Victoria station; three story mixed use of market and affordable housing. (received LCA – TOD funds of $979,100)	Smaller scale project with less impact.
LAAND Sites St. Paul (city of St. Paul)	$ 55,000	Evaluate the development potential of 2 sites.	Smaller scale with less impact, not catalytic
Artspace (Artspace)	$ 250,000	Mixed use 65 live/work artist residences with headquarters for Artspace.	Not close to the station compared with other projects.
Frogtown Square West (NDC)	$ 92,000	Exploring 3 scenarios in mixed use development along Central Corridor; 2 of 3 scenarios have housing.	Not far enough along to rank high with timing.
Franklin Creative District (Seward Redesign)	$ 113,000	Redevelopment of warehousing area for a combination of craftsmen, arts, entertainment and offices in the short term and housing in the long term.	Not far enough along to rank high with timing.

TABLE 3 (Continued): Not recommended

Site Specific	Request	Brief Project Summary	Reason = Lack of Funds +

VA Housing (Common Bond)	$ 250,000	Rehabilitation and adaptive reuse of 5 existing historic buildings for reuse into 58 affordable housing units for homeless vets.	Not very visible and not replicable due to use of VA housing on historic site.
Municipal Plaza (City of Ramsey)	$ 79,500	Identify scope of improvements for a planned urban park near other developments and related to the Northstar station.	Not close enough to actual development in the vicinity; unclear about proposed land use designations.
The Mendoza (The Natural, LLC)	$ 200,000	TOD project near Target field for rental housing and commercial retail space.	Low impact on equity compared to other projects.

General Planning	**Request**	**Brief Project Summary**	**Reason = Lack of Funds +**
Hiawatha Powerline Study (City of Minneapolis)	$ 25,000	Develop a strategy for the impact of high voltage lines that result in barriers to transit along the Hiawatha transitway.	Wanted a geographic dispersal of LIC funds and general planning $ outside in the suburbs provided this.
Historic Rondo (ASNDC)	$ 65,000	Assemble a comprehensive technical team to assemble phase I technical assistance around the historic Rondo community.	Proposal was a bit too general.
Open for Business on SW (MCCD)	$ 50,000	Supports business development and businesses in fifteen participating units; is currently operational along the SW and Bottineau corridors; promotes entrepreneurship especially for low and moderate income persons	Pre-mature in the development process along SW; best suited to a later time.
Penn and Broadway (Rose Development)	$ 30,000	Mixed use project with 16,000 square feet of retail on the first floor and up to 75 housing units on the upper floors along Broadway. ($2,000,000 LCA TOD)	Did not fit the LIC grant; it was a site specific project but not on an eligible corridor for LIC consideration of site specific (SW, Central, Northstar, Cedar and Hiawatha)
TOD Zone (City of Eden Prairie)	$ 75,000	Hire a consultant to develop TOD zoning and lead a discussion of the ordinance through the planning process in the city.	Lack of leveraged funds, timing and impact on equity were unclear.

SOME LEARNING:

- Lots of proposals and activity, especially along Central, is this TOD at the scale eventually desired?
- Equity kept focus, community support were important measures of equity
- Catalytic was highly debated, depends on micro markets, context dependent; should change the perception and attitudes toward the station area and introduce change in the land use mix, sometimes ability to attract private capital.
- Proximity to station was a key criteria.
- Selected hot, warm and cold locations on the Central Corridor Investment Framework.

Attachment 2:
Sample Sub-recipient grant agreement

SAMPLE SUB-RECIPIENT GRANT AGREEMENT

SUB-RECIPIENT:	**GRANT NO.** SG012-XXX
PROJECT:	
CONTACT PERSON(S):	
SUB-RECIPIENT GRANT AMOUNT: $ XX,XXX.XX	
LEVERAGED RESOURCES: $ 0	
FEDERAL AWARD NO. MNRIP0023-10	**CFDA NO.** 14.703
COUNCIL ACTION: June 27, 2012	**EXPIRATION DATE:** January 31, 2014

SUB-RECIPIENT GRANT AGREEMENT

THIS SUB-RECIPIENT GRANT AGREEMENT ("Agreement") is between the Metropolitan Council, a public corporation and political subdivision of the State of Minnesota ("Council") and the entity identified above as "Sub-Recipient."

WHEREAS, on behalf of a regional consortium the Council applied for and is the recipient of a $5,000,000 Sustainable Communities Regional Planning Grant from the U.S. Department of Housing and Urban Development ("HUD") to implement the federal government's Partnership for Sustainable Communities initiative in the seven-county metropolitan area; and

WHEREAS, the Sub-Recipient's proposed project is described in a grant application submitted to the Council and the Sub-Recipient is a subgrantee of the Sustainable Communities Regional Planning Grant; and

WHEREAS, the $5,000,000 Sustainable Communities Regional Planning Grant is subject to a Cooperative Agreement between HUD and the Council ("Cooperative Agreement") that contains terms and conditions for HUD's 2010 Notice of Funding Availability for HUD's Sustainability Communities Regional Planning Grant Program; and

WHEREAS, the Cooperative Agreement states that each recipient and sub-recipient in a HUD Office of Sustainable Housing and Communities grant program consortium must enter into a memorandum of understanding that binds recipients and sub-recipients to the HUD award and that by doing so the entities legally bind themselves to comply with all the terms and conditions of the grant award; and

WHEREAS, at its June 27, 2012 meeting the governing body of the Metropolitan Council approved this Agreement and authorized its Regional Administrator to execute this Agreement on behalf of the Council.

NOW THEREFORE, in reliance on the above representations and in consideration of the mutual promises and covenants contained in this Agreement, the Sub-Recipient and the Council agree as follows:

I. DEFINITIONS

1.01. Definition of Terms. The terms defined in this section have the meanings given them in this section unless otherwise provided or indicated by the context.

(a) ***Cooperative Agreement.*** "Cooperative Agreement" means the cooperative agreement between HUD and the Council through which the Council will receive the $5,000,000 Sustainable Communities Regional Planning Grant from HUD. The Cooperative Agreement comprises the form HUD-1044, any special conditions, and the Cooperative Agreement Terms and Conditions. A copy of the Cooperative Agreement is attached to this Agreement as Attachment A.

(b) ***Council Action.*** "Council Action" means the action or decision of the governing body of the Metropolitan Council, on the meeting date identified at Page 1 of this Agreement, by which this Agreement was approved by the Council.

(c) ***Deliverable***. "Deliverable" means in-kind and leveraged resources and physical materials or products identified in the Sub-Recipient's Work Plan or the outcomes that will result from the performance or implementation of the Sub-Recipient's Work Plan.

(d) ***Work Plan.*** "Work Plan" means the Sub-Recipient's plan for addressing a specific service delivery need, and consists of designated work activities including tasks and subtasks; a timeline for completing the work; performance measures; outputs and outcomes identified to achieve the performance measures/goals; budget; and resources designated to complete the work. (Coop. Agreement, p. 5). A copy of the Sub-Recipient's Work Plan and the Sub-Recipient's grant application are attached to this Agreement as Attachment B.

II. PROGRAM REQUIREMENTS

2.01 HUD Flow Down Provisions. The terms and conditions of the Cooperative Agreement between HUD and the Council flow down to all tiers of subgrantees. As a subgrantee, the Sub-Recipient must comply with all applicable requirements of the Cooperative Agreement and reporting provisions as set forth in the terms and conditions of the Cooperative Agreement or as established by HUD and the Office of Management and Budget. Selected provisions of the Cooperative Agreement are stated in summary fashion in this Agreement and referenced parenthetically for emphasis. Example: (Coop. Agreement, p. 5). However, consistent with the flow down requirements of the Cooperative Agreement, all applicable terms and conditions in the Cooperative Agreement apply in their entirety to this Agreement. The Sub-Recipient must obtain a DUNS number (or update its existing DUNS record) and register with the Central Contractor Registration (CCR; www.ccr.gov) no later than 120 days after the execution of the Cooperative Agreement. (Coop. Agreement, p. 19).

2.02 Allowable Costs. HUD will reimburse the Council for the costs of performing the Work Plan on a cost-reimbursement basis which HUD determines are allowable, allocable, and reasonable in accordance with applicable federal cost principals (Coop. Agreement, pp. 5 & 6). If requested by the Sub-Recipient the Council may disburse the Sub-Recipient Grant Amount by some method other than

cost-reimbursement. The alternative method for making disbursements will be determined by mutual agreement of the parties' respective project managers. If the Sub-Recipient incurs costs in excess of the Sub-Recipient Grant Amount or its subgrantees incur costs in excess of the amounts of their subgrants, or if the Sub-Recipient or its subgrantees incur costs that are not allowable costs, the excess shall be borne entirely by the Sub-Recipient and its subgrantees. HUD has reserved the right to withhold five percent (5%) of the federal grant amount pending the receipt and approval of a final progress report from the Council. (Coop. Agreement, pp. 6 & 7). Accordingly, the Council reserves the right to withhold five percent (5%) of the Sub-Recipient Grant Amount pending the receipt and approval of a final progress report. The grant funds may not be used for conducting interventions, remediation, rehabilitation or other activities that will physically alter any structure or property in any way. (Coop. Agreement, p. 7).

2.03 Sub-Recipient Grant Amount. The Council will make available to the Sub-Recipient the "Sub-Recipient Grant Amount" identified at Page 1 of this Agreement which shall be funded through the Sustainable Communities Regional Planning Grant awarded to the Council by HUD. Notwithstanding any other provision of this Agreement, the Sub-Recipient acknowledges and agrees that any reduction or termination of Sustainable Communities Regional Planning Grant funds made available to the Council, or any reduction or termination of the Leveraged Resources amount identified at Page 1 of this Agreement and required under Section 2.04 of this Agreement, may result in a like reduction in the Sub-Recipient Grant Amount made available to the Sub-Recipient.

2.04 Leveraged Resources Requirement. The Sub-Recipient must match the Sub-Recipient Grant Amount by not less than the Leveraged Resources amount (if any) stated at Page 1 of this Agreement. A reduction in the Leveraged Resources amount may result in a reduction in the Sub-Recipient Grant Amount made available to the Sub-Recipient. The Sub-Recipient must notify the Council at any time the Sub-Recipient believes it will not meet its Leveraged Resources requirement by the completion of this Agreement. The Council reserves the right to withhold payment of some or all of the Sub-Recipient Grant Amount if Leverage Resources are not spent. The following are not eligible to be counted as Leveraged Resources: the expenditure of any funds identified as Leveraged Resources if the expenditure occurred prior to February 1, 2011; and the cost of any work, services or in-kind support identified as Leveraged Resources that occurred or were provided prior to February 1, 2011.

2.05 Payments to Sub-Recipient. The Sub-Recipient's receipt of Sub-Recipient Grant Amount payments is dependent on the Council's receipt of grant funding from HUD according to the terms and conditions provided in the Cooperative Agreement. The Council will make payments to the Sub-Recipient according to the schedule and terms outlined in Attachment C.

2.06 Authorized Use of Grant Funds. The Sub-Recipient Grant Amount made available to the Sub-Recipient under this Agreement shall be used only for the purposes of implementing and performing the Work Plan. The Sub-Recipient is responsible for the complete and timely performance of the Work Plan. Except for any subgrantees identified in Attachment B, none of the work, services or activities covered by this Agreement may be subcontracted, assigned or otherwise transferred by the Sub-Recipient without the Council's prior written approval. The Sub-Recipient shall not remove or replace a subgrantee without prior written notice to the Council. The Sub-Recipient must obtain the Council's prior written approval for any replacement subgrantees. Grant funds not used to implement and perform the Work Plan must be returned to the Council. HUD and the federal government reserve the right to seek recovery of any grant funds that are not expended in accordance

with the requirements or conditions of this Agreement and the Cooperative Agreement. (Coop. Agreement, p. 19). The cost of any Work Plan work, services or activities incurred prior to February 1, 2011 is not an authorized use of the grant funds. (Coop. Agreement, p. 20). Except for allowable costs associated with closeout activities, the Sub-Recipient shall not incur costs or obligate grant funds for any purpose pertaining to the operation of the Work Plan project or program, thirty (30) days prior to the end of the period of performance. (Coop. Agreement, p. 22).

2.07 Prohibited Use of Grant Funds. The Cooperative Agreement identifies ineligible activities for which the grant funds may not be used. (Coop. Agreement, p. 23). No increment above cost, fee, or profit may be paid to the Sub-Recipient under this Agreement. (Coop. Agreement, p. 23). The Sub-Recipient's agreements with its subgrantees shall require its subgrantees to use the grant funds only for the subgrantee projects and activities identified in the Work Plan and shall expressly prohibit its subgrantees from using any grant funds to support (directly or indirectly) any activities or initiatives whose purpose is to challenge, delay or stop any transitway project or the development of any transitway corridor.

