

K21-1032

COOPERATIVE ENDEAVOR AGREEMENT
BY AND BETWEEN
THE CITY OF NEW ORLEANS
AND
THE NEW ORLEANS REDEVELOPMENT AUTHORITY
FOR REDUCING BLIGHT USING ENTITLEMENT FUNDING

THIS SUBRECIPIENT AGREEMENT (the “Agreement”) is made and entered into by and between the City of New Orleans, represented by LaToya Cantrell, Mayor (the “City”), and the New Orleans Redevelopment Authority, herein represented by Brenda M. Breaux, Executive Director (“NORA” or “Sub-Recipient”), hereunto duly authorized as evidenced by the NORA Board Resolution attached hereto as Exhibit A. The City and the Sub-Recipient are sometimes each referred to as a “Party,” and collectively, as the “Parties.” This Agreement shall be effective as of the 1st of January, 2021 (the “Effective Date”).

RECITALS

WHEREAS, the City is a political subdivision of the State of Louisiana;

WHEREAS, pursuant to the authority contained in Article 7, Section 14(C) of the Louisiana Constitution of 1974, and statutory authority supplemental thereto, the State of Louisiana and its political subdivisions, including the City, may enter into cooperative endeavors with each other, or with any public or private corporation or individual; and further, pursuant to Section 9-314 of the Home Rule Charter of the City of New Orleans, the City may enter into cooperative endeavors with any public or private association, corporation or individual for activities in support of economic growth and other public purposes;

WHEREAS, NORA is a public body corporate and political, created pursuant to LA R.S. 33:4720.55, and the resolution of the Council of the City evidenced by a certificate signed by the Mayor and Council and registered with the Secretary of State of Louisiana;

WHEREAS, NORA exists and operates as generally provided for in LA R.S. 33:4720, et. seq. for public purposes which include the prevention and elimination of blighted areas, the development of vibrant neighborhoods and establishment of economically and socially sound communities through a broad-range of redevelopment activities;

WHEREAS, NORA has certain powers necessary or suitable to carry out the purposes and provisions of LA R.S. 33:4720, et. seq., including without limitation redevelopment, renewal, rehabilitation, housing development, conservation, urban

Page 1 of 93

beautification or comprehensive programs for the development of entire city areas or neighborhoods;

WHEREAS, the City continues to undergo massive recovery in the aftermath of Hurricanes Katrina and Rita, which devastated city infrastructure, economy, and housing stock and resulted in slums and blighted conditions that threaten the health, safety and welfare of New Orleans' residents;

WHEREAS, the City has received approval from the U.S. Department of Housing and Urban Development (CFDA#14.218) for the use of Community Development Block Grant ("CDBG") funds as provided under Title 1 of the Housing and Community Development Act of 1974, as amended, (the "ACT"), to develop viable urban communities including decent housing and suitable living environments and expanding economic opportunities, principally for persons of low and moderate income;

WHEREAS, in 2004, funding was provided to NORA to cover administrative costs associated with providing private citizens the opportunity to request that NORA use its expropriation authority on their behalf. Under that model, NORA had approximately \$450,000 in outside resources for strategic acquisitions where necessary; however, funding for acquisitions came predominantly from private citizens;

WHEREAS, Constitutional Amendments passed in 2006 made it legally uncertain whether acquisitions conducted on behalf of private citizens would be permissible forcing NORA to shift exclusively to strategic acquisitions and focusing on acquiring blighted properties in the City's housing opportunity zones in 2008 and 2009;

WHEREAS, as a result of the Constitutional Amendments, litigation commenced which depleted funds previously earmarked for the strategic acquisition program;

WHEREAS, since that time, a subsequent Constitutional Amendment was passed which no longer poses a challenge to NORA's ability to conduct strategic acquisitions; thereby allowing NORA to move forward with many of the alternative acquisition activities detailed herein;

WHEREAS, the activities specified hereunder are eligible Community Development activities as indicated in federal regulations pursuant to 24 CFR 570.201(a)(b) which provides for real estate acquisition and disposition, and 570.202(b)(1), which provides for rehabilitation and resale of real properties for residential and commercial use;

WHEREAS, the City desires to meet the HUD National Objective to aid in the prevention or elimination of slums and blight according to federal regulations 24 CFR 570.208(b)(1), through the funding of this project;

WHEREAS, NORA has the expertise and lawful authority to provide such activities pursuant to Chapter 13-D of Title 33 of La. R.S., but not being limited to the provisions of Act 755, of La. R.S. 13:2576, La. R.S. 33:2864.1, 33:4753 and La. R.S.47:2258;

WHEREAS, the City desires to enter into this Agreement with NORA for the public purpose of eradicating blighted housing conditions within the City and to undertake activities that will redevelop neighborhoods;

WHEREAS, the City desires to provide NORA with up to \$1,000,000.00 in Entitlement funding for the purpose of carrying out the activities described herein;

WHEREAS, the activities described herein meet the HUD National Objective to aid in the prevention or elimination of slums and blight according to federal regulations 24 CFR 570.208(b)(1), through the funding of this project;

NOW, THEREFORE, the City and NORA, for the considerations and under the conditions set forth herein do hereby agree as follows:

ARTICLE I – NORA’S OBLIGATIONS

A. Scope of Work for Entitlement: NORA will implement the following strategies with respect to Residential Blighted and Abandoned property disposition funded by Entitlement and Program Income funds.

1. Real estate management, acquisition and disposition of blighted properties:

- a) NORA will coordinate with the City to ensure that any and all dispositions or acquisitions are in accordance with the City’s goals and objectives with respect to development; and
- b) NORA will dispose of properties that come into its inventory utilizing disposition tools in accordance with its Residential Disposition Policies & Procedures, a copy of which is attached hereto as Exhibit “B”, to carry out this task.

2. Interim nuisance abatement:

- a) NORA will perform interim nuisance abatement services for properties in its inventory;
- b) These services include, but are not limited to, cutting grass, lot clearing and removing debris; and

- c) NORA will provide the City with a list of all properties within its inventory and for which it performs interim nuisance abatement services.

3. Alternative land use, active green space program and other disposition initiatives:

- a) NORA will make blighted properties in targeted areas available for transformation into “active outdoor space” or other City initiatives, which include but are not necessarily limited to rehabilitation and resale of real properties for residential and commercial use.

4. Redevelopment planning, technical assistance and grant application preparation:

- a) NORA will lead and/or support the City’s redevelopment and neighborhood revitalization planning; and
- b) Conduct planning, capacity building, and general administrative activities on behalf of the City with respect to the preparation of applications for federal funds. Said activities are authorized by 24 CFR 570.206(F) and 24 CFR 570.201(P).

5. Performance requirements and standards:

- a) NORA will provide to the City a comprehensive inventory of all properties disposed of during this Agreement’s term.
- b) NORA will perform services as described in the NORA Performance Measures and Projected Outcomes, a copy of which is attached hereto as Exhibit “C”,

B. Other Obligations.

- 1. **Key Personnel.** The Sub-Recipient identifies the following key personnel to provide the services:

a. Project Administration and Operations:

- i. Brenda Breaux, Executive Director.

- b. **Change to Key Personnel:** The Sub-Recipient shall notify the City in writing of any change of the above listed “Key Personnel.” The City retains the right to reject any such substitution within 30 days of receipt of written notice of substitution.

- 2. **Compliance with CDBG Regulations and HUD Notices.** The Sub-Recipient, as well as any of its sub-Sub-Recipients, shall:

a. **In general.** Comply with the federal regulations published in Volume 24, Part 570, of the Code of Federal Regulations (Community Development Block Grant) (24 CFR 570), as well as all federal regulations and requirements incorporated therein by reference, whether specifically discussed herein or not.

b. **Uniform Administrative Requirements.** Comply with the applicable Uniform Administrative Requirements as described in 2 CFR 200.

c. **Procurement.** Comply with the procurement standards in 2 CFR §200.318 - §200.326 when procuring property and services under this Agreement.

d. **Notices.** Comply with all applicable Notices and directives promulgated by the U.S. Department of Housing and Urban Development.

ARTICLE II – THE CITY’S OBLIGATIONS

A. City Obligations. The City will:

1. Administer this Agreement through the Office of Community Development;
2. Provide access to Department personnel to discuss the required services during normal working hours, as requested by the Subrecipient.
3. Provide programmatic and fiscal administration oversight and technical assistance to administer funds, as needed.
4. Provide reimbursement of up to \$1,000,000.00 in funds for eligible costs as detailed in Budget and Cost Control Statement for Project Delivery Costs, attached herein as Exhibit D1, and Budget and Cost Control Statement for Project Administration Costs, attached herein as Exhibit D2, which is contingent upon funding approval and release by HUD.

ARTICLE III –COMPENSATION

A. Rate of Compensation. The City will compensate NORA as follows:

1. The City will provide NORA up to a maximum of \$1,000,000.00 (which will be in the form of reimbursements to NORA on a monthly basis and in accordance with costs incurred and submitted by NORA) for the performance of the services as identified in Article I(A), in accordance with the Approved Budget by the City.

2. NORA may budget a maximum of \$24,058.00 of the \$1,000,000.00 for Administrative costs associated with the performance of services;
3. NORA must expend all Program Income on-hand, receipted from the sale of Target Zone properties or otherwise derived from Entitlement CDBG funds, before any funds are requested from the Entitlement fund. The City will provide NORA with approval to utilize this program income on a monthly basis and in accordance with costs incurred and submitted by NORA for the performance of services as identified in Article I(A). No additional funds may be requested from the City to cover reimbursable cost for this program until the total Program Income amount has been disbursed.
4. NORA further understands and acknowledges that the contract sum will be paid to NORA on a cost reimbursable basis computed on actual or accrued expenditures. It is further expressly understood and agreed that in no event will NORA exceed any approved budget line item prior to receiving, in writing, a budget revision from the City authorizing the excess.
5. NORA understands and agrees that all expenditures will be made in accordance with Office of Management 2 CFR 200, Compliance Supplement (the Supplement). This edition of the Supplement contains new and critical information for testing expenditures subject to OMB's Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 CFR 200 (Uniform Guidance).
6. NORA understands and agrees that all expenditures will also be made in accordance with all other procedures related to the expenditures of the amount of compensation provided by this Agreement as may be imposed on NORA by the City, State, or Federal government, including Accounting and Financial Management Procedures.
7. NORA further understands and agrees that it will only be entitled to the compensation upon satisfactory performance of the work of the Agreement as shall be determined by the City. Furthermore, NORA understands and agrees that claims such as, but not limited to, those which may result from NORA's failure to pay debts incurred by NORA are the exclusive responsibilities of NORA and not the City.
8. NORA further understands that the amount of compensation specified in this Agreement, is subject in whole or in part to the release of CDBG funds to the City and/or appropriation of funds by the City Council.
9. NORA understands and acknowledges that the funds provided shall be used exclusively for the purposes described herein and in keeping with Budget and Cost Control Statement for Project Delivery Costs (Exhibit D1), Budget and Cost

Control Statement for Project Administration Costs (Exhibit D2), and the City approved budget and shall not be used to cover any other expenses of NORA. NORA shall be responsible for collecting and maintaining any and all source documents evidencing eligible and authorized expenditures as provided for in the budget for administrative costs. NORA will not be compensated for any ineligible or unsupported costs.

10. Additionally, it is agreed to by NORA that the expressed maximum sum of compensation is subject to be modified by the City when deemed necessary by the City based on results of budgetary analysis. The City agrees to promptly notify NORA if and/or when such a need arises.
11. Furthermore, it is expressly understood and agreed that the City may reserve, utilize, and/or expend the amount of compensation toward the "supplemental" portion of any existing or to be acquired funds, and may also withhold reimbursement for questionable or deemed ineligible costs for settlement, incurred by NORA in the operation or performance of any previous contracts involving the CDBG Program under said contract(s) provisions and/or rules and regulations applicable to the CDBG Program. NORA shall comply with the CDBG Program Compliance Provisions as set forth in Exhibit E - HUD Compliance Provisions for Direct Grantee Construction and Professional Services Contracts and Exhibit F - Compliance Unit Requirements of this Agreement.

B. Detailed Invoices and Reporting. As a prerequisite to payment, NORA further agrees to provide the Office of Community Development at 1340 Poydras Street Suite 1000, one original and one copy of the Budget and Cost Control Statement and Program Income Utilization Report along with all invoices and supporting documentation. In addition to providing a monthly report to the Office of Community Development for Entitlement, NORA will maintain a spreadsheet or database, keep the spreadsheet or database up to date, and make the spreadsheet or database available at the request of the City. The reporting format for Entitlement is provided in Exhibit G- NORA Entitlement Monthly Reporting Form and Exhibit H- NORA Entitlement Monthly Reporting Form Supplemental which is attached hereto and made part hereof. Finally, NORA shall keep files for each property that utilizes CDBG funding.

C. Maximum Compensation; Subject to Appropriation. The City's obligation to compensate NORA hereunder will not at any time exceed the maximum compensation of \$1,000,000.00.

D. No Payments in Excess of Maximum Compensation. Officers and employees of the City are not authorized to offer or promise to NORA additional funding for the contract in excess of the maximum amount of funding set forth above. Additional funding for services provided under this Agreement, unless this Agreement has been amended in accordance with the terms of this Agreement to authorize such increase and the Department of Finance has certified the availability of such additional funding.

E. **Use of Program Income.** NORA will utilize Program Income in accordance with Article III, Section 1 in keeping with 2 CFR 200.80 and 24 CFR 570.503. All Program Income must be reported to the City on a monthly basis. The reporting format for reporting Program Income is provided in Exhibit I Program Income Report.

F. **Payment.** Unless otherwise agreed by the City, payment terms are NET 30 days upon providing that goods and/or services described under this Agreement have been delivered, installed (if required), rendered, and/or accepted and upon receipt by the City of properly submitted invoice via the City's supplier portal.

ARTICLE IV - DURATION AND TERMINATION

A. **Term.** The term of this Agreement shall be for one year, from the Effective Date until December 31, 2021.

B. **Termination for Convenience.** The City may terminate this Agreement at any time during the term of the Agreement by giving NORA written notice of the termination at least 30 calendar days before the intended date of termination.

C. **Termination for Cause.** The City may terminate this Agreement immediately for cause by sending written notice to the Contractor. "Cause" includes without limitation any failure to perform any obligation or abide by any condition of this Agreement or the failure of any representation or warranty in this Agreement, including without limitation any failure to comply with the requirements of the City's Disadvantaged Business Enterprise program and any failure to comply with any provision of City Code § 2-1120 or requests of the Office of Inspector General. If a termination for cause is subsequently challenged in a court of law and the challenging party prevails, the termination will be deemed to be a termination for convenience effective 30 days from the date of the original written notice of termination for cause was sent to the challenging party; no further notice will be required.