2.08 Work Plan Changes. The Sub-Recipient must promptly inform the Council's Project Manager in writing when any changes to the Work Plan are anticipated. All Work Plan changes are subject to prior approval by the Council's Project Manager and the HUD Government Technical Representative. (Coop. Agreement, p. 9).

2.09 Budget. The Sub-Recipient shall incur costs in conformance with the budget presented in its Work Plan. The Sub-Recipient shall not commingle funds computed under this Agreement with any other existing or future operating accounts held by the Sub-Recipient.

2.10 Interest Earnings and Program Income. Any grant funds advanced to the Sub-Recipient must be maintained in an interest bearing account. Any interest earned as a result of the advanced funds shall be promptly returned to the Council which in turn will be returned to HUD. (Coop. Agreement, pp. 16 & 17). Any program income, including royalties, must be used to support eligible activities. (Coop. Agreement, pp. 10 & 23).

2.11 Key Personnel. The Sub-Recipient will notify the Council if it intends to change its project manager or make changes to key personnel identified in the Work Plan. (Coop. Agreement, p. 22).

III. ACCOUNTING, AUDIT AND REPORT REQUIREMENTS

3.01 Accounting and Records. The Sub-Recipient agrees to establish and maintain accurate and complete accounts and records relating to the receipt and expenditure of all grant funds received from the Council. Notwithstanding the expiration and termination provisions of Sections 4.01 and 4.02, such accounts and records shall be kept by the Sub-Recipient and maintained for a period of six (6) years following the completion of the Work Plan activities described in Attachment B or six (6) years following the expenditure of the grant funds, whichever occurs earlier. For all expenditures of grant funds received pursuant to this Agreement, the Sub-Recipient will keep proper financial records and other appropriate documentation sufficient to evidence the nature and expenditure of the Leveraged Resources required under Section 2.04. Accounting methods shall be in accordance with generally accepted accounting principles.

3.02 Audits. The above accounts and records of the Sub-Recipient shall be audited in the same manner as all other accounts and records of the Sub-Recipient are audited and may be audited or inspected on the Sub-Recipient's premises or otherwise by HUD, the Comptroller of the United States, or any of their designees, and individuals or organizations designated and authorized by the Council at any time, following reasonable notification to the Sub-Recipient, for a period of six (6) years following the completion of the Project activities or six (6) years following the expenditure of the grant funds, whichever occurs earlier. Pursuant to Minnesota Statutes section 16C.05, subdivision 5, the books, records, documents and accounting procedures and practices of the Sub-Recipient that are relevant to this Agreement are subject to examination by the Council and either the Legislative Auditor or the State Auditor, as appropriate, for a minimum of six (6) years.

3.03 Biannual and Closeout Reporting Requirements. The Sub-Recipient will submit to the Council biannual progress reports on the Work Plan activities and the expenditures of the federal grant funds. The form and content of the report will be determined by the Council and HUD. The Sub-Recipient will provide information to the Council or prepare report elements as requested by the Council in a timely way that shall be submitted to the Council no later than five (5) calendar days after the end of each biannual period so the Council can meet its biannual reporting requirements to HUD. As part of the closeout process the Sub-Recipient will submit to the Council a final narrative report detailing the progress made in achieving the purpose of this Agreement and adequate documentation of the total federal funds expended in support of the Work Plan activities to achieve this purpose. The final narrative report is due to the Council fifteen (15) calendar days prior to the end of the period of performance. All reports and forms shall include the Catalog of Federal Domestic Assistance ("CFDA") number (**CFDA No. 14.703**) for the Sustainable Communities Regional Planning Grant Program and the Federal Award Number (**MNRIP0023-10**) for the HUD grant funding this Work Plan. The reporting schedule is attached to this Agreement as Attachment D.

3.04 Closeout. To the extent applicable to the Sub-Recipient's Work Plan, the Sub-Recipient will provide the Council with the following closeout documentation fifteen (15) calendar days prior to the end of the performance period:

(a) A Narrative Final Report summarizing Work Plan activities, including significant outcomes resulting from the activities and problems encountered during the performance period;

(b) A completed Property Statement;

(c) A completed Inventions, Patents, and Copyright Statement; and

(d) A completed Closeout Certification.

Records must be kept in a safe place and be accessible to auditors, HUD, the Comptroller of the United States, or any of their designees, and individuals or organizations designated and authorized by the Council. (Coop. Agreement, pp. 9 & 10).

3.05 Federal Transparency Act. As required, the Sub-Recipient will directly provide "subaward" data to HUD, or otherwise will assist the Council in complying with the requirements of the Federal Funding Accountability and Transparency Act of 2006. (Coop. Agreement, pp. 11 & 12).

3.06 Single Audit Transparency Transactions. As required, the Sub-Recipient will assist the Council in meeting the requirements of the federal Uniform Administrative Requirements for Grants and Agreements, and other applicable federal reporting and audit requirements. (Coop. Agreement, p. 27). The Sub-Recipient will include on any Schedule of Expenditures of Federal Awards ("SEFA") the CFDA number (**CFDA No. 14.703**) for the Sustainable Communities Regional Planning Grant Program and the Federal Award Number (**MNRIP0023-10**) for the HUD grant funding this Work Plan.

IV. AGREEMENT TERM

4.01 Term and Period of Performance. This Agreement is effective upon execution of the Agreement by the Council. Unless terminated pursuant to Section 4.02, this Agreement expires on the Expiration Date identified at Page 1 of this Agreement. For the purposes of Sections 2.06, 3.03 and 3.04, the term "period of performance" means the project completion date stated in the Sub-Recipient's Work Plan. The period of performance may be a date earlier than the Expiration Date identified at Page 1.

4.02 Termination. This Agreement may be terminated by the Council for cause at any time upon fourteen (14) calendar days' written notice to the Sub-Recipient. Cause shall mean a material breach of this Agreement and any amendments of this Agreement. If this Agreement is terminated prior to the Expiration Date, the Sub-Recipient shall receive payment on a pro rata basis for eligible Work Plan activities described in Attachment B that have been completed prior to the termination. Termination of this Agreement does not alter the Council's or HUD's authority to recover grant funds on the basis of a later audit or other review, and does not alter the Sub-Recipient's obligation to return any grant funds due to the Council or HUD as a result of later audits or corrections. The Sub-Recipient's obligation to return any grant funds due to the Council or HUD as the result of later audits or corrections includes any amounts the Sub-Recipient makes available to its subgrantees that were not used for eligible purposes or were otherwise improperly expended.

4.03 Amendment. Subject to HUD approval, this Agreement may be amended by written agreement signed by authorized representatives of the Council and the Sub-Recipient. The period of performance (but not the Expiration Date) may be modified without a formal amendment by written approval of the Council's authorized representative.

V. GENERAL PROVISIONS

5.01 Environmental Review. Any Sub-Recipient Work Plan activities that involve site control or acquisition are subject to HUD environmental review under Title 24 Code of Federal Regulations Part 50. (Coop. Agreement, pp. 15 & 16).

5.02 Copyrights. HUD reserves a royalty-free, non-exclusive, an irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use for federal government purposes: (a) the copyright in any work developed under this Agreement; and (b) any rights of copyright to which the Sub-Recipient purchases ownership with the grant funds. (Coop. Agreement, p. 13).

5.03 Data Collection and Confidentiality. The Sub-Recipient will comply with the applicable provisions of the Minnesota Government Data Practices Act (Minnesota Statutes chapter 13) as well as the applicable provisions of federal laws and HUD regulations governing the collection of data.

(Coop. Agreement, p. 10). If the Sub-Recipient Work Plan includes services for "program beneficiaries," the Sub-Recipient must maintain confidential files on the program beneficiaries served. (Coop. Agreement, pp. 12 & 13).

5.04 Fair Housing and Civil Rights Laws. The Sub-Recipient represents, warrants, and certifies that it will comply with all applicable federal statutes, regulations, and requirements relating to non-discrimination and equal opportunity identified in HUD's regulations at Title 24 Code of Federal Regulations section 5.105(a). (Coop. Agreement, pp. 17 & 18).

5.05 Section 3 Efforts and Reporting. Section 3 of the Housing and Urban Development Act of 1968 is intended to ensure employment and other economic opportunities generated by HUD financial assistance will, to the greatest extent feasible, be directed to low- and very low-income persons and to businesses which provide economic opportunities to low- and very low-income persons. HUD will require the Council to report on Section 3 persons and businesses that participate in projects funded with Sustainable Communities Regional Planning Grant Program funds. Accordingly, the Sub-Recipient is encouraged to provide, to the greatest extent feasible, training, employment and contracting opportunities for low- and very low-income persons, and businesses owned by low- and very low-income persons or which employ low- and very low-income persons. The Sub-Recipient will complete Section 3 reporting forms or otherwise provide information to the Council that will permit the Council to make its Section 3 reports to HUD. A Section 3 Plan reporting and Business Certification form, and Title 24 Code of Federal Regulations Subtitle B, Ch. 1 Appendix to Part 135 (examples of efforts to offer training and employment opportunities to Section 3 residents and award contracts to Section 3 business concerns) are attached to this Agreement as Attachment E.

5.06 Conflict of Interest. The members, officers and employees of the Sub-Recipient shall comply with all applicable state statutory and regulatory conflict of interest laws and provisions.

5.07 Liability. The Sub-Recipient and the Council shall be responsible for their own acts or omissions. Neither the Council nor the Sub-Recipient (to the extent applicable to the Sub-Recipient) waives any immunities or limits on liability provided by Minnesota Statutes chapter 466, or other applicable state or federal law.

5.08 HUD Involvement. HUD intends to have substantial involvement in the review, development, and approval of all aspects of the work plans and activities funded under the Cooperative Agreement, including the performance of the Sub-Recipient's Work Plan. (Coop. Agreement, p. 19).

5.09 Inspector General Referrals. The Sub-Recipient shall promptly refer to an appropriate inspector general any credible evidence that a principal, employee, agent, contractor, subcontractor, subgrantee or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving grant funds. (Coop. Agreement, p. 20).

5.10 Limitations on Consultant Payments. The grant funds may not be used to pay or to provide reimbursement for payment of a consultant's salary during any one-year period at a rate more than the equivalent of General Schedule 15, Step 10 base pay. (Coop. Agreement, p. 20). As of the date of this Agreement, the annual salary limit for one individual consultant is $129,000.

5.11 Limitation on Payments to Influence Certain Federal Transactions. No grant funds may be used to pay any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any "covered Federal actions." (Coop. Agreement, pp. 20 & 21).

5.12 Publications and New Releases. The results of the Work Plan may be made available to the public through dedication, assignment by HUD, or other means, as HUD shall determine. All interim and final reports and any other specified deliverables shall be owned by the federal government and held for the benefit of the public which shall include the Council and the Sub-Recipient. Sub-Recipient publications and news releases are subject to other HUD terms and conditions stated in the Cooperative Agreement. (Coop. Agreement, p. 24).

5.13 Contractors, Subcontractors and Subgrantees. The Sub-Recipient shall include in any subgrant, contract or subcontract for Work Plan activities appropriate provisions to ensure subgrantee, contractor and subcontractor compliance with all applicable state and federal laws, this Agreement and the Cooperative Agreement. The Sub-Recipient shall execute written subgrant agreements with all subgrantees performing components of the Sub-Recipient's Work Plan. Each subgrant agreement shall include a written work plan that addresses a specific service delivery need and consists of designated subgrant work activities including: tasks and subtasks; a timeline for completing the subgrant work; performance measures; outputs and outcomes identified to achieve the performance measures/goals; a budget; and resources designated to complete the subgrant work. If requested by the Council the Sub-Recipient will provide the Council with a copy of any subgrant, contract or subcontract between the Sub-Recipient and any subgrantee, contractor or subcontractor.

5.14 Contact Persons and Project Managers. Susan Hoyt is the Council's contact person and project manager for the purposes of administering this Agreement. Payment request forms, written reports and correspondence submitted to the Council pursuant to this Agreement shall be directed to:

Metropolitan Council
Susan Hoyt
Sustainable Communities Regional Planning Grant
390 Robert Street North
Saint Paul, Minnesota 55101-1805

susan.hoyt@metc.state.mn.us
651.602.1330

The Sub-Recipient's contact person(s) is identified at Page 1 of this Agreement. If the Sub-Recipient's contact person changes, the Sub-Recipient must notify the Council's project manager. Nothing in this Agreement will be deemed to authorize the Council's or the Sub-Recipient's contact persons or project managers to execute amendments to this Agreement on behalf of their respective organizations.