D. **Termination for Non-Appropriation.** This Agreement will terminate immediately in the event of non-appropriation of funds sufficient to maintain this Agreement without the requirement of notice and the City will not be liable for any amounts beyond the funds appropriated and encumbered for this Agreement.

E. **Survival of Certain Provisions.** All representations and warranties and all responsibilities regarding record retention, access and ownership, cooperation with OIG investigations, indemnification and payment for services rendered shall survive the termination of this Agreement and continue in full force and effect.

F. **Reversion of Assets.**

1. The Subrecipient agrees that the funding provided hereunder must be committed

to specific projects and expended within the time periods established by the CDBG regulations or said funding may be withdrawn by the City.

2. Upon the expiration of the Agreement, the Subrecipient shall transfer to the City any CDBG funds on hand at the time of expiration and any accounts receivable attributable to the use of CDBG funds.

3. Any real property under the Subrecipient's control that was acquired or improved in whole or in part with CDBG funds (including CDBG funds provided to the Subrecipient in the form of a loan) in excess of \$25,000 is either:

- a. Used to meet one of the national objectives in § 570.208 (formerly § 570.901) until five years after expiration of the agreement, or for such longer period of time as determined to be appropriate by the City; or
- b. Not used in accordance with (a) of this section, in which event the Subrecipient shall pay to the City an amount equal to the current market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for the acquisition of, or improvement to, the property. The payment is program income to the City. (No payment is required after the period of time specified in (a) of this section.)

G. Remedies for Non-Compliance. If the Sub-Recipient fails to comply with federal statutes, regulations or the terms and conditions of a Federal award, the HUD or the City may impose additional conditions, as described in § 200.207 Specific conditions. If HUD or the City determines that noncompliance cannot be remedied by imposing additional conditions, then either may take one or more of the following actions, as appropriate in the circumstances:

1. Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action by the Federal awarding agency or pass-through entity.
2. Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.
3. Wholly or partly suspend or terminate the Federal award.
4. Initiate suspension or debarment proceedings as authorized under 2 CFR part 180 and Federal awarding agency regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by a Federal awarding agency).
5. Withhold further Federal awards for the project or program.
6. Take other remedies that may be legally available.

ARTICLE V - INDEMNITY

A. In General. To the fullest extent permitted by law, the Sub-Recipient will indemnify, defend, and hold harmless the City, its agents, employees, officials, insurers, self-insurance funds, and assigns (collectively, the “**Indemnified Parties**”) from and against any and all claims, demands, suits, and judgments of sums of money accruing against the Indemnified Parties: for loss of life or injury or damage to persons or property arising from or relating to any act or omission or the operation of the Sub-Recipient, its agents or employees while engaged in or in connection with the discharge or performance of any Services under this Agreement; and for any and all claims and/or liens for labor, services, or materials furnished to the Sub-Recipient in connection with the performance of work under this Agreement.

B. Limitation. The Sub-Recipient's indemnity does not extend to any loss arising from the gross negligence or willful misconduct of any of the Indemnified Parties, provided that neither the Sub-Recipient nor any of its agents or employees contributed to such gross negligence or willful misconduct.

C. Independent Duty. The Sub-Recipient has an immediate and independent obligation to, at the City's option: (a) defend the City from or (b) reimburse the City for its costs incurred in the defense of any claim that actually or potentially falls within this indemnity, even if: (1) the allegations are or may be groundless, false, or fraudulent; or (2) the Sub-Recipient is ultimately absolved from liability.

D. Expenses. Notwithstanding any provision to the contrary, the Sub-Recipient shall bear the expenses including, but not limited to, the City's reasonable attorney fees and expenses, incurred by the City in enforcing this indemnity.

ARTICLE VI – INSURANCE

A. In general. Except as otherwise noted, at all times during this Agreement or the performance of work required by this Agreement, the Sub-recipient will maintain the following insurance in full force and effect for the duration of the work under this Agreement. Evidence of coverage shall be provided prior to the start of any activities/work, in conjunction with the Sub-recipient's scope of work under the Agreement. If the Sub-recipient maintains broader coverage and/or higher limits than the minimums shown above, the City requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Sub-recipient. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City:

B. Minimum Requirements.

1. Workers' Compensation & Employers Liability Insurance in compliance with the Louisiana Workers' Compensation Act(s). Statutory and Employers Liability Insurance with limits of not less than \$1,000,000.

2. **Commercial General Liability Insurance** including contractual liability insurance, products and completed operations, personal & advertising injury, bodily injury, property damage, and any other type of liability for which this Agreement applies with limits of liability of not less than \$1,000,000 each occurrence / \$2,000,000 policy aggregate.

3. **Automobile Liability Insurance** with a combined single limit of liability of not less than \$1,000,000 per accident for bodily injury and property damage. Insurance shall include all owned, non-owned and hired vehicles.

4. **Crime Insurance (Fidelity Bond)** to include but not limited to employee dishonesty, computer crime, misappropriation of funds, forgery or alteration with limits of not less than \$1,000,000.

5. **Professional (Errors & Omission) Liability Insurance** appropriate to the Sub-recipients profession with limits of liability of not less than \$1,000,000 per occurrence or claim / \$2,000,000 policy aggregate. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by Sub-recipient in this agreement. Policy shall be kept in force and uninterrupted for a period of three (3) years beyond policy expiration. If coverage is discontinued for any reason during this three (3) year term, Sub-recipient must procure and evidence full extended reporting period (ERP) coverage.

6. **Umbrella/Excess Liability** – Umbrella/Excess policies must Follow Form of the underlying policies. Subrecipient shall be able to meet the above referenced specific policy limits of liability through a combination of primary and umbrella /excess coverage.

C. Miscellaneous.

1. **Liability.** The obligations for the Sub-recipient to procure and maintain insurance shall not be constructed to waive or restrict other obligations. It is understood that neither failure to comply nor full compliance with the foregoing insurance requirements shall limit or relieve the Sub-recipient from any liability incurred as a result of their activities/operations in conjunction with the Sub-recipients obligations and/or Scope of Work. Sub-recipient shall be responsible for any losses, expenses, damages, claims and/or suits of any kind which exceed the Sub-recipients limits of liability that arise from the performance of work under the Contract.

2. **Additional Insured Status.** The Sub-recipient and all SubSub-recipients (where applicable) will provide, and maintain current, a Certificate of Insurance naming the City of New Orleans, its departments, political subdivisions, officers, officials, employees, and volunteers as “Additional Insureds” on the CGL and AL policies with respect to liability arising out of the performance of this agreement. Additional Insured status can be provided in the form of an endorsement to the Sub-recipients insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 20 37 forms if later revisions used). Sub-recipient shall require and verify that all SubSub-recipients maintain insurance and coverage limits meeting all

Page 11 of 93

the requirements stated herein or the Sub-Sub-recipient liability shall be covered by the Sub-recipient. The Certificate of Insurance, as evidence of all required coverage, should name the City of New Orleans Risk Manager as Certificate Holder and be delivered via U.S. Mail to 1300 Perdido Street, 9E06 – City Hall, New Orleans LA 70112. The Additional Insured box shall be marked “Y” for Commercial General Liability and Auto Liability coverage. The Subrogation Waiver Box must be marked “Y” for Workers Compensation/Employers Liability and Property.

3. Primary Coverage. For any claims related to this agreement, the Sub-recipients insurance coverage shall be primary insurance as respects the City, its departments, political subdivisions, officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City shall be non-contributing to the Sub-recipients coverage.