5.15 Non-Assignment. This Agreement is not assignable and shall not be assigned by the Sub-Recipient or the Council.

5.16 Attachments. The following Attachments are incorporated into and are made a part of this Agreement:

Attachment A - Cooperative Agreement provisions governing the $5,000,000 Sustainable Communities Regional Planning Grant from HUD.

Attachment B - Work Plan and Local Implementation Capacity Grant Application.

Attachment C - Local Implementation Capacity Grant Program Payment Schedule and Terms.

Attachment D - Local Implementation Capacity Grant Reporting Schedule.

Attachment E - Section 3 Plan reporting and Business Certification form and Title 24 Code of Federal Regulations Subtitle B, Ch. 1 Appendix to Part 135 (examples of efforts to offer training and employment opportunities to Section 3 residents and award contracts to Section 3 business concerns).

5.17 Warranty of Legal Capacity. The individuals signing this Agreement on behalf of the Sub-Recipient and on behalf of the Council represent and warrant on the Sub-Recipient's and the Council's behalf respectively that the individuals are duly authorized to execute this Agreement on the Sub-Recipient's and the Council's behalf respectively and that this Agreement constitutes the Sub-Recipient's and the Council's valid, binding and enforceable agreements.

IN WITNESS WHEREOF, the Sub-Recipient and the Council have caused this Agreement to be executed by their duly authorized representatives. This Agreement is effective on the date of final execution by the Council.

SUB-RECIPIENT

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

METROPOLITAN COUNCIL

By: _____
Patrick P. Born, Regional Administrator

Date: _____

ATTACHMENT A

COOPERATIVE AGREEMENT PROVISIONS GOVERNING THE $5,000,000
SUSTAINABLE COMMUNITIES REGIONAL PLANNING GRANT FROM HUD

Metropolitan Council

January 28, 2011

John Malcom Smith, Grant Officer
U.S. Department of Housing and Urban Development
Office of Sustainable Housing and Communities
451 7th Street, Suite 10180, SW
Washington, DC 20024

Dear Mr. Smith,

Enclosed are three copies of our grant agreement, MNRIP0023-10, signed by the Regional Administrator of the Metropolitan Council, Thomas H. Weaver. Please contact Allison Brummel, Program Manager, at 651-602-1363 or allison.brummel@mtec.state.mn.us if you have any questions or comments. We look forward to working with HUD on this exciting initiative.

Sincerely,

Elizabeth Starling

Elizabeth Starling
Assistant Director, HUD Sustainable Communities Program

Assistance Award/ Amendment

U.S. Department of Housing and Urban Development

Office of Administration

1. Assistance Instrument ☒ Cooperative Agreement ☐ Grant		2. Type of Action ☒ Award ☐ Amendment	
3. Instrument Number MNRIP0023-10	4. Amendment Number	5. Effective Date of this Action **February 1, 2011**	6. Control Number
7. Name and Address of Recipient Metropolitan Council 390 Robert Street North St. Paul, MN: Minnesota 55101-1805 Phone: 651-602-1441 Fax:		8. HUD Administering Office HUD, Office of Sustainable Housing and Communities 451 Seventh Street, SW Room 10180 Washington, DC 20410	
		8a. Name of Administrator J. Malcom Smith	8b. Telephone Number
10. Recipient Project Manager Mark VanderSchaaf, Director, Planning and Growth Management		9. HUD Government Technical Representative Steve Cerny, 202-402-5097, Steve.A.Cerny@hud.gov	
11. Assistance Arrangement ☒ Cost Reimbursement ☐ Cost Sharing ☐ Fixed Price	12. Pay ment Method ☐ Treasury Check Reimbursement ☐ Advance Check ☒ Automated Clearing House	13. HUD Payment Office CFO National Accounting Center 801 Cherry Street Unit #45, Suite 2500 Fort Worth, TX 76102	

14. Assistance Amount			15. HUD Accounting and Appropriation Data		
Previous HUD Amount	$	0.00	15a. Appropriation Number	15b. Reservation Number	
HUD Amount this action	$	5,000,000.00	860/20162		
Total HUD Amount	$	5,000,000.00	Amount Previously Obligated	$	0.00
Recipient Amount	$	8,907,875.00	Obligated by this action	$	5,000,000.00
Total Instrument Amount	$	13,907,875.00	Total Obligated	$	5,000,000.00

16. Description

Employer Identification Number: 41-600-8898 Program: SCRPG

This instrument sets for the agreement between the parties as to all terms and conditions, amounts, tasks, and period of performance. By signing this award document, the Grantee certifies that it is in compliance with all administrative and financial provisions of this award. This grant instrument consists of the following, some of which are incorporated by reference:

1. **HUD-1044 and HUD-1044 Continuation Sheets**
2. **Grant Agreement Terms and Conditions**
3. **HUD 424-CBW, Total Budget Summary**
4. **Grant Deliverables (See HUD 1044 Continuation Sheet)**
5. **Work Plan/Logic Model (Tasks within Work Plan are considered deliverables)**
6. **OMB Circular A-87, A-133 and A-102, which is incorporated at 24 CFR Part 85**
7. **Notice of Funding Availability (75 Federal Register 37458, Dock No. FR-5396-N-03, Doc No. 2010-15717)**

Period of Performance is from February 1, 2011 to January 31, 2014 (36 months)

17. ☒ Recipient is required to sign and return three (3) copies of this document to the HUD Administering Office.		18. ☐ Recipient is not required to sign this document.	
19. Recipient (By Name): Mr. Thomas H. Weaver Regional Administrator		20. HUD (By Name): John Malcom Smith, Grant Officer	
Signature & Title	Date: 1-27-11	Signature & Title	Date:

Previous editions are obsolete

form HUD 1044 (8/90)
ref. Handbook 2210.17

APPROVED AS TO FORM:
Metropolitan Council
Office of General Counsel

HUD 1044 CONTINUATION SHEET 1

INSTRUMENT NO: MNRIP0023-10

1. **BUDGET**	**HUD Amount**	**Match/Leverage Amount**
Direct Labor	$ 231,817.00	$ 1,486,365.00
Fringe Benefits	$ 97,363.00	$ 0.00
Travel	$ 17,400.00	$ 0.00
Equipment	$ 0.00	$ 0.00
Supplies/Materials	$ 0.00	$ 0.00
Consultants	$ 2,053,419.00	$ 10,000.00
Contracts/Subcontracts	$ 2,600,000.00	$ 7,411,510.00
Construction	$ 0.00	$ 0.00
Other Direct Cost	$ 0.00	$ 0.00
Indirect Cost	$ 0.00	$ 0.00
TOTAL	$5,000,000.00	$ 8,907,875.00

If the grantee's match/leverage contribution is less than **$8,907,875.00,** the Government reserves the right to negotiate new line items and/or amounts to satisfy the grantee's requirement, or to reduce the Government's share proportionally. The grantee shall notify HUD at any time it believes it will not meet its match requirement. In addition, the grantee shall obtain HUD approval regarding any changes concerning the intended use of matching funds. If the grantee exceeds the dollar amount shown above, there will be no impact on the Federal share.

2. AMOUNT OF COST SHARE

   The estimated cost for the performance of this grant is $5,000,000.00. HUD shall not be obligated to reimburse the Metropolitan Council in excess of $5,000,000.00. The Grantee agrees to bear without reimbursement from HUD $5,000,000.00 of the total costs. However, in the event that the Grantee incurs cost in excess of the total estimated project cost of $5,000,000.00; all such excess costs shall be borne entirely by the Grantee.

3. DELIVERABLES IN ACCORDANCE WITH THE NOFA AND APPROVED WORK PLAN AND LOGIC MODEL

A) Final and approved work plan (60 days after the effective date of the award)
B) Logic Model (60 days after the effective date of the award)
C) Outreach to Public Housing Authorities (60 days after the effective date of the award)
D) Signed and GTR-approved Consortium Agreement (120 days after the effective date of the award) that at the minimum must include the following organizations:

Partnership(s)

- City of Saint Paul, MN
- City of Minneapolis, MN
- City of Apple Valley
- City of Hopkins
- Ramsey County, MN
- Hennepin County, MN

- The McKnight Foundation
- Minnesota Housing Finance Agency (State government)
- Central Corridor Funder Collaborative
- NorthStar Corridor Development Authority

E) Comprehensive Sustainable Communities Regional Plan (24-36 months)
F) Commitment to participate in performance measurement and evaluation conducted by third party.
G) Activities pertaining to the Regional Analysis of Impediments

4. INDIRECT COST RATE

N/A

5. KEY PERSONNEL

Name	Title	% of time on the grant
Mark Vander Schaaf	Project Director	40%
Allison Brummel	Program Manager	100%
Libby Starling	Research Manager	20%

6. PERIOD OF PERFORMANCE

36 months

7. AUDIT INFORMATION

The *Metropolitan Council* submitted an audit report conducted by Federal Audit Clearinghouse for the year ending December 31, 2009. The audit report attests to "Metropolitan Council's" practice of generally accepted accounting principles and compliance with laws and regulations relating to government auditing standards. The internal control structure has been reviewed in accordance with OMB Circular A-133 and found to be in non-compliance with requirements that are applicable to certain of its major federal programs.

8. SPECIAL CONDITIONS

Environmental Review, Activities that involve site control or acquisition are subject to HUD environmental review under 24 CFR Part 50. For projects involving these activities, HUD's notification of award constituted only a preliminary approval by HUD subject to the completion of an environmental review of the proposed site(s). Selection for participation and the execution of this *Agreement* do not constitute approval of the proposed site(s). Each proposal involving site control or acquisition is subject to a HUD environmental review, and the Grantee's proposal may be modified or the proposed sites rejected as a result of that review. The Grantee shall not acquire, rehabilitate, demolish, convert, lease, repair, or construct property, nor commit or expend HUD or local funds for these program activities with respect to any eligible property, until HUD approval of the property is received.

U.S. Department of Housing and Urban Development
Office of Sustainable Housing And Communities

COOPERATIVE AGREEMENT PROVISIONS

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I. GENERAL

Overview of Award Implementation

This cooperative agreement/grant (also referred to as *Agreement*) is between the Grantee *(Recipient)* identified in Block 7 of the form HUD-1044, and the U.S. Department of Housing and Urban Development. The award agreement consists of the form HUD-1044, any special conditions, and these Cooperative Agreement Terms and Conditions.

In signing this *Agreement*, the Grantee agrees to comply with all the requirements and conditions contained herein.

The provisions of the Notice of Funding Availability (NOFA) are hereby incorporated into this *Agreement*.

The Grantee's rights under this *Agreement* may not be assigned without the prior written approval of HUD.

The Grantee shall complete and submit a revised management and work plan with Logic Model, Deliverables/Outcomes and Budget within 60 calendar days after the effective date of the grant. These revisions shall update the general/basic plan submitted with the proposal and include any changes to the proposed work plan, budget, performance measures and deliverables, negotiated between HUD and the grantee. These revisions should be developed according to the instructions provided by the HUD Government Technical Representative identified on the form HUD-1044. Should you not address these specific issues, your grant may be terminated on the basis of failure to conclude negotiations or to provide HUD with requested information, in accordance with the General Section of the NOFA for which you applied.

Purpose

The purpose of this *Agreement* is as stated in the "Purpose of the Program" section of the NOFA.

Definitions

"Cooperative Agreement" means an agreement in which the Federal Government provides funding authorized by public statute where the government plays a substantial role in assisting the funding recipient.

"Equipment" means tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of $5,000 or more per unit. A grantee may use its own definition of equipment provided that such definition would at least include all equipment defined above.

"Grant/Cooperative Officer" (Grant Officer) means the HUD individual who is responsible for processing and executing grant award, change in key personnel, change of scope, budget transfers, change of period of performance, and other administrative changes that would require a modification to the agreement. This term also refers to designated HUD Officials authorized to execute and/or administer this grant.

"Government Technical Representative (GTR)" means the HUD individual who is responsible for the technical administration of the grant, the evaluation of performance under the grant, the acceptance of technical reports or projects, and other such specific responsibilities as may be stipulated in the grant.

"Government Technical Monitor (GTM)" means the individual responsible for assisting a Government Technical Representative (GTR) in the latter's performance of his/her duties. The GTM is also the responsible individual that will comply with the Office of Sustainable Housing and Communities devolution of authority under our Continuity of Operations Plan (COOP). Should the National Capital Region become non-operational due to emergency conditions, the approval of vouchers and the authority to pay vouchers will transfer to the GTM until such time as the designation is lifted. The Government Technical Representative (GTR) will continue to be the point of contact for day-to-day management issues and responsibilities described above. In a state of emergency, HUD reserves the right to designate a GTR for COOP purposes.

"Grantee" as used herein refers to the recipient of this cooperative agreement.

"NOFA" means the Notice of Funding Availability, which announced the availability of funding for this grant.

"OSHC" means the HUD Office of Sustainable Housing and Communities, or its successor Office, if any.

"Publication" includes: (a) any document containing information for public consumption; or (b) the act of, or any act which may result in, disclosing information to the public.

"Recipient" means any entity other than an individual that received grant funds in the form of a grant, cooperative agreement or loan directly from the Federal government.

"Subaward" means:

1. A legal instrument to provide support for the performance of any portion of the substantive project or program for which the recipient received this award and that:
    a. The recipient awards to an eligible sub-recipient; or
    b. The sub-recipient at one tier awards to a sub-recipient at the next lower tier.
2. The term does not include the recipient's procurement of property and services needed to carry out the project or program (see, generally, §_.210 of the

attachment to OMB Circular A-133 (2 CFR Part 180), "Audits of States, Local Governments, and Non-Profit Organizations").

3. A subaward may be provided through any legal agreement, including an agreement that the recipient or a sub-recipient considers a contract.

"Sub-recipient" means a non-Federal entity that expends Federal awards received from a pass-through entity to carry out a Federal program, but does not include an individual that is a beneficiary to such a program. The sub-recipient may also be a recipient of other Federal awards directly from the Federal awarding agency. Guidance on distinguishing between a sub-recipient and a vendor is provided in §___.210 of OMB Circular A-133 (2 CFR Part 180).

"Total Instrument Amount" is the amount under line item 14 of the HUD Form-1044 (Total Instrument Amount).

"Work Plan" refers to the Grantee's plan for addressing a specific service delivery need, and consists of designated work activities including tasks and subtasks as required by the program office; a timeline for completing the work; performance measures; outputs and outcomes identified to achieve the performance measures/goals; budget; and resources designated to complete the work.

II. PROGRAM REQUIREMENTS

Allowable Costs

This is a cost reimbursement award; the Grantee shall be reimbursed for certain costs, as described below, incurred in the performance of work in an amount not to exceed the obligated amount shown in block 15 on the Assistance Award Form (form HUD-1044). In the event the Grantee incurs costs in excess of the prescribed amount, the excess shall be borne entirely by the Grantee.

HUD shall reimburse the Grantee for costs incurred in the performance of this award which are determined by the GTR and the Grant Officer to be allowable, allocable, and reasonable in accordance with applicable Federal cost principles as follows:

Cost Principles for State, Local, and Indian Tribal Governments	OMB Circular A-87	Relocated to 2 CFR, Part 225; http://www.whitehouse.gov/omb/circulars/a087/a87_2004.html
Cost Principles for Non-profit Organizations	OMB Circular A-122	Relocated to 2 CFR, Part 230; http://www.whitehouse.gov/omb/fedreg/2005/083105_a122.pdf
Cost Principles for Educational Institutions	OMB Circular A-21	Relocated to 2 CFR, Part 220; http://www.whitehouse.gov/omb/fedreg/2005/083105_a21.pdf
Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations	OMB Circular A-110	Relocated to 2 CFR Part 215; http://www.whitehouse.gov/omb/fedreg/2005/083105_a110.pdf
Audits of States, Local Governments, and Non-Profit Organizations	OMB Circular A-133	Relocated to 2 CFR Part 180; http://www.whitehouse.gov/omb/fedreg/2005/083105_a133.pdf
Cost Principles for Commercial/For-profits	Federal Acquisition Regulations at 48 CFR Part 31.2	http://www.access.gpo.gov/cgi-bin/cfrassemble.cgi?title=200948

Direct Costs are the allocable portion of allowable costs incurred directly for the purposes of the grant. Detailed explanations of direct costs are provided in applicable OMB Circulars (A-21 (2 CFR Part 220), Cost Principles for Educational Institutions, A-87 (2 CFR Part 225), Cost Principles for State, Local, and Indian Tribal Governments, or A-122 (2 CFR Part 230), Cost Principles for Nonprofit Organizations, as applicable) that can be accessed at the White House website, www.whitehouse.gov/omb/circulars_default

Administrative Requirements

For non-profits, awards will be governed by:

- 24 CFR Part 84, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations http://ecfr.poaccess.gov/cgi/t/text/text-idx?c=ecfr&sid=a0f201e9fd6fec5af8e07d6e0eedf957&rgn=div5&view=text&node=24:1.1.1.1.38&idno=24
- OMB Circular A-133 (2 CFR Part 180), Audits of States, Local Governments, and Non-Profit Organizations; and
- These grant provisions.

For State and local governments, awards will be governed by:

- 24 CFR Part 85, Administrative Requirements for Grants and Cooperative Agreements to State, Local, and Federally Recognized Indian Tribal Governments http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?c=ecfr&sid=a0f201e9fd6fec5af8e07d6e0eedf957&rgn=div5&view=text&node=24:1.1.1.1.39&idno=24
- OMB Circular A-133 (2 CFR Part 180), Audits of States, Local Governments, and Non-Profit Organizations; and
- These grant provisions.

Advance Payment By Treasury Check Or Electronic Funds Transfer

Advance payments by Treasury check or electronic funds transfer are hereby authorized under this grant. A Grantee that is subject to existing State program accreditation requirements may request an advance payment in writing, if applicable. HUD may provide to the Grantee a one-time cash advance that shall not exceed 10 percent of the grant amount, and shall be limited to the minimum amount needed for the actual, immediate cash requirements of the Grantee in carrying out the start up activities of this agreement and as agreed to by the Grant Officer. Neither these HUD funds nor non-HUD funds may be used for conducting interventions, remediation, rehabilitation, renovation or other activities that would physically alter any structure or property in any way. Refer to 24 CFR 58.34(a) for a list of exempt activities.

Amendments

This grant may be modified at any time by written amendment. Amendments, which reflect the rights and obligations of either party, shall be executed by both HUD (the Grant Officer) and the Grantee. Administrative amendments, such as changes in appropriation data, may be issued unilaterally by the Grant Officer.

Amount of Cost Share (Estimated Cost And Payment – Leveraging) (See Block 14 of form HUD-1044)

The estimated cost for the performance of this grant is the **"Total Instrument Amount".**

The Grantee shall be reimbursed by HUD for costs incurred in the performance of this grant. HUD shall not be obligated to reimburse the Grantee in excess of the "**Total HUD Amount".** HUD reserves the right to withhold five-percent (5%) of the Federal grant amount pending the receipt and approval of a final progress report. See clause entitled "Final Report" for more information. The proposed contribution to supplement HUD funds is the "Recipient Amount." The Grantee agrees to bear without reimbursement by HUD the **"Recipient Amount"** of the total costs. The Grantee is not obligated to contribute more than the **"Recipient Amount".** However, the Grantee shall be solely responsible for any costs in excess of the estimated cost of the "**Total Instrument Amount".**

The Grantee must satisfy all leveraging requirements in the NOFA. If the Grantee's actual leveraging contribution is less than **"Recipient Amount"** under Block 14 of the HUD 1044, the Government reserves the right to negotiate new line items and/or amounts to satisfy the Grantee's leveraged funds requirement, or to reduce the Government's share proportionally. The Grantee shall notify the Government at any time it believes it will not meet its leveraged funds requirement by the completion of the grant. If the Grantee exceeds the leveraged amount, there will be no impact on the Federal share. HUD reserves the right to withhold payments if leveraged funds are not spent.

Any funds requested by the Grantee shall be requested in accordance with the clause entitled, "Estimated Cost and Payment - Line Of Credit Control System (LOCCS)."

HUD reserves the right to withhold payment if leveraged resources are not spent.

Budget

The Grantee shall incur costs in conformance with the original or negotiated budget, presented with the proposal for this grant. The Grantee shall not commingle any funds computed under this grant with any other existing or future operating accounts held by the Grantee.

If the Grantee has been contacted to submit documents to support the application that were not received prior to the execution of this grant, the Grantee will not be allowed to draw down funds in excess of 10% of the federal amount, until such time that the requirements have been met. HUD reserves the right to terminate an award if the required documents are not provided within 1 month from the date the written request was made.

Standard Form 425, Federal Financial Report, detailing leveraged funds or in-kind contributions shall be submitted on a quarterly basis. As part of the closeout process a final narrative and a final Standard Form 425 detailing the progress made in achieving the purpose of the grant and adequate documentation of the total federal funds expended in support of the activities to achieve this purpose are due to the GTR 30 days prior to the end of the period of performance (See clause entitled "Closeout").

The Federal Financial Report (Standard Form 425) shall be submitted on a quarterly basis and is due 10 days after the end of each quarter.

Central Contractor Registration (CCR)

Recipients and their first-tier sub-recipients must maintain current registrations in the Central Contractor Registration (www.ccr.gov) at all times during which they have active federal awards.

Certifications and Assurances

The certifications and assurances submitted in the Grantee's application are hereby incorporated into this agreement. They include:

- Standard Form 424 or HUD 424, Application for Federal Assistance
- Certification and Disclosure Form Regarding Lobbying (SF-LLL)
- Applicant/Recipient Disclosure Update Report (HUD-2880)
- Certification Regarding Parties Excluded From Procurements
- Certification Prohibiting Excessive Force Against Non-Violent Civil Rights Demonstrators
- Certification/Disclosure Regarding federal Debt
- Certification Regarding a Drug-Free Workplace
- Codes of Conduct and Conflict of Interest

A grantee must notify the GTR of any changes in the status or information on the above items.

Changes

In accordance with 24 CFR 85.30 or 84.25, as applicable, Grantees or sub-grantees must obtain the prior approval of the awarding agency whenever any programmatic changes are anticipated, including but not limited to the following:

a) Any revision of the scope or objectives of the project (regardless of whether there is an associated budget revision requiring prior approval).
b) Budget revisions that are 10% or more of the cumulative transfers among direct cost categories, or, if applicable, among separately budgeted programs, projects, functions, or activities which exceed or are expected to exceed 10% of the current total approved budget, whenever the awarding agency's share exceeds $100,000.
c) Changes in key persons in cases where specified in an application or a grant award. In research projects, a change in the project director or principal investigator shall always require approval unless waived by the awarding agency.
d) Under non-construction projects, contracting out, subgranting (if authorized by law) or otherwise obtaining the services of a third party to perform activities, which are central to the purposes of the award.

Closeout

The Grantee shall provide the Grant Officer with closeout documentation 30 days prior to the end of the performance period, consisting of the following five elements:

- Narrative Final Report summarizing activities conducted under the award, including significant outcomes resulting from the activities and problems encountered during the performance period;
- Federal Financial Report (SF-425) of the total Federal Funds expended;

- Completed Property Statement;
- Completed Inventions, Patents, and Copyright Statement; and
- Completed Closeout Certification.
- Final Logic Model Report.

HUD will notify the Grantee in writing when the grant is closed. The Grantee has three areas of continuing responsibility after closeout of the grant:

- Records and materials must be kept in a safe place and be accessible to auditors and other government officials for three years after the grantee and all subgrantees/subcontractors make final payments and all other pending matters are closed. (If the grant is covered by 24 CFR Part 84, see related record retention requirements in 24 CFR 84.85(c)(2).) This requirement also extends to all subcontracts the Grantee has executed.
- Accountability for property continues as long as the Grantee holds the property, or for the period of time established by the agreement. Disposal of property must be in accordance with the rules established in the Property Management Standards referred to in the award. Program income, including royalties, must be used to support eligible activities.
- Notification to the Grant Officer if, at any time during the three-year period after project completion, the Grantee organization is discontinued or changes location. The Grant Officer should be notified immediately of the new address or the address of the party retaining all records.

Collection Of Data

Collection of data from ten or more respondents and sponsored by HUD shall be subject to the Paperwork Reduction Act (44 U.S.C. 3501— 3520). If a survey instrument for a collection of data sponsored by HUD is proposed, it will be subject to review and approval by the Office of Management and Budget (OMB). Such review and approval must be obtained prior to the use of the survey instrument. Also, a time element is involved here, which may considerably lengthen the time required for completion of the project proposed. Careful consideration should be given to any proposal, which requires the use of a survey or other information collection sponsored by HUD. The collection of data is deemed to be sponsored by HUD only under the following conditions (5 CFR 1320.3):

a) The Grantee is conducting the collection of information at the specific request of HUD; or
b) The terms and conditions of the grant require specific approval by HUD of the collection of information or collection procedures. Note that if the Grantee decides on its own to collect information and it does not need HUD approval to do so, then HUD is not the "sponsor" of the information collection.

Compliance with the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. 109-282) (Transparency Act)

Applicants receiving an award from HUD should be aware of the requirements of the Transparency Act. The Transparency Act requires the establishment of a central website that makes information available to the public regarding entities receiving federal financial assistance, by not later than January 1, 2008. In fulfillment of the requirements of the Act, OMB launched http://www.USAspending.gov in December 2007. The website makes information available to the public on the direct awards made by the federal government. The Transparency Act also requires, beginning not later than January 2009, that data on subawards be made available on the same website.