4. Claims Made Policies. If applicable, the retroactive date must be shown and must be before the date of the agreement or the beginning of work. If the coverage is canceled or non-renewed, and not replaced with another claims-made policy, Sub-recipient must purchase “extended reporting” coverage for minimum of 3 years after the termination of this agreement.

5. Waiver of Subrogation. The Sub-recipient and its insurers agree to waive any right of subrogation which any insurer may acquire against the City by virtue of the payment of any loss under insurance required by this agreement.

6. Notice of Cancellation. Each insurance policy required above shall not be canceled, expire or altered except without prior notice to the City of no less than 30 days.

7. Acceptability of Insurers. Insurance is to be placed with insurers licensed and authorized to do business in the State of Louisiana with a current A.M. Best’s rating of no less than A: VII, unless otherwise acceptable to the City.

8. Notice. The Sub-recipient will provide the City’s Risk Manager (at City of New Orleans Attn: Risk Manager, 1300 Perdido Street, Suite 9E06, New Orleans, LA 70112- Ref.: CEA) the following documents, within 10 calendar days of the City’s request: Copies of all policies of insurance, including all policies, forms, and endorsements. Substitute insurance coverage acceptable to the City within 30 calendar days if any insurance company providing any insurance with respect to this Agreement is declared bankrupt, becomes insolvent, loses the right to do business in Louisiana, or ceases to meet the requirements of this Agreement.

9. Special Risks or Circumstances. The City of New Orleans shall reserve the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer coverage, or other circumstances.

ARTICLE VII - PERFORMANCE MEASURES

A. Factors. The City will measure the performance of NORA according to the following non-exhaustive factors: work performed in compliance with the terms of the Agreement; staff availability; staff training; staff professionalism; staff experience; customer service; communication and accessibility; prompt and effective correction of

Page 12 of 93

situations and conditions; timeliness and completeness of submission of requested documentation (such as records, receipts, invoices, insurance certificates, and computer-generated reports).

B. Failure to Perform. If NORA fails to perform according to the Agreement, the City will notify NORA. If there is a continued lack of performance after notification, the City may declare NORA in default and may pursue any appropriate remedies available under the Agreement and/or any applicable law. In the event of a notification of default, the City will invoice the defaulting Sub-Recipient for any increase in costs and other damages sustained by the City. Further, the City will seek full recovery from the defaulting Sub-Recipient.

ARTICLE VIII - RETENTION, ACCESS, AND OWNERSHIP OF RECORDS

A. Retention. Sub-Recipient agrees to keep all such business records related to, or arising out of, this Agreement as would be kept by a reasonably prudent practitioner of Sub-Recipient's profession for a period of five (5) years after the closeout of the CDBG funding by HUD. All accounting records shall be maintained in accordance with generally accepted principles and practices.

B. Right to Audit; Access. At any time during normal business hours, upon receipt of reasonable notice and as often as City may deem necessary, Sub-Recipient shall make all data, records, reports and all other materials relating to this Agreement available to authorized representatives of the City, State or Federal government for examination and copying. In addition, Sub-Recipient shall permit City to audit, and shall cooperate fully in any such audit of, all invoices, materials, payrolls, work papers, personnel records and other data necessary to enable City to verify the accuracy of Sub-Recipient's invoices for payment for the performance of the Services.

C. Ownership. All data collected and all products of work prepared, created or modified by Sub-Recipient in the performance of its obligations under this Agreement, including, without limitation, any and all notes, tables, graphs, reports, files, computer programs, source code, documents, records, disks, original drawings or other such material, regardless of form and whether finished or unfinished, (collectively, "Work Product") shall become the exclusive property of City, and no reproduction of any portions of such Work Product may be made in any form without the express written consent of City. City shall have all right, title and interest in such Work Product, including, without limitation, the right to secure and maintain the copyright, trademark and/or patent of Work Product in the name of City. All such Work Product may be used and distributed for any purpose deemed appropriate by City without the consent of and for no additional consideration owing to Sub-Recipient.

ARTICLE IX - NON-DISCRIMINATION

A. Equal Employment Opportunity. In all hiring or employment made possible by, or resulting from this Agreement, NORA (1) will not discriminate against any

Page 13 of 93

employee or applicant for employment because of race, color, religion, sex, gender, age, physical or mental disability, national origin, sexual orientation, creed, culture, or ancestry, and (2) where applicable, will take affirmative action to ensure that the Sub-Recipient's employees are treated during employment without regard to their race, color, religion, sex, gender, age, physical or mental disability, national origin, sexual orientation, creed, culture, or ancestry. This requirement shall apply to, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. All solicitations or advertisements for employees shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, gender, age, physical or mental disability, national origin, sexual orientation, creed, culture, or ancestry.

B. Non-Discrimination. In the performance of this Agreement, the NORA will not discriminate on the basis, whether in fact or perception, of a person's race, color, creed, religion, national origin, ancestry, age, sex, gender, sexual orientation, gender identity, domestic partner status, marital status, physical or mental disability, or AIDS- or HIV-status against (1) any employee of the City working with the NORA in any of NORA's operations within Orleans Parish or (2) any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by the Sub-Recipient. NORA agrees to comply with and abide by all applicable federal, state and local laws relating to non-discrimination, including, without limitation, Title VI of the Civil Rights Act of 1964, Section V of the Rehabilitation Act of 1973, and the Americans with Disabilities Act of 1990.

C. Incorporation into Subcontracts. NORA will incorporate the terms and conditions of this Article into all subcontracts, by reference or otherwise, and will require all sub-Sub-Recipients to comply with those provisions.

D. Termination for Breach. The City may terminate this Agreement for cause if the NORA fails to comply with any obligation in this Article, which failure is a material breach of this Agreement.

ARTICLE X - FORCE MAJEURE

A. Event. An event of Force Majeure will include any event or occurrence not reasonably foreseeable by the City at the execution of this Agreement, which will include, but not be limited to, abnormally severe and unusual weather conditions or other acts of God (including tropical weather events, tornados, hurricanes, and flooding); declarations of emergency; shortages of labor or materials (not caused by City); riots; terrorism; acts of public enemy; war; sabotage; cyber-attacks, threats, or incidents; epidemics or pandemics; court or governmental order; or any other cause whatsoever beyond the reasonable control of City, provided such event was not caused by the negligence or misconduct of City, by the failure of City to comply with applicable laws, or by the breach of this Agreement.

B. Notice. To seek the benefit of this Article, the City must provide notice in writing to the Sub-Recipient stating: (1) an event triggering this Article has occurred; (2) the anticipated effect of the Force Majeure event on performance; and (3) the expected duration of the delay, if the Agreement is being suspended

C. Effect.

1. Upon the occurrence of a Force Majeure event, for which the City has provided required notice, the City may, at its sole discretion:
 - a. Suspend this Agreement for a duration to be set by the City, not to exceed 90 days. During such time of suspension, the Parties will not be liable or responsible for performance of their respective obligations under this Agreement, and there will be excluded from the computation of such period of time any delays directly due to the occurrence of the Force Majeure event. During any such period of suspension, the Sub-Recipient must take all commercially reasonable actions to mitigate against the effects of the Force Majeure event and to ensure the prompt resumption of performance when so instructed by the City; or
 - b. Terminate this Agreement, either immediately or after one or more periods of suspension, effective on notice to Sub-Recipient and without any further compensation due.
2. Notwithstanding Section C(1) above, the obligations relating to making payments when due (for services or materials already provided) and those obligations specified to survive in the Agreement will be unaffected by any suspension or termination.