In anticipation of the implementation of this requirement, HUD is placing awardees of its FY2010 competitive funding on notice of these requirements and that, once implemented, grantees will be required to report their subaward data to HUD or a central federal database. The only exceptions to this requirement under the Transparency Act are:

1) Federal transactions below $25,000;
2) Credit card transactions prior to October 1, 2008;
3) Awards to entities that demonstrate to the Director of OMB that the gross income of such entity from all sources did not exceed $300,000 in the previous tax year of such entity; and
4) Awards to individuals. Guidance for receiving an exception under item (3) above has not been finalized by OMB.

HUD is responsible for placing award information for direct grantees on the government website. The reporting of subaward data is the responsibility of the grantee. Grantees should be aware that the law requires the information provided on the federal website to include the following elements related to all subaward transactions, except as noted above:

1) The name of the entity receiving the award;
2) The amount of the award;
3) Information on the award, including the transaction type, funding agency, the North American Industry Classification System (NAICS) code or Catalog of Federal Domestic Assistance (CFDA) number (where applicable), program source, and an award title descriptive of the purpose of each funding action;
4) The location of the entity receiving the award and primary location of performance under the award, including the city, state, congressional district, and country;
5) A unique identifier of the entity receiving the award and of the parent entity of the recipient (the DUNS number), should the entity be owned by another entity; and
6) Any other relevant information specified by OMB.

HUD expects OMB to issue further guidance on subaward reporting. Based on preliminary input from the various federal agencies, applicants should be aware that consideration is being given to requiring the disclosure of additional data elements to help track

the flow of funding from the original federal award. Such data elements under consideration include the tier at which the subaward was made, the federal award number issued to the direct awardee, the dollar amount of the federal award emanating from the direct award going to the subawardee, as well as the total subaward amount, which could include funds from other sources, and registration in the CCR. Additional information regarding these requirements when determined will be provided when available. Subawardees and direct awardees should always use an Employer Identification Number (EIN) when registering with CCR, not a Social Security Number, to ensure personal information and data is protected. To obtain an EIN, go to http://search.irs.gov/web/query.html?col=allirs&charset=utf-8&qp=&qs=-Wct%3A%22Internal+Revenue+Manual%22&qc=&qm=0&rf=0&oq=&qt=form+SS4.

To obtain form SS-4, Application for Employer Identification Number, and if you need assistance in completing the SS-4, you can contact the IRS helpline at 800-829-4933. The helpline is open from 7a.m. to 10 p.m. your local time (Alaska and Hawaii follow Pacific Time), Monday to Friday, except federal holidays.

Conduct of Work

During the effective period of this grant, the GTR and/or the GTM identified in Block 9 of the HUD-1044 shall be responsible for monitoring the technical effort of the Grantee, unless the Grantee is notified in writing by the Grant Officer of a replacement.

Only the Grant Officer has the authority to authorize deviations from this grant, including deviations from the Work Plan. In the event the Grantee does deviate without written approval of the Grant Officer, such deviation shall be at the risk of, and any costs related thereto shall be borne by, the Grantee.

Confidentiality

The service provider (e.g., the Grantee and any subgrantees, subcontractors or vendors) must maintain confidential files on individual program beneficiaries served. Recipient staff must keep paper files in a locked filing cabinet and protect all electronic files related to individual beneficiaries with a personal password.

The service providers shall maintain primary access to individual beneficiary files. Other project management staff may have access to these files only if they contain a "release of information" consent form signed by the individual beneficiary. A release of information form must clearly indicate which parties may have access to an individual beneficiary's file. Such parties might include the management staff and HUD staff. Recipient staff must only share individual beneficiary files with those parties listed on the signed form. If an individual beneficiary has not signed the consent form the parties listed may not read that individual beneficiary's file.

These categories serve as guidelines to recipient staff and management staff. The recipient must determine if the individual beneficiary's confidential information will significantly affect the safety and security of that individual or the recipient organization itself.

Consortia Agreement

This provision pertains to agreements awarded to a consortium or consortia. The designated Lead Agency is the official funding recipient. As such, the Lead Agency performs functions including the following:

- Maintaining the LOCCS account,
- Drawing down and dispersing grant funds,
- Paying related administrative expenses,
- Monitoring the work of the consortia members, and
- Submitting all required reports to the OSHC staff.

All recipients and sub-recipients in an OSHC grant program Consortium must enter into a memorandum of understanding that binds them to this award. By doing so, all entities are legally bound to comply with all the terms and conditions of the award. Should one or more parties not comply with the terms of this agreement at any time, and not be replaced by the Lead Agency, the portion of that entity's allotted award will be dropped from the award agreement. Non-lead agencies, in complying with this award agreement, are responsible for monitoring the time and work of the service providers at their site and for assuring that the Lead Agency has the proper information it needs to submit required reports to HUD and to maintain the award's LOCCS account.

Contact Information Updates

The Grantee shall inform the Grant Officer and GTR of any changes in contact information, including the organization's name, address, telephone, e-mail, and key personnel.

Copyrights

HUD reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use for Federal government purposes: (a) the copyright in any work developed under this award, sub-award, or contract awarded under this grant; and (b) any rights of copyright to which a Grantee or sub-grantee or a contractor purchases ownership with award funds.

Default and Disputes

The Grantee is in default if one or more of the following occurs:

1. Any use of award agreement funds for a purpose other than as authorized by this Agreement;

2. Any material noncompliance with Federal, State, or local laws or regulations as determined by HUD;
3. Any other material breach of this award agreement, or
4. Any misrepresentation in the application submissions which, if known to HUD, would have resulted in this award not being provided.
5. Failure to meet any reporting requirement.

If HUD determines preliminarily that the recipient is in default as described in items 1-5, above, HUD will give the recipient notice of this determination and the corrective or remedial action proposed by HUD. The recipient shall have an opportunity to demonstrate, within the time prescribed by HUD (not to exceed 30 days from the date of the notice), and on the basis of facts and data, that it is not in default, or that the proposed corrective or remedial action is inappropriate, before HUD implements the corrective or remedial action.

Where HUD determines that corrective or remedial actions by the recipient have not been undertaken as instructed, or will not be effective to correct the default and to prevent further default, HUD may take the following additional corrective and remedial actions under this award agreement:

1. Reduce the award in the amount affected by the default.
2. Take action against the recipient under 24 CFR Part 24 and Executive Order 12549 with respect to future HUD or Federal grant awards.
3. Demand repayment of all award amounts.
4. Initiate litigation or other legal proceedings designed to require compliance with the statute, regulations, any terms or conditions of this award agreement, or other pertinent authorities.
5. Temporarily withhold cash payments pending correction of the deficiency by the grantee or subgrantee.
6. Withhold further payments.
7. Take any other remedial action legally available.

During performance of the grant, disagreements may arise between the Grantee and the Grant Officer on various issues. If a dispute concerning a question of fact arises, the Grant Officer shall prepare a final decision, taking into account all facts and documentation presented. The decision shall be mailed to the Grantee. The Grantee may appeal the decision in writing within thirty (30) days to the Deputy Secretary of HUD, or his or her designated representative, the Director, Office of Sustainable Housing and Communities.

Failure to comply with the requirements established in the award and these provisions, including failure to submit reports on time and in accordance with the requirements contained in these provisions, may result in HUD taking action to limit access to program funds. Actions by HUD may include, but are not limited to: requiring that reports and financial statements be submitted to the Grant Officer/GTR for approval before drawing down any funds; removing the Grantee from the eLOCCS; suspending the ability to incur costs or draw funds; and/or suspending or terminating the Grant for non-performance.

HUD may, on reasonable notice to the Grantee, temporarily suspend the award and withhold further payments pending corrective action by the Grantee. The award may be terminated in whole or in part before the end of the performance period for cause when the Grantee has failed to comply with the terms, conditions, standards, or provisions of this award. The award may be terminated for convenience when both parties agree that the continuation of the award would not produce beneficial results.

Deliverable Products

During the performance period, the recipient is required to submit to the GTR Official Work Products. These include but are not limited to progress reports; financial reports, closeout documentation; products specified in the Work Plans, such as reports for HUD and the public on activities conducted and results achieved, Logic Model reports, etc. Failure to submit required documents on time may cause the Grant Officer to take action to suspend or terminate the award.

Section 508 of the Rehabilitation Act of 1973 requires all Federal electronic and information technology to be accessible by people with disabilities. All Products of Work that will be posted on HUD's website must meet HUD's Web Publication Standards and Procedures at www.**hud**.gov/assist/webpolicies.cfm.

Environmental Review

This Environmental Review section applies to Category 2 Grants (Detailed Execution Plans and Programs), as described in the NOFA, for projects that involve site control or acquisition.

Activities that involve site control or acquisition are subject to HUD environmental review under 24 CFR Part 50. For projects involving these activities, HUD's notification of award constituted only a preliminary approval by HUD subject to the completion of an environmental review of the proposed site(s). Selection for participation and the execution of this *Agreement* do not constitute approval of the proposed site(s). Each proposal involving site control or acquisition is subject to a HUD environmental review, and the Grantee's proposal may be modified or the proposed sites rejected as a result of that review.

The Grantee shall not acquire, rehabilitate, demolish, convert, lease, repair, or construct property, nor commit or expend HUD or local funds for these program activities with respect to any eligible property, until HUD approval of the property is received. An option agreement on a proposed site or property is allowable prior to the completion of the environmental review if the option agreement is subject to a determination by HUD on the desirability of the property for the project as a result of the completion of the HUD environmental review and the cost of the option is a nominal portion of the purchase price.

The Grantee shall assist HUD in complying with 24 CFR Part 50; shall supply HUD with all available, relevant information necessary for HUD to perform an environmental review for each property, as requested by HUD; and, shall carry out mitigating measures required by HUD or select alternate eligible property if required by HUD.

Equipment

When acquiring equipment, the Grantee shall comply with the requirements set forth in 24 CFR 84.34 or 24 CFR 85.32, whichever is applicable, OMB Circular A-87 (2 CFR Part 225), and OMB Circular A-122 (2 CFR Part 230).

Estimated Cost and Payment - Line Of Credit Control System (LOCCS/eLOCCS)

The Grantee shall be reimbursed for costs incurred in the performance of work under this grant in an amount not-to-exceed **"Total HUD Amount"** in Block 14 of the HUD 1044. In the event the Grantee incurs cost in excess of this amount, the excess shall be borne entirely by the Grantee.

Incurred costs shall be reimbursed through HUD's Line of Credit Control System (LOCCS) using the eLOCCS web based system. Each day LOCCS generates a payment tape for the Department of the Treasury, which disburses the payments via the Automated Clearinghouse (ACH) Payment System and a Voucher and Schedule of Payments. All payments are certified by HUD and forwarded to Treasury for processing.

Before receiving funds from the eLOCCS, the Grantee must designate a financial institution for HUD to make direct deposit payments through the ACH system. In the event the Grantee, during the performance of this grant, elects to designate a different financial institution for the receipt of any payments, notification of such change and the related information must be received by the Grant Officer 30 days prior to the date such change is to become effective.

To have access to LOCCS and the eLOCCS, the Grantee shall obtain a Security ID and Password from HUD's LOCCS Security Officer, using the form HUD-27054, LOCCS Voice Response /eLOCCS Access Authorization Form.

The Grantee shall submit the original vouchers for work performed to the GTR identified in Block 9 of the form HUD-1044. The voucher shall be supported by a detailed breakdown of the cost(s) claimed (Grantees are to use the Part 3 Financial Reporting Attachment included in Policy Guidance 2001-03). In order to assure proper payment, it is important that the voucher is in accordance with the payment amount requested through the eLOCCS. Payment requires the Grantee to go to eLOCCS and provide the Security ID number and requested information. Detailed instructions for using the LOCCS-eLOCCS were provided in HUD's Transmittal Letter for your award.

Funds advanced to the Grantee shall be maintained in an interest bearing account. Any interest earned by the Grantee as a result of the advanced funds shall be promptly returned to HUD.

All check remittances should be sent to the new Miscellaneous Lockbox as follows:

Bank of America
DHUD P.O. Box 277303
Atlanta, GA 30384-7303

If the Grantee is a State, local government or Indian Tribe, the Grantee may retain up to $100.00 of interest earned per Grantee's fiscal year for administrative expenses (24 CFR 85.21).

If the Grantee is a University, non-profit or for profit organization, the Grantee may retain up to $250.00 of interest earned per Grantee's fiscal year for administrative expenses (24 CFR 84.22).

State universities and hospitals shall comply with the Cash Management Improvement Act (CMIA), as it pertains to interest.

Other funds due to HUD after the end date of the grant or close-out, as a result of internal audit or other reasons, will be returned to the GTR identified in Block 9 of the form HUD-1044 of this grant.

Should the Grantee demonstrate an unwillingness or inability to establish procedures that will minimize the time elapsing between advances and disbursements, or fail to provide any required progress report in a timely manner, the authorization for advance payments may be revoked. The Grantee may then be required to finance the project with its own working capital and payment to the Grantee may be made by Treasury check to reimburse it for actual cash disbursements that are approved by the GTR.

Fair Housing and Civil Rights Laws

a) The Grantee represents, warrants, and certifies to HUD that it shall comply with all applicable Federal statutes, regulations, and requirements relating to non-discrimination and equal opportunity identified in HUD's regulations at 24 CFR § 5.105(a), and assure such compliance of any of its sub-grantees under this Agreement, including the following:

   1. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d-2000d-4) and implementing regulations at 24 CFR part 1, Nondiscrimination in Federally Assisted Programs of the Department of Housing and Urban Development - Effectuation of Title VI of the Civil Rights Act of 1964;

2. Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§ 1681:1683, 1685:1688) and implementing regulations at 24 CFR part 3, Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance;

3. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794) and implementing regulations at 24 CFR part 8, Nondiscrimination Based on Handicap in Federally Assisted Programs and Activities of the Department of Housing and Urban Development;

4. Title II of the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101 *et seq.*) and implementing regulations at 28 CFR part 35;

5. The Fair Housing Act (42 U.S.C. §§ 3601-19) and implementing regulations at 24 CFR Part 100, Discriminatory Conduct Under the Fair Housing Act;

6. Executive Order 11063, as amended by Executive Order 12259, and implementing regulations at 24 CFR part 107, Nondiscrimination and Equal Opportunity in Housing Under Executive Order 11063; and

7. The Age Discrimination Act of 1975 (42 U.S.C. §§ 6101-6107) and implementing regulations at 24 CFR part 146, Nondiscrimination on the Basis of Age in HUD Programs or Activities Receiving Federal Financial Assistance.

b) The Grantee represents, warrants, and certifies to HUD that it shall administer its grant in a manner that affirmatively furthers fair housing and that, at a minimum, it shall carry out all actions to affirmatively further fair housing as proposed in its application for financial assistance under the Sustainable Communities Regional Planning Grant Program.

c) The Grantee represents, warrants, and certifies to HUD that it shall ensure that employment, contracting, and other economic opportunities generated by the Sustainable Communities Regional Planning Grant Program shall, to the greatest extent feasible, be directed to low- and very low-income persons pursuant to Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and HUD's implementing regulations at 24 CFR part 135.

d) Grantees are required to cooperate and assist HUD in its nondiscrimination and equal opportunity compliance activities and are required to maintain and submit racial, ethnic, disability, and other demographic data pursuant to HUD's nondiscrimination and equal opportunity regulations including those at 24 CFR §§ 1.6, 8.55, 107.30, and 121.2.

Flow Down Provisions

If the Grantee contracts or subawards funds under this agreement with a person or entity to perform work under this award, the Grantee shall include in the contract or subaward agreement such provisions as may be necessary to ensure that all contractors and subgrantees comply with the requirements of the grant and reporting provisions as set forth in these terms and conditions or as established by HUD and the Office of Management and Budget (OMB)

The Terms and Conditions of this agreement flow down to all tiers of subgrantees. All subgrantees are required to obtain a DUNS numbers (or update its existing DUNS record), and register with the Central Contractor Registration (CCR; www.ccr.gov) no later than 120 days after execution of this agreement.

HUD's Right to Audit and Disallow and Recover Funds

The government reserves the right to seek recovery of any funds that were not expended in accordance with the requirements or conditions of this agreement based upon HUD review, the final audit, or any other special audits or reviews undertaken. HUD has the right to order a special audit, even if the Grantee's auditor or a cognizant agency has already conducted one.

HUD's Substantial Involvement

Because this is a Cooperative Agreement, HUD intends to have substantial involvement in the review, development, and approval of all aspects of the work to be carried out under this cooperative agreement. The substantial involvement will be focused through the GTR and GTM. Anticipated substantial involvement by HUD staff may include, but will not be limited to:

- Review and possibly suggest amendments to the study design, including:
    - study objectives
    - field sampling plan
    - sample handling and preparation
    - sample and data analysis
    - quality assurance
- Review and provide scientific and technical recommendations in response to quarterly progress reports (e.g., amendments to study design based on preliminary results).
- Review and provide scientific and technical recommendations on the final study report, including final interpretation of study results.

Incurrence of Costs

The Grantee is allowed to incur costs for activities beginning the date in Box #5 on the HUD-1044. Any costs incurred before the date are not allowable unless specifically authorized in writing by the Grant Officer or GTR.

Indirect Costs

If the Grantee has received a provisional rate, pending establishment of a final rate, reimbursement will be made on the basis of the provisional rate. By accepting this agreement, the Grantee agrees to bill at the provisional indirect cost rate until an approved indirect rate agreement becomes effective. Adjustments will be made from the provisional rate to the final rate. However, such adjustments must be within the total amount of the award as stated in Block #15 of the HUD-1044.

Inspection and Acceptance

Inspection, review, correction, and acceptance of all deliverables under this award shall be the responsibility of the GTR. The GTR may receive recommendations from assigned GTMs.

Inspector General Referrals

The Grantee or any subgrantee, subcontractor or other sub-recipient awarded funds shall promptly refer to an appropriate inspector general any credible evidence that a principal, employee, agent, contractor, sub-grantee, subcontractor, or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving those funds.

Limitation on Consultant Payments

Per the requirements of the NOFA, federal funds may not be used to pay or to provide reimbursement for payment of the salary of a consultant, whether retained by the federal Government or the Grantee, at a rate more than the equivalent of General Schedule 15, Step 10 base pay rate. See the Office of Personnel Management Website, www.opm.gov, and its Salaries and Wages link for the current base rate, which may be lower than the local rate.

Limitation on Payments to Influence Certain Federal Transactions

Section 1352 of Title 31 of the U.S. Code provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay 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 any of the following covered Federal actions: 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.

Lobbying Activities Prohibition

The Grantee is subject to the provisions of section 319 of the Department of Interior and Related Agencies Appropriation Act for Fiscal Year 1991, 31 U.S.C. 1352 (the Byrd Amendment), implemented in HUD regulations at 24 CFR Part 87 and to the provisions of the Lobbying Disclosure Act of 1995, P.L. 104-65 (December 19, 1995).

Management and Work Plan (with Logic Model Standards)

The management and work plan, deliverables and budget revisions shall comply with the requirements established by the NOFA. The Grantee shall complete and submit a detailed management and work plan (with Logic Model) within 60 days after the effective date of the grant; this plan is subject to review and approval by HUD. The revisions to the general plan submitted in the proposal shall include any negotiated changes of the work plan or budget if applicable. The plan shall be developed according to the instructions and Logic Model standards that will be provided by the GTR.

The management and work plan consists of the goals and time-phased objectives and deliverables for each of the major tasks to be undertaken by the program. A Logic Model (milestones) has been developed to assist the Grantee plan and implement its program in a timely and cost-effective manner. A revised budget, in accordance with the final negotiation, shall be submitted (if necessary).

Monitoring

The responsible Departmental official, GTR, or designee may review and monitor the practices of the Grantee to determine whether it is in compliance with this Agreement or other requirements that arise as a result of the Grant Award. The GTR will also provide performance monitoring by tracking Grantee's progress in meeting the goals and objectives of the program.

Order of Precedence

In the event of any inconsistency among any provisions of this grant, the following order of precedence shall apply:

a) Cooperative Agreement
b) NOFA
c) Management and Work Plan.
d) Uniform Administrative Requirements.
e) Grantee's Proposal (if incorporated)

Patent Rights (Small Business Firms And Nonprofit Organizations)

Patent rights are as specified in 37 CFR Part 401, entitled "Rights to Inventions made by Nonprofit Organizations and Small Business Firms under Government Grants, Contracts and Cooperative Agreements." Inquiries regarding this Patent Rights clause should be in writing and directed to:

Grant Officer
Office of Sustainable Housing and Communities
U.S. Department of Housing and Urban Development
451 Seventh Street SW, Room 10180
Washington, DC 20410-3000

Period of Performance and Extensions and Incurring Costs or Obligating Federal Funds Beyond the Expiration Date

a) The Grantee shall provide all services stipulated in this cooperative agreement for the period of months specified in the form HUD 1044, "Assistance Award/Amendment," or its Continuation Sheet, from the effective date stipulated in Block #5 of the HUD 1044. Grantees are to comply with the requirements of 24 CFR 84.28 or 24 CFR 85.23 (Period of availability of funds), as applicable, in charging costs to the grant. All obligations incurred under the award must be liquidated within the period of performance. The preparation of the final administrative and financial reports is to be completed 30 days prior to the end of the period of performance.

b) The Grantee shall not incur costs or obligate federal funds for any purpose pertaining to the operation of the project or program, 30 days prior to the end of the period of performance. The only costs which are authorized during the last 30 days of the period of performance are those strictly associated with closeout activities. Closeout activities are normally limited to the preparation of final progress, financial, and required project audit reports unless otherwise approved in writing by the Grant Officer.

The Office of Sustainable Housing and Communities has no obligation to provide any additional prospective funding. Any amendment of the award to increase funding is at the sole discretion of that Office.

Personnel

The personnel, specified as key personnel in the original or amended HUD form 2010 (Rating Factor Form), Factor 1, Capacity of the Applicant and Relevant Organizational Experience, are considered to be essential to the work being performed hereunder. Prior to diverting any of the specified individuals to other work, the Grantee shall notify the Grant Officer and GTR reasonably in advance in writing and shall submit justification (including proposed substitutions (with the qualifications and experience of the substitute personnel)) in sufficient detail to permit evaluation of the impact on the work effort. No diversion shall be made by the Grantee without the written consent of the Grant Officer.

Profit/Fee

No increment above cost, fee, or profit may be paid to the Grantee or any subgrantee under this award.

Program Income

Any program income derived as a result of this award shall be added to funds committed under the award to further activities eligible for assistance under this agreement. If not contained in the Work Plan or under Special Conditions itemized in these provisions, prior to using program income to further the objectives of the grant program, the parties shall mutually agree by written amendment on the use of program income. Program income received after the period of performance must be used to further the objectives of the applicable grant program for which this grant is awarded in accordance with 24 CFR 84.24 or 85.25, as applicable.

Prohibited Use of Funds

You may not use funds for the following ineligible activities:

(a) Ineligible administrative activities under OMB Circular A-102 (24 CFR Part 85), Grants and Cooperative Agreements with States and Local Governments; OMB Circular A-110 (2 CFR Part 215) Uniform Administrative Requirements for Grants and Cooperative Agreement with Institutions of Higher Education, Hospitals and other Non-Profit Organizations;

(b) Ineligible costs under OMB Circular A-87 (2 CFR Part 225), Cost Principles for State and Local and Indian Tribal Governments; and OMB Circular A-122 (2 CFR Part 230), Cost Principles for Non-Profit Organizations;

(c) Developing plans that would assist business or industry to relocate to an area to the detriment of communities where the business or industry is currently located. This funding restriction does not apply to businesses that are displaced as a result of Category 2 projects. The requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601) (codified at 49 CFR Part 24) cover any person who moves permanently from real property or moves personal property from real property as a result of direct acquisition, rehabilitation, or demolition for a program or project receiving HUD assistance (See the General Section).

(d) Substitution of Sustainable Communities funds for funding already pledged to support community development; housing; watershed, air and water quality; transportation planning; food production and distribution planning; and other planning activities eligible under the sustainable communities planning program.

Publications and News Releases

The results of work conducted under the award may be made available to the public through dedication, assignment by HUD, or other means, as HUD shall determine.

All interim and final reports and any other specified deliverables shall be owned by the government and held for the benefit of the public which shall include Grantee and Grantee's sub-recipients.

Interim and final reports (including, if applicable, scientific manuscripts) may not be published by the Grantee or any sub-recipients participating in the work for a period of sixty days after acceptance of the deliverables by the GTR.

All deliverables, or any part thereof, and any independent products and special products arising from this award, when published by the Grantee or other participants in the work shall contain the following acknowledgment and disclaimer:

The work that provided the basis for this publication was supported by funding under an award with the U.S. Department of Housing and Urban Development. The substance and findings of the work are dedicated to the public. The author and publisher are solely responsible for the accuracy of the statements and interpretations contained in this publication. Such interpretations do not necessarily reflect the views of the Government."

Copies of all press releases, formal announcements, and other planned, written issuances containing news or information concerning work products or activities of this award that may be made by the Grantee or its staff, or any sub-grantee or other person or organization participating in the work of the award, shall, be provided to the GTR for review and comment before the planned release. Whenever possible, these should be provided to the GTR for review and comment at least two weeks before the planned release, but in no event simultaneously with the release.