ARTICLE XI - NOTICE

A. In General. Except for any routine communication, any notice, demand, communication, or request required or permitted under this Agreement will be given in writing and delivered in person or by certified mail, return receipt requested as follows:

1. To the City:

To the City: Marjorianna Willman
Director of Housing Policy and Community Development
City of New Orleans
1340 Poydras Street, Suite 1000
New Orleans, LA 70112

&

City Attorney
City of New Orleans
1300 Perdido Street, Suite 5E03
New Orleans, LA 70112

2. To NORA:

Brenda Breaux
Executive Director
New Orleans Redevelopment Authority
1409 OC Haley Blvd.
New Orleans, LA 70113

B. Effectiveness. Notices are effective when received, except any notice that is not received due to the intended recipient's refusal or avoidance of delivery is deemed received as of the date of the first attempted delivery.

C. Notification of Change. Each party is responsible for notifying the other in writing that references this Agreement of any changes in its address(es) set forth above.

ARTICLE XII – INCORPORATED DOCUMENTS

A. In general. The following documents are incorporated into this Agreement:

1. Exhibit A - NORA Board Resolution
2. Exhibit B - Residential Disposition Policies and Procedures
3. Exhibit C - NORA Performance Measures and Projected Outcomes
4. Exhibit D1 - Budget and Cost Control Statement for Project Delivery Costs
5. Exhibit D2 - Budget and Cost Control Statement for Project Administration Costs
6. Exhibit E - HUD Compliance Provisions for Direct Grantee Construction and Professional Services Contracts
7. Exhibit F - Compliance Unit Requirements
8. Exhibit G - NORA Entitlement Monthly Reporting Form
9. Exhibit H - NORA Entitlement Monthly Reporting Form Supplemental
10. Exhibit I - Program Income Report

B. Direct Conflict. If any Exhibit directly conflicts, in whole or in part, with this Agreement, the terms and conditions of the Exhibit will control except as provided by law or unless mutually agreed upon otherwise by the Parties.

C. Difference in Standard. If any Exhibit differs, in whole or in part, with this Agreement in terms of requirements, standards, timelines, etc., then the more stringent requirement, the higher standard, and the longer timeline, etc., shall prevail, unless the Parties mutually agree otherwise.

ARTICLE XIII - ADDITIONAL PROVISIONS

A. Amendment. No amendment of or modification to this Agreement shall be valid unless and until executed in writing by the duly authorized representatives of both

Page 16 of 93

parties to this Agreement.

B. Assignment. This Agreement and any part of NORA's interest in it are not assignable or transferable without the City's prior written consent.

C. Choice of Law. This Agreement will be construed and enforced in accordance with the laws of the State of Louisiana without regard to its conflict of laws provisions.

D. Compliance with City's Hiring Requirements – Ban the Box.

1. NORA agrees to adhere to the City's hiring requirements contained in City Code Section 2-8(d) and 2-13(a)-(f). Prior to executing this Agreement, NORA must provide a sworn statement attesting to its compliance with the City's hiring requirements or stating why deviation from the hiring requirement is necessary.

2. Failure to maintain compliance with the City's hiring requirements through the term of the Agreement, or to provide sufficient written reasons for deviation, is a material breach of this Agreement. Upon learning of any such breach, the City will provide NORA notice of noncompliance and allow the Sub-Recipient thirty (30) days to come into compliance. If, after providing notice and thirty (30) days to cure, NORA remains noncompliant, the City may move to suspend payments to NORA, void the Agreement, or take any such legal action permitted by law or this Agreement.

3. This section will not apply to any agreements excluded from the City's hiring requirements by City Code Sections 2-8(d) or (g). Should a court of competent jurisdiction find any part of this section to be unenforceable, the section should be reformed, if possible, so that it is enforceable to the maximum extent permitted by law, or if reformation is not possible, the section should be fully severable and remaining provisions of the Agreement will remain in full force and effect.

4. NORA will incorporate the terms and conditions of this Article into all subcontracts, by reference or otherwise, and will require all sub-subrecipients to comply with those provisions.

E. Conflicting Employment. To ensure that NORA's efforts do not conflict with the City's interests, and in recognition of NORA's obligations to the City, NORA will decline any offer of other employment if its performance of this Agreement is likely to be adversely affected by the acceptance of the other employment. NORA will promptly notify the City in writing of its intention to accept the other employment and will disclose all possible effects of the other employment on NORA's performance of this Agreement. The City will make the final determination whether the Sub-Recipient may accept the other employment.

F. Construction of Agreement. Neither party will be deemed to have drafted this Agreement. This Agreement has been reviewed by the Parties and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of the Parties. No term of this Agreement shall be

Page 17 of 93

construed or resolved in favor of or against the City or NORA on the basis of which party drafted the uncertain or ambiguous language. The headings and captions of this Agreement are provided for convenience only and are not intended to have effect in the construction or interpretation of this Agreement. Where appropriate, the singular includes the plural and neutral words and words of any gender shall include the neutral and other gender.

G. Cost Recovery. In accordance with Section 2-8.1 of the Municipal Code entitled "Cost recovery in contracts, cooperative endeavor agreements, and grants," to the maximum extent permitted by law, the Sub-Recipient shall reimburse the City or disgorge anything of value or economic benefit received from the City if the Sub-Recipient fails to meet its contractual obligations.

H. Entire Agreement. This Agreement, including all incorporated documents, constitutes the final and complete agreement and understanding between the parties. All prior and contemporaneous agreements and understandings, whether oral or written, are superseded by this Agreement and are without effect to vary or alter any terms or conditions of this Agreement.

I. Jurisdiction. NORA consents and yields to the jurisdiction of the State Civil Courts of the Parish of Orleans and formally waives any pleas or exceptions of jurisdiction on account of the residence of NORA.

J. Limitations of the City's Obligations. The City has no obligations not explicitly set forth in this Agreement or any incorporated documents or expressly imposed by law.

K. No Third-Party Beneficiaries. This Agreement is entered into for the exclusive benefit of the parties and the parties expressly disclaim any intent to benefit anyone not a party to this Agreement.

L. Non-Exclusivity. This Agreement is non-exclusive and the NORA may provide services to other clients, subject to the City's approval of any potential conflicts with the performance of this Agreement and the City may engage the services of others for the provision of some or all of the work to be performed under this Agreement.

M. Non-Solicitation Statement. The Sub-Recipient has not employed or retained any company or person, other than a bona fide employee working solely for it, to solicit or secure this Agreement. The Sub-Recipient has not paid or agreed to pay any person, other than a bona fide employee working for it, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from this Agreement.

N. Non-Waiver. The failure of either party to insist upon strict compliance with any provision of this Agreement, to enforce any right or to seek any remedy upon discovery of any default or breach of the other party at such time as the initial discovery of the existence of such noncompliance, right, default or breach shall not affect or constitute a waiver of either party's right to insist upon such compliance, exercise such right or seek such remedy with respect to that default or breach or any prior contemporaneous or subsequent default or breach.

O. Ownership of Records. Upon final payment, all data collected and all products of work prepared, created or modified by NORA in the performance of this Agreement, including without limitation any and all notes, tables, graphs, reports, files, computer programs, source code, documents, records, disks, original drawings or other such material, regardless of form and whether finished or unfinished, but excluding NORA's personnel and administrative records and any tools, systems, and information used by NORA to perform the services under this Agreement, including computer software (object code and source code), know-how, methodologies, equipment, and processes and any related intellectual property (collectively, "Work Product") will be the exclusive property of City and the City will have all right, title and interest in any Work Product, including without limitation the right to secure and maintain any copyright, trademark, or patent of Work Product in the City's name. No Work Product may be reproduced in any form without the City's express written consent. The City may use and distribute any Work Product for any purpose the City deems appropriate without NORA's consent and for no additional consideration to NORA.

P. Prohibition of Financial Interest in Agreement. No elected official or employee of the City shall have a financial interest, direct or indirect, in this Agreement. For purposes of this provision, a financial interest held by the spouse, child, or parent of any elected official or employee of the City shall be deemed to be a financial interest of such elected official or employee of the City. Any willful violation of this provision, with the expressed or implied knowledge of NORA, shall render this Agreement voidable by the City and shall entitle the City to recover, in addition to any other rights and remedies available to the City, all monies paid by the City to NORA pursuant to this Agreement without regard to NORA's otherwise satisfactory performance of the Agreement.

Q. Prohibition on Political Activity. None of the funds, materials, property, or services provided directly or indirectly under the terms of this Agreement shall be used in the performance of this Agreement for any partisan political activity, or to further the election or defeat of any candidate for public office.

R. Remedies Cumulative. No remedy set forth in the Agreement or otherwise conferred upon or reserved to any party shall be considered exclusive of any other remedy available to a party. Rather, each remedy shall be deemed distinct, separate and cumulative and each may be exercised from time to time as often as the occasion may arise or as may be deemed expedient.

S. Severability. Should a court of competent jurisdiction find any provision of this Agreement to be unenforceable as written, the unenforceable provision should be reformed, if possible, so that it is enforceable to the maximum extent permitted by law or, if reformation is not possible, the unenforceable provision shall be fully severable and the remaining provisions of the Agreement remain in full force and effect and shall be construed and enforced as if the unenforceable provision was never a part the Agreement.

T. Special Conditions for CDBG Contracts. The "Special Conditions for CDBG Contracts," attached as Exhibit C to this Agreement, are expressly incorporated into the Agreement.

U. Sub-Sub-Recipient Reporting. NORA will provide a list of all natural or artificial persons who are retained by NORA at the time of the Agreement's execution and who are expected to perform work as sub-Sub-Recipients in connection with NORA's work for the City. For any sub-Sub-Recipient proposed to be retained by NORA to perform work on the Agreement with the City, NORA must provide notice to the City within 30 days of retaining that sub-Sub-Recipient. If NORA fails to submit the required lists and notices, the City may, after thirty 30 days' written notice to the Sub-Recipient, take any action it deems necessary, including, without limitation, causing the suspension of any payments, until the required lists and notices are submitted.

V. Survival of Certain Provisions. All representations and warranties and all obligations concerning record retention, inspections, audits, ownership, indemnification, payment, remedies, jurisdiction, and choice of law, shall survive the expiration, suspension, or termination of this Agreement and continue in full force and effect.

W. Terms Binding. The terms and conditions of this Agreement are binding on any heirs, successors, transferees, and assigns.

ARTICLE XIV – COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original copy of this Agreement, but all of which, when taken together, shall constitute one and the same agreement.

ARTICLE XV - ELECTRONIC SIGNATURE AND DELIVERY

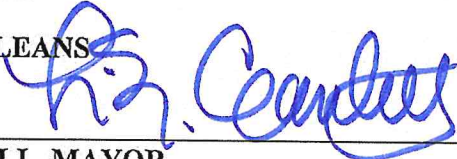
The Parties agree that a manually signed copy of this Agreement and any other document(s) attached to this Agreement delivered by email shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement. No legally binding obligation shall be created with respect to a party until such party has delivered or caused to be delivered a manually signed copy of this Agreement.

[SIGNATURES CONTAINED ON NEXT PAGE]

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the City and NORA, through their duly authorized representatives, execute this Agreement.

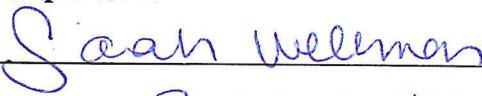
CITY OF NEW ORLEANS

BY: 
LATOYA CANTRELL, MAYOR

Executed on this 16th of September, 2021

FORM AND LEGALITY APPROVED:

Law Department

By: 

Printed Name: Sarah Wellman

NEW ORLEANS REDEVELOPMENT AUTHORITY

BY: 

BRENDA M. BREAUX, EXECUTIVE DIRECTOR

[EXHIBITS A THROUGH J ARE CONTAINED ON FOLLOWING PAGES]

EXHIBIT "A"
BOARD RESOLUTION



**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE NEW ORLEANS
REDEVELOPMENT AUTHORITY APPOINTING BRENDA M. BREAUX AS EXECUTIVE
DIRECTOR WITH AUTHORIZATION TO CONDUCT BUSINESS, NEGOTIATE AND SIGN
AGREEMENTS ON BEHALF OF THE AUTHORITY**

RES.NO: 2016-09

MEETING: August 8, 2016

BY: Commissioner: Egana

SECONDED: Commissioner: Tucker

The undersigned, being the duly elected Secretary of **NEW ORLEANS REDEVELOPMENT AUTHORITY**, a political subdivision of the State of Louisiana ("Authority"), heroby certifies that by written consent, the following resolution was duly adopted by the Board of Commissioners; A quorum being present.

WHEREAS, the former Executive Director was vested with the authority to negotiate and sign all agreements on behalf of the Authority; and

WHEREAS, the Executive Director has general administration over the affairs of the Authority and is charged with the management of the projects of the Authority; and

WHEREAS, pursuant to the powers granted under Louisiana Revised Statute §33:4720.55(F)(1), the Board desires to appoint Brenda M. BreauX as Executive Director of the Authority, effective August 15, 2016; and

WHEREAS, the Board desires to vest Executive Director, Brenda M. BreauX, with the authority to conduct business, negotiate and sign all agreements on behalf of the Authority; and

NOW THEREFORE BE IT RESOLVED that Brenda M. BreauX, is hereby appointed as Executive Director of the Authority effective August 15, 2016.

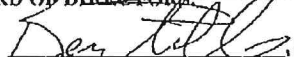
BE IT FURTHER RESOLVED that Executive Director, Brenda M. BreauX, is hereby vested with the authority to conduct business, negotiate and sign all agreements, and thereby legally bind the Authority to same, effective August 15, 2016.

BE IT FURTHER RESOLVED that the instant resolution shall supersede Resolution No. 2012-10, adopted on February 22, 2012, which shall have no further force or effect.

THE ABOVE RESOLUTION WAS READ IN FULL, ROLL WAS CALLED ON ADOPTION OF SAME, AND THE VOTE WAS AS FOLLOWS:

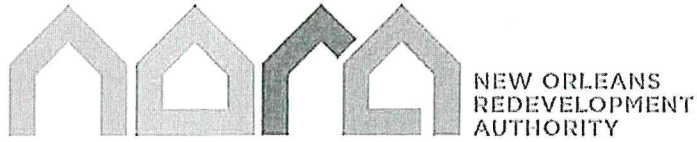
YEAS: 7 NAYS: 0 ABSENT: 3 AND THE RESOLUTION WAS ADOPTED

I CERTIFY THAT THE FOREGOING IS A TRUE AND CORRECT EXCERPT OF THE RESOLUTION APPROVED BY THE BOARD OF DIRECTORS.