The use of Social Media, such as web feeds, wikis, blogs, photo and video-sharing, podcasts, and microblogs is acceptable under OSHC grant programs. Information to be released through Social Media must be provided to the GTR for review and comment at least 2 business days before the planned release.

Reporting

a) Deliverables

The Grantee shall include a schedule listing all significant project milestones, and dates for submission of all project deliverables including quarterly project reports, interim reports where appropriate, the final report, and financial reports utilizing Standard Form 425, the Federal

Financial Report. Upon approval of the Work Plan, the Grantee should ensure all deliverables identified in the Work Plan and Logic Model schedule are delivered on time.

b) Biannual Progress Reports

A template to be used in the preparation of each biannual report will be provided by HUD after grant award. Biannual reports must reflect activities undertaken, obstacles encountered and solutions achieved, and accomplishments in each calendar quarter. Contracts, training materials and protocols, rosters of persons trained, outreach and educational materials prepared, and other significant products developed to implement, analyze or control the project or disseminate information are to be submitted with the quarterly reports as attachments.

Grantees shall submit reports as specified in this clause. The reports submitted to HUD require the submission of a work plan with specific, time phased, and realistic goals, objectives, and Logic Model milestones established. Biannual status reports that show progress and measure performance of the program in meeting approved work plan goals, objectives and Logic Model milestones are to be submitted.

Grantees are advised that failure to submit timely biannual progress reports will result in not having their "eLOCCS Request Voucher for Grant Payment" processed and also may result in a low performance rating, which could result in grant termination.

c) Required Reports

- Grantees are required to submit biannual reports, including Logic Model reports. Reporting requirements are specified in the Notice of Funding Availability and these Terms and Conditions. In case of conflict, the more-stringent provisions apply.

- Economic Opportunities for Low- and Very Low-Income Persons (Section 3). The HUD Form 60002, Economic Opportunities for Low- and Very Low-Income Persons (Section 3) must be submitted by January 10th, and yearly thereafter.

- Federal Financial Report (Standard Form 425)

d) Final Report

A final report shall be submitted. The final report shall summarize the applicant's plans, execution of the plans, achievements noted, and lessons learned. The report need not be lengthy, but should be of a quality and detail to provide freestanding description to any outside reader of all of the applicant's work and achievement under the grant. See clause entitled "Closeout" for the specific elements to be included with your final report. Specific and detailed guidance on preparing the forms and the narratives may be obtained from the GTR.

Reproduction of Reports

BRANCH PROCUREMENT OF CERTAIN KINDS OF PRINTING; "PRINTING" DEFINED

Pub. L. 102-392, title II, Sec. 207(a), Oct. 6, 1992, 106 Stat. 1719, as amended by Pub. L. 103-283, title II, Sec. 207, July 22, 1994, 108 Stat. 1440; Pub. L. 104-201, div. A, title XI, Sec. 1112(e)(1), Sept. 23, 1996, 110 Stat. 2683, provided that:

1) None of the funds appropriated for any fiscal year may be obligated or expended by any entity of the executive branch for the procurement of any printing related to the production of Government publications (including printed forms), unless such procurement is by or through the Government Printing Office.

2) Paragraph (1) does not apply to (A) individual printing orders costing not more than $1,000, if the work is not of a continuing or repetitive nature, and, as certified by the Public Printer, if the work is included in a class of work which cannot be provided more economically through the Government Printing Office, (B) printing for the Central Intelligence Agency, the Defense Intelligence Agency, National Imagery and Mapping Agency, or the National Security Agency, or (C) printing from other sources that is specifically authorized by law.

As used in this section, the term "printing" includes the processes of composition, platemaking, presswork, duplicating, silkscreen processes, binding, microform, and the end items of such processes.

Review of Deliverables

a) Definition - For the purpose of this clause, "Deliverables" include:

   1) All interim and final reports;
   2) Survey instruments required by Work Plan, if applicable;
   3) Other physical materials and products produced directly under the Work Plan of this grant, if applicable; and
   4) In-kind and leverage commitments, if applicable.

b) General

   1) The GTR shall have the sole responsibility for HUD review, correction, and acceptance of the deliverables of this grant. Such review(s) shall be carried out promptly by the GTR, so as not to impede the work of the Grantee.
   2) The Grantee shall carry out the required corrections, if any, provided by the GTR and shall promptly return a revised copy of the product to the GTR.
   3) The basis for acceptance shall be the Grantee's good faith efforts to complete the deliverables of this grant.
   4) The GTR's review, correction, and acceptance of deliverables shall be limited to:

(i) corrections of omissions or errors of fact, methodology, or analysis; ii) deletion of irrelevant materials; and (iii) improvements in style readability.

5) In the review and acceptance of deliverables, the GTR may not require any change in the Grantee's stated views, opinions, or conclusions.
6) Should there be any disagreement between the Grantee and the GTR as to any correction, or the methodology or analysis on which any conclusion is based, the GTR may require the Grantee to insert a Government dissent(s) in the appropriate place(s). The inclusion of such dissent(s) in an Official Product of Work, otherwise found acceptable by GTR, and the return to the GTR of a revised copy containing the dissent(s), shall satisfy the requirements for acceptance of the Official Product of Work under this clause. Such dissent(s) shall not apply to any independent publication by the Grantee of Independent Products that may arise from the work or findings of this grant.

Scope of Services

The Grantee shall furnish the necessary personnel, materials, services, equipment, facilities (except as otherwise specified herein) and otherwise do all things necessary for or incidental to the performance of the work set forth in the original/revised application under the this NOFA, as well as the subsequent Management and Work Plan and Logic Model schedule.

Single Audit Transparency Transactions Listed in Schedule of Expenditures of Federal Awards and Recipient Responsibilities for Informing Sub-recipients.

a) Uniform Administrative Requirements for Grants and Agreements" and OMB A-102 (24 CFR Part 85) Common Rules provisions, recipients agree to maintain records that identify adequately the source and application of funds.

b) For recipients covered by the Single Audit Act Amendments of 1996 and OMB Circular A-133 (2 CFR Part 180), "Audits of States, Local Governments, and Non-Profit Organizations," recipients agree to separately identify the expenditures for Federal awards on the Schedule of Expenditures of Federal Awards (SEFA) and the Data Collection Form (SF-SAC) required by OMB Circular A-133 (2 CFR Part 180).

c) Recipients agree to separately identify to each sub-recipient, and document at the time of sub-award and at the time of disbursement of funds, the Federal award number, CFDA number, and amount of funds.

d) Recipients agree to require their sub-recipients to include on their SEFA. This information is needed to allow the recipient to properly monitor sub-recipient expenditure of as well as oversight by the Federal awarding agencies, Offices of Inspector General and the Government Accountability Office.

Special Conditions

Special Conditions to this award are listed in the form HUD-1044 Continuation Sheets.

Sub-recipient Monitoring and Management

Recipients will be responsible for the monitoring and management of all sub-recipient awards. Management and reporting requirements applied to direct recipients tier-down to employees, affiliates, sub-recipients, and subcontractors, and recipients will be responsible for ensuring compliance and submitting required reports to HUD. Recipients may incorporate all sub-recipient reporting into a consolidated report with the exception of the requirements established for compliance with the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282) also known as FFATA or the Transparency Act.

Whistleblower Protection

Each grantee or sub-grantee awarded funds made available shall promptly refer to the HUD Office of Inspector General any credible evidence that a principal, employee, agent, contractor, sub-recipient, subcontractor, or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving those funds. Complaints can be made to the HUD Office of Inspector General through any of the following means:

Calling toll-free at 1-800-347-3735; persons who have hearing or speech disabilities may reach this number from the Federal Relay Service, at 1-800-877-8339.
Faxing at (202) 708-4829
E-mailing to hotline@hudoig.gov
Writing to HUD OIG Hotline (GFI), 451 7th Street, SW, Washington, DC 20410

ATTACHMENT B

WORK PLAN and
LOCAL IMPLEMENTATION CAPACITY GRANT APPLICATION

ATTACHMENT C

LOCAL IMPLEMENTATION CAPACITY GRANT PROGRAM
PAYMENT SCHEDULE AND TERMS

Metropolitan Council

Corridors of Opportunity

Local Implementation Capacity Grant Payment Schedule and Terms

The following instructions outline the process for submitting payment requests for your Local Implementation Capacity Grant, part of the HUD Sustainable Communities Regional Planning Grant. It outlines the timeline and required documentation.

Initiating payment requests

Payments are made on a reimbursement or cost-incurred basis. Grantees must supply adequate supporting documentation to substantiate each individual payment claim and must clearly tie that documentation to the line item on the claim form. The claim form and a sample payment request and instructions for completing the request successfully will be provided at the grantee orientation meeting.

When can a Grantee submit a request for reimbursement?

Grant costs may be incurred immediately after the grant is awarded, but grant funds may not be paid out until the grant agreement has been fully executed. All requests must be submitted by **November 1, 2013**.

The Metropolitan Council is reimbursed by HUD for the Sustainable Communities Regional Planning Grant, including sub-recipient grantee reimbursement requests. Met Council staff will submit a request for reimbursement from HUD on a monthly basis. In order to be in sync with the Met Council schedule and receive payment within 45 days, you must submit your reimbursement requests by the **last day of the month.** The payment request will be included in the HUD draw-down request if it is approved by HUD Sustainable Communities staff, and these payments can be expected by the end of the month after they are submitted.

If there are questions on the expenses or documentation, the payment may end up being submitted in the following month's draw-down. Staff will work with sub-recipients to make reasonable efforts to resolve questions regarding payment requests.

What supporting documents/invoices are required?

Use the "reasonable person" test to determine when enough detail has been provided: if a reasonable person who is unacquainted with the Project can arrive at the claimed total solely by using the supporting documentation provided, the pay claim is documented well enough.

- All requests for payment must include supporting documents for the amount being requested. If a contractor or consultant bills for subcontracted work, we require copies from the subcontractors, as well.

- When submitting a copy of a contractor's Certificate of Payment and Continuation Sheet or AIA Sheet**,** provide clear identification of the claimed costs. For example, do not submit an invoice for $25,000 and claim $13,000 without identifying which costs comprise the $13,000.

- Costs must also relate to a specific grant-funded activity as described in the Work Plan.

- Please do not include documentation for other grantors or invoices that are not itemized on the payment request.

Providing documentation that clearly ties the claimed costs directly to each individual payment request line item and clearly supports and explains each item will speed the processing of your payment. The Council may require additional information if it is necessary to verify the costs for which payment is requested or to ensure the request is consistent with the intent and purpose of the activity described in the Work Plan. Payment claims that cannot be properly identified or substantiated may be returned to the Grantee for further clarification or denied.

Contact Information:

Susan Hoyt	**Nora Riemenschneider**
Local Implementation Capacity Grant Manager Corridors of Opportunity	Project Coordinator Corridors of Opportunity/HUD Sustainable Communities Regional Planning Grant
651-602-1330 Susan.hoyt@metc.state.mn.us	651-602-1361 Nora.riemenschneider@metc.state.mn.us

ATTACHMENT D

LOCAL IMPLEMENTATION CAPACITY GRANT
REPORTING SCHEDULE

Revised 8/18/11

Metropolitan Council

Twin Cities HUD Sustainable Communities Regional Planning Grant

Local Implementation Capacity Grant Reporting Schedule

Biannual Reports			
	Reporting Period End Date	**Due to the Metropolitan Council**	**Due to HUD**
4	December 31, 2012	January 11, 2013	Wednesday, January 30, 2013
5	June 30, 2013	July 12, 2013	Tuesday, July 30, 2013

Final Report		
Reporting Period End Date	**Due to the Metropolitan Council**	**Due to HUD**
Dec. 31, 2013	February 14, 2014	March 30, 2014

ATTACHMENT E

SECTION 3 PLAN REPORTING AND BUSINESS CERTIFICATION FORM and
TITLE 24 CODE OF FEDERAL REGULATIONS SUBTITLE B, CH. 1
APPENDIX TO PART 135

Metropolitan Council
HUD Sustainable Communities Regional Planning Grant Program
Section 3 Plan

What is Section 3

Section 3 is part of the Housing and Urban Development Act of 1968 with the purpose of ensuring employment and other economic development opportunities be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very low-income persons when HUD dollars are expended.

HUD requires the Metropolitan Council Sustainable Communities Regional Planning Grant (SCRPG) Program to report annual accomplishments regarding employment and other economic opportunities provided to low- and very low-income persons. The data we report refers only to new jobs and contracts created, not existing positions for which the grant supplies supplementary salary.