Ben Tiller, Secretary

1409 ORETHA CASTLE HALEY BOULEVARD, NEW ORLEANS, LA 70113
TEL: 504.658.4400 FAX: 504.658.4551
WWW.NORAWORKS.ORG

EXHIBIT "B"



Residential Disposition Policies and Procedures

I. BACKGROUND CHALLENGES AND PURPOSE

- a. New Orleans has the highest level of blighted properties in the country (an estimated 57,000 properties at present or nearly 30% of housing stock). This blight is due both to storm damage and historic disinvestment and can be found throughout the city.
- b. Following Hurricane Katrina, the cost of construction has grown substantially, particularly due to increased labor costs, costs associated with compliance with new IRC building codes and elevation costs. As a result, in many areas of the city the Total Development Cost ("TDC") of properties exceeds the appraised values of surrounding homes. As a result, simply selling land will not be enough to generate the production of new housing. To overcome this gap will require discounting land values, providing direct subsidies and working creatively to reduce the cost of development while preserving quality outcomes.
- c. Following Hurricane Katrina and the current recession, buyer (and renter) purchasing power has diminished substantially due to massive increases in insurance costs, weakened credit scores, higher lending standards and overall contraction in availability of capital. As a result, many buyers, particularly those whose households earn less than 120% of Area Median Income ("AMI") cannot qualify for mortgages in sufficient amount to purchase homes even at appraised value (let alone TDC). To overcome this gap will require buyer subsidies such as soft second funding, innovative mortgage lending products, reductions in homeowners insurance, as well as land discounts, construction subsidies and other similar mechanisms.
- d. Construction financing for "for-sale" single family homes is extremely difficult to obtain in the current market due to extreme uncertainty of buyer demand and altered federal lending standards. To overcome this reluctance may require innovative approaches including deferring land costs, aggregating clustered properties and providing lending enhancements.
- e. New Orleans is comprised of many different markets for real estate with varying levels of blight and varying needs for financial assistance. In general there are 4 typical scenarios:
 - a. Strong markets with limited amounts of blight;
 - b. Formerly strong markets with extensive amounts of storm created blight;
 - c. Historically weak markets with limited amount of storm damage but lingering historic blight;
 - d. Historically weak markets with significant amounts of storm damage and both historic and storm related blight;
- f. NORA was designated as the disposition entity for nearly 5000 Louisiana Land Trust ("LLT") properties all of which were and remain unoccupied and which comprise almost 10% of the vacant and blighted properties within the City. These properties are currently maintained and demolished by the Louisiana Land Trust, however the LLT's funding is ending and it is vital to facilitate the transfer of these properties into commerce in a rapid yet responsible fashion.

- g. In addition to LLT properties New Orleans Redevelopment Authority (NORA) currently owns approximately an additional 300 properties it acquired through various different mechanisms. In addition, it has broad legal authority to acquire real estate in a variety of fashions, particularly when doing so can eliminate blight or provide for low or moderate income housing. See NORA's Acquisition and Relocation Policies and Procedures for additional details.
- h. The purpose of these Residential Disposition Policies and Procedures ("Policies") is to provide a uniform and consistent approach for the sale, lease or other disposition of real estate controlled or owned by NORA.
- i. These policies are also designed to provide further detail to the HUD Action Plan and Parish wide Disposition Plan (collectively, the "LLT Plans") governing the disposition of LLT properties, which provide broad policy guidance for these programs but did not provide adequate implementation clarity. Nothing contained herein conflicts with those Plans; however these Policies should be viewed as the governing document in interpreting any matters that are ambiguous under the Plans.
- j. NORA reiterates its commitment to certain principles enshrined in the Plans.
- k. NORA will strive to interpret these Policies in light of the overarching challenges outlined above and generally interpret its authority to facilitate transactions whenever possible.
- l. The Policies do not apply to the disposition of real estate governed by the existing Lot Next Door Guidelines.

II. OBJECTIVES

The objectives of the Policies are:

- a. To ensure a consistent, open process by which NORA sells or otherwise transfers real estate for redevelopment.
- b. To maximize NORA's ability to promote redevelopment opportunities relative to property owned or controlled by it.
- c. To minimize the level of public investment required to acquire and redevelop real estate in the City of New Orleans.
- d. To minimize the period of time that real estate is held by NORA before it is sold or otherwise transferred for redevelopment.
- e. To maximize the resources available for future real estate acquisition and redevelopment.
- f. To improve the quality of neighborhoods and promote safe, affordable, and well-built housing.

III. DISPOSITION PROGRAMS, STRATEGIES and APPLICABILITY

Disposition programs set forth in this Section III are applicable to all NORA disposition programs, including but not limited to the disposition of LLT properties and NORA owned properties, regardless of the method of acquisition by NORA.

A. LOT NEXT DOOR and LOT NEXT DOOR “NEAR MISS”:

The Lot Next Door (LND) program allows property owners with a homestead exemption the opportunity to purchase property that NORA manages and which is located adjacent to the property owner. The vast majority of properties that NORA manages are those acquired following Hurricane Katrina as part of the Road Home program and held by the Louisiana Land Trust (LLT). These properties are administered on behalf of the City of New Orleans and State of Louisiana by NORA and their disposition is governed by Cooperative Endeavour Agreements among these parties. The Lot Next Door program was created by city ordinance which sets forth the eligibility requirements for the program. Prices for land are determined by appraised value, with no latitude to negotiate. Lot Next Door and the related “Near Miss” program is described more fully in NORA's Lot Next Door Policies and Procedures.

B. COMPETITIVE PROCESS

I. DEVELOPER SOLICITATIONS (REQUEST FOR PROPOSALS/ APPLICATIONS)

a. Under CDBG rules, public agencies are not required to select a developer via Request for Proposal (“RFPs”). NORA has historically used the term RFP to describe its developer solicitation procedures; however the term can be confusing since NORA is selecting a developer rather than providing funds or allocating a fixed contract.

b. NORA utilizes developer solicitations to identify entities interested in redeveloping NORA owned or controlled property. NORA may solicit development proposals for a particular site or sites, overall neighborhood, or type of development. These solicitations may invite proposals from Developers, Community Development Corporations, non-profits, small entrepreneurs and individuals to acquire and redevelop property. Typically, these solicitations are designed for entities interested in purchasing property for eventual resale/secondary disposition as opposed to personal use. RFPs may include specific lists of property, geographic boundaries or categories of property.

c. The RFP will describe the type of development/developer/owner sought by NORA and other stakeholders, and may specify other parameters as well (e.g. desired time line for development, remediation requirements, density, affordable housing units, etc.)

d. RFP's will be tailored to specific neighborhoods and be based upon the circumstances of the properties to be disposed of and reflect the input of neighborhood and the extensive planning process set forth in the City of New Orleans Master Plan.

- e. The RFPs will be advertised in two locations: (i) on NORA's website; and (ii) in local newspapers.
- f. The criteria that NORA will use to evaluate any proposal(s) received will be clearly stated in the RFP. Criteria may include the following:
 - i. The proposed reuse of the property, and the consistency of that reuse with existing or proposed zoning, master plan and approved small area plans, Historic District Landmark Commission (HDLC) guidelines, if applicable, and community input of the proposal.
 - ii. If a housing project, conformity of the proposal with the City Housing Action Plan, including without limitation the achievement of the City's affordable housing and neighborhood stabilization goals.
 - iii. The consistency of the project with applicable City and NORA design guidelines.
 - iv. The type, quality, and method of construction, including the ability to meet appropriate energy efficiency and sustainability criteria.
 - v. The estimated total development cost for the proposed project, including the amount to be paid to NORA for the real estate and/or additional public investment sought for demolition, construction, remediation, infrastructure, etc. (In weak and stabilizing markets, land value is a minor component of the overall value of a redevelopment project. Therefore, while the price to be paid for land NORA controls may be a consideration, NORA recognizes that the ultimate goal is redevelopment and stabilization).
 - vi. The estimated time to commence and complete the proposed project.
 - vii. Contribution of the proposal to the tax base of the City.
 - viii. Experience and qualifications of the developer, including the developer's demonstrated ability to meet equal opportunity/Section 3 Provisions, past track record, financial resources, building systems.
 - ix. Input from a legitimate neighborhood group.
 - x. Achievement of other public purpose goals.
- g. Whether the proposal will add value to the surrounding neighborhood and reduce the extent of slum and blight conditions.
- h. All development proposals may utilize NORA's alternative financing incentives, subject to satisfaction of the required criteria, described further below. These incentives are designed to encourage building quality and scale not available without these incentives. NORA may apply these standards to projects and developers selected prior to adoption of the financing criteria so long as the development project meets the standards outlined below.
- i. If NORA does not receive adequate proposals for all property available through an RFP it may accept proposals following the close of an RFP.

- j. To the extent a developer selected under a NORA RFP fails to perform in a timely fashion or no longer meets the criteria set forth in the RFP, NORA may consider other proposals that were submitted under the prior RFP or proposals that were received after the close of that RFP. Prior to selecting any replacement developer it will score said entity again under the criteria set forth in the RFP.
- k. NORA may authorize a selected developer to assign its rights to a single purpose legal entity for the purposes of securing financing, reducing liability or securing additional investment into a project. On a case-by-case basis and for compelling reasons as determined in NORA's sole discretion, NORA may also authorize a selected developer to assign its rights and responsibilities to other developers who, among other things, have made substantial progress toward implementation of their proposed redevelopment plan, have similar capacity, a substantial identity of key participants and whose proposed redevelopment plan is substantially similar to the original proposal. Any such assignment will require NORA's explicit written approval. Upon having selected a developer through an RFP, NORA may negotiate land pricing based on the guidelines set forth herein.

NORA reserves the right to accept or reject any application submitted. Acceptance of any application will be subject to execution of a final development and purchase agreement approved by NORA.

3. PHASE II/ SINGLE-DOUBLE PROPERTY SALES

- a. "Phase II" describes a NORA program that allows individual buyers to purchase 1-2 properties so long as they agree to redevelop those properties. Phase II programs may be tailored to neighborhoods and may include appropriate goals and requirements as determined by NORA.
- b. Common Phase II/Single-Double Property Sale requirements may include the following:
 - i. Requirements to use property as their primary residence.
 - ii. Requirements to build on property within one year.
 - iii. Requirements prohibiting the purchaser from re-selling the property within three (3) years of acquisition, unless a penalty is paid to NORA in the amount of 25% of the purchase price of the Phase II property. The penalty will not be payable if the purchaser demonstrates exigent circumstances, such as foreclosure, succession, donation or transfer to immediate family member, relocation or other involuntary transfer.
 - iv. Requirements to show financial capacity to rebuild in a timely fashion.
- c. The minimum purchase price for a Phase II property will be the appraised fair market value of the property conducted by NORA's independent certified appraisers. NORA will make available to the public the appraised market value of all properties available for sale in each sale.

- d. Phase II programs are typically administered with both fixed beginning and end dates. Other NORA single property sales may be conducted on a rolling basis. NORA will generally use rolling basis proposals where properties are located in weak markets or have not been sold through a prior disposition initiative.
- e. Where there is a fixed end date and more than one person interested in the same property it will be sold to the highest qualified bidder unless the Phase II program has specified an alternative priority. Where properties are sold on a rolling basis, the property will be available for at least two weeks before proposals are evaluated. If more than one proposal is received at the commencement of the review period properties will be sold to the highest qualified bidder. Thereafter, rolling properties may be sold on a first come first serve basis. In determining the date of priority the relevant date will be that date upon which NORA executes a purchase agreement.
- f. If a landowner is eligible under the Lot Next Door Program, the purchaser maintains priority over any Phase II interested purchasers in accordance with the City's Ordinance.
- g. The foregoing rules may be adjusted in consultation with the neighborhood group NORA is working with on the Phase II.

4. AUCTIONS

- a. NORA may dispose of properties via public auctions, including live or internet-based auctions. Auctions are generally more successful in neighborhoods with stable market values. Auctions may be of single or multiple properties and can include a variety of appropriate covenants.
- b. A list of properties to be auctioned will be publicized prior to the auction.

5. POST PHASE II AND AUCTION SALES

In the event properties which were advertised for sale through a Phase II program or through an auction, in each case, with established reserve purchase prices, are not sold through one of those methods, NORA may subsequently sell such properties to any person or entity for no less than the reserve price, with the same restrictions as advertised through the prior sales program, through the following process: Unsold properties will be listed on NORA's website as available for purchase through this method after the program or auction has been completed. The properties will be available for two weeks after posting before offers are reviewed. If more than one offer is received for a price equal to at least the appraised value during the 2-week review period, properties will be sold to the highest qualified offeror. Thereafter, the properties may be sold on a first come first serve basis for a price no less than the appraised value.

6. ROLLING PROPERTY POSTINGS

- a. NORA may, at the direction of the Executive Director, post individual properties for sale through an application process. These properties will be listed on the website when available and offers may be submitted pursuant to the specific proposal. Properties will be sold at fair market value or otherwise pursuant to the Policies and Procedures. Applicable requirements for use, transfer restrictions and other requirements will be posted in the listings for property availability. Each specific listing will be administered with both fixed commencement and end dates, or NORA may elect to conduct some listings on a rolling basis, which will be indicated on the listing.
- b. Where there is a fixed end date and more than one person interested in the same property it will be sold to the highest qualified bidder unless NORA has specified an alternative priority in the listing. Where properties are sold on a rolling basis, the property will be available for at least two weeks before proposals are evaluated. If more than one proposal is received at the commencement of the review period properties will be sold to the highest qualified bidder. Thereafter, rolling properties may be sold on a first come first serve basis. In determining the date of priority the relevant date will be that date upon which NORA executes a purchase agreement.
- c. If a landowner is eligible under the Lot Next Door Program, the purchaser maintains priority over any interested purchasers hereunder in accordance with the City's Ordinance.

C. DEVELOPER INQUIRY PROCESS

i. NEIGHBORHOOD INITIATED DISPOSITIONS

NORA will consider dispositions of land to qualified developers identified and supported by the affected neighborhood whose proposed development is consistent with the City of New Orleans Master Plan and applicable zoning requirements. Interested and qualified developers must complete NORA's Developer Application, a copy of which will be posted on NORA's website (www.noraworks.org). NORA staff shall evaluate applications submitted under this Section consistent with the evaluation of Developer Applications submitted pursuant to Section C.2. below. Neighborhood support may be evidenced by (i) letters of support from neighbors who are not affiliated or otherwise related to the developer and who reside in close proximity to the proposed development, (ii) corporate resolution from the applicable neighborhood association or (iii) other evidence approved by NORA. NORA will post any Neighborhood Initiated Developments on its website for public comments at least thirty days prior to the execution of a development and purchase agreement with NORA. If applicable, the neighborhood and the developer shall memorialize their agreements with respect to the proposed development in a Memorandum of Understanding.

If the project proceeds as proposed, the development will ultimately result in closing on a contract for sale, lease or conveyance of NORA