Please note that this is a reporting requirement only. Sub-recipients are not under an obligation to affirmatively seek out or hire public housing residents or other low- or very-low income persons as defined by HUD. However, the Metropolitan Council strongly encourages SCRPG Program sub-recipients to affirmatively use good faith efforts to direct employment and other economic opportunities generated by the SCRPG Program to low- and very low-income persons, and to businesses that provide economic opportunities to low- and very low-income persons.

What is a "Section 3 Resident"

A Section 3 Resident must meet one of the following criteria according to the income chart below:

1. Is a resident of public housing; or
2. Is a resident of the 7 county metro area whose income falls at or below the income limits

What is a Section 3 Business

A Section 3 Business must meet one of the following criteria according to the income chart above:

1. Is a business that is 51% or more owned by Section 3 residents; or
2. Is a business where at least 30% of current full time employees are Section 3 residents, or were Section 3 residents within three years of the date of first hire; or
3. Provides evidence, as required, of a commitment to subcontract in excess of 25% of the dollar award of all subcontracts to business concerns that meet one of the first two qualifications above.

How do I find income limits for my county?

Go to the HUD website to find the income limits in your county:
http://www.huduser.org/portal/datasets/il/il2011/select_geography.odn?data=2011

What's my role?

All sub-recipient grantees of the HUD Sustainable Communities Regional Planning Grant Program are required to report on Section 3 business and resident hiring. When you contract or hire a business or individual that is hired for a new position created by the HUD Sustainable

Communities grant funding, please ask the individual or business to complete the applicable attached form, described here:

- **Section 3 Resident Certification** – Attached is a *Section 3 Resident Certification Form*. Employees that are in new jobs created as a result of the HUD Sustainable Communities grant should fill out this form if they meet the definition of a Section 3 Resident.

- **Section 3 Business Certification** - Please ask the businesses hired or contracted as a result of the HUD Sustainable Communities grant to fill out the attached *Section 3 Business Certification Form* if they meet the definition of a Section 3 business.

These forms should be submitted after the new hire is made, or at the latest, with the bi-annual report due after the December 31 reporting period deadline.

Questions

Contact – Allison Bell, HUD Sustainable Communities Project Manager at 651-602-1363 or via e-mail at Allison.bell@metc.state.mn.us.

Metropolitan Council
HUD Sustainable Communities Regional Planning Grant Program

Section 3 Business Certification

Business Name _____

Business Address _____

_____

Type of Business _____Corporation _____Partnership

_____Sole Proprietorship _____Joint Venture

IN ORDER TO QUALIFY AS A SECTION 3 BUSINESS, ONE OF THE FOLLOWING MUST BE TRUE: (please check one)

☐ Proof of 51% business ownership by Section 3 Residents (see previous page for description of Section 3 Resident)

- Must provide name and address of Section 3 Residents included in 51% ownership (attach a separate sheet of paper if necessary)

_____

_____

_____

☐ At least 30% of all full time employees are Section 3 Residents (see previous page for description of Section 3 Resident)

- Must provide the following information on an attached sheet

  ☐ Names of all current full time employees

  ☐ List of all employees claiming Section 3 status

  ☐ Evidence of Section 3 qualification with the income limits listed below (W-2 forms, most recent federal income tax return).

Family Size	1	2	3	4	5	6	7	8
Low Income Limits								

Fill in these limits by checking the HUD website for income limits in your county:
http://www.huduser.org/portal/datasets/il/il2011/select_geography.odn?data=2011

_____ _____
Printed Name and Title Signature

_____ _____
Date Telephone Number

Metropolitan Council
HUD Sustainable Communities Regional Planning Grant Program

Section 3 Resident Certification

Resident Name _____

Resident Address _____

_____

IN ORDER TO QUALIFY AS A SECTION 3 RESIDENT, ONE OF THE FOLLOWING MUST BE TRUE: (please check one)

☐ I am a current resident of a Metro HRA public housing unit and my household income falls at or below the income limits

☐ I am a current resident of the 7 county metro area and my household income falls at or below the income limits.

- My family size is _____ persons. My annual family income is $_____.
- Must provide one of the following as evidence:

  ☐ Proof of receipt of public assistance

  ☐ Copy of W-2 Form or most recent income tax return

☐ I am not a Section 3 Resident based on the information provided.

To be considered low income your annual family income must be equal to or less than that listed below:

Family Size	1	2	3	4	5	6	7	8
Low Income Limits								

Fill in these limits by checking the HUD website for income limits in your county:
http://www.huduser.org/portal/datasets/il/il2011/select_geography.odn?data=2011

I, _____(print name) certify that I am a Section 3 Resident and meet at least one of the criteria for being a Section 3 Resident listed above.

_____ _____
Printed Name Signature

_____ _____
Date Telephone Number

Feel free to use this memo template to provide to your contractors and consultants in order to request that they complete the Section 3 Resident and/or Business Certification forms.

DATE: June 8, 2012

TO: <Contractors/Consultants/New Employees hired> for the HUD Sustainable Communities Regional Planning Grant Program

FROM: <>

SUBJECT: Section 3 Reporting Requirements

You were hired as a <contractor/consultant/new employee> on one or more projects for work under the HUD Sustainable Communities Regional Planning Grant Program (SCRPG) awarded to the Metropolitan Council. Because the SCRPG is funded with federal dollars, Section 3 reporting requirements apply to your project. The requirements are summarized in the attached Section 3 Plan.

I need to submit a report to the Metropolitan Council on all Section 3 activity for SCRPG contracts. I need your help to complete the report. Please review the attached materials and complete the certification as applicable.

If you may qualify as a Section 3 Business, please fill out the Section 3 Business Certification Form. Please return certification and back up documentation to my attention within 30 days (sooner if possible).

Thank you for your work. If you have questions, I can be reached via e-mail at <> or via telephone at (###) ###-####.

maintained in accordance with the regulations governing the specific HUD program under which section 3 covered assistance is provided or otherwise made available to the recipient or contractor.

APPENDIX TO PART 135

I. Examples of Efforts To Offer Training and Employment Opportunities to Section 3 Residents

(1) Entering into "first source" hiring agreements with organizations representing Section 3 residents.

(2) Sponsoring a HUD-certified "Step-Up" employment and training program for section 3 residents.

(3) Establishing training programs, which are consistent with the requirements of the Department of Labor, for public and Indian housing residents and other section 3 residents in the building trades.

(4) Advertising the training and employment positions by distributing flyers (which identify the positions to be filled, the qualifications required, and where to obtain additional information about the application process) to every occupied dwelling unit in the housing development or developments where category 1 or category 2 persons (as these terms are defined in §135.34) reside.

(5) Advertising the training and employment positions by posting flyers (which identify the positions to be filled, the qualifications required, and where to obtain additional information about the application process) in the common areas or other prominent areas of the housing development or developments. For HAs, post such advertising in the housing development or developments where category 1 or category 2 persons reside; for all other recipients, post such advertising in the housing development or developments and transitional housing in the neighborhood or service area of the section 3 covered project.

(6) Contacting resident councils, resident management corporations, or other resident organizations, where they exist, in the housing development or developments where category 1 or category 2 persons reside, and community organizations in HUD-assisted neighborhoods, to request the assistance of these organizations in notifying residents of the training and employment positions to be filled.

(7) Sponsoring (scheduling, advertising, financing or providing in-kind services) a job informational meeting to be conducted by an HA or contractor representative or representatives at a location in the housing development or developments where category 1 or category 2 persons reside or in the neighborhood or service area of the section 3 covered project.

(8) Arranging assistance in conducting job interviews and completing job applications for residents of the housing development or developments where category 1 or category 2 persons reside and in the neighborhood or service area in which a section 3 project is located.

(9) Arranging for a location in the housing development or developments where category 1 persons reside, or the neighborhood or service area of the project, where job applications may be delivered to and collected by a recipient or contractor representative or representatives.

(10) Conducting job interviews at the housing development or developments where category 1 or category 2 persons reside, or at a location within the neighborhood or service area of the section 3 covered project.

(11) Contacting agencies administering HUD Youthbuild programs, and requesting their assistance in recruiting HUD Youthbuild program participants for the HA's or contractor's training and employment positions.

(12) Consulting with State and local agencies administering training programs funded through JTPA or JOBS, probation and parole agencies, unemployment compensation programs, community organizations and other officials or organizations to assist with recruiting Section 3 residents for the HA's or contractor's training and employment positions.

(13) Advertising the jobs to be filled through the local media, such as community television networks, newspapers of general circulation, and radio advertising.

(14) Employing a job coordinator, or contracting with a business concern that is licensed in the field of job placement (preferably one of the section 3 business concerns identified in part 135), that will undertake, on behalf of the HA, other recipient or contractor, the efforts to match eligible and qualified section 3 residents with the training and employment positions that the HA or contractor intends to fill.

(15) For an HA, employing section 3 residents directly on either a permanent or a temporary basis to perform work generated by section 3 assistance. (This type of employment is referred to as "force account labor" in HUD's Indian housing regulations. See 24 CFR 905.102, and §905.201(a)(6).)

(16) Where there are more qualified section 3 residents than there are positions to be filled, maintaining a file of eligible qualified section 3 residents for future employment positions.

(17) Undertaking job counseling, education and related programs in association with local educational institutions.

(18) Undertaking such continued job training efforts as may be necessary to ensure the continued employment of section 3 residents

previously hired for employment opportunities.

(19) After selection of bidders but prior to execution of contracts, incorporating into the contract a negotiated provision for a specific number of public housing or other section 3 residents to be trained or employed on the section 3 covered assistance.

(20) Coordinating plans and implementation of economic development (e.g., job training and preparation, business development assistance for residents) with the planning for housing and community development.

II. Examples of Efforts To Award Contracts to Section 3 Business Concerns

(1) Utilizing procurement procedures for section 3 business concerns similar to those provided in 24 CFR part 905 for business concerns owned by Native Americans (see section III of this Appendix).

(2) In determining the responsibility of potential contractors, consider their record of section 3 compliance as evidenced by past actions and their current plans for the pending contract.

(3) Contacting business assistance agencies, minority contractors associations and community organizations to inform them of contracting opportunities and requesting their assistance in identifying section 3 businesses which may solicit bids or proposals for contracts for work in connection with section 3 covered assistance.

(4) Advertising contracting opportunities by posting notices, which provide general information about the work to be contracted and where to obtain additional information, in the common areas or other prominent areas of the housing development or developments owned and managed by the HA.

(5) For HAs, contacting resident councils, resident management corporations, or other resident organizations, where they exist, and requesting their assistance in identifying category 1 and category 2 business concerns.

(6) Providing written notice to all known section 3 business concerns of the contracting opportunities. This notice should be in sufficient time to allow the section 3 business concerns to respond to the bid invitations or request for proposals.

(7) Following up with section 3 business concerns that have expressed interest in the contracting opportunities by contacting them to provide additional information on the contracting opportunities.

(8) Coordinating pre-bid meetings at which section 3 business concerns could be informed of upcoming contracting and subcontracting opportunities.

(9) Carrying out workshops on contracting procedures and specific contract opportunities in a timely manner so that section 3 business concerns can take advantage of upcoming contracting opportunities, with such information being made available in languages other than English where appropriate.

(10) Advising section 3 business concerns as to where they may seek assistance to overcome limitations such as inability to obtain bonding, lines of credit, financing, or insurance.

(11) Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways to facilitate the participation of section 3 business concerns.

(12) Where appropriate, breaking out contract work items into economically feasible units to facilitate participation by section 3 business concerns.

(13) Contacting agencies administering HUD Youthbuild programs, and notifying these agencies of the contracting opportunities.

(14) Advertising the contracting opportunities through trade association papers and newsletters, and through the local media, such as community television networks, newspapers of general circulation, and radio advertising.

(15) Developing a list of eligible section 3 business concerns.

(16) For HAs, participating in the "Contracting with Resident-Owned Businesses" program provided under 24 CFR part 963.

(17) Establishing or sponsoring programs designed to assist residents of public or Indian housing in the creation and development of resident-owned businesses.

(18) Establishing numerical goals (number of awards and dollar amount of contracts) for award of contracts to section 3 business concerns.

(19) Supporting businesses which provide economic opportunities to low income persons by linking them to the support services available through the Small Business Administration (SBA), the Department of Commerce and comparable agencies at the State and local levels.

(20) Encouraging financial institutions, in carrying out their responsibilities under the Community Reinvestment Act, to provide no or low interest loans for providing working capital and other financial business needs.

(21) Actively supporting joint ventures with section 3 business concerns.

(22) Actively supporting the development or maintenance of business incubators which assist Section 3 business concerns.

III. Examples of Procurement Procedures That Provide for Preference for Section 3 Business Concerns

This Section III provides specific procedures that may be followed by recipients and contractors (collectively, referred to as the "contracting party") for implementing the section 3 contracting preference for each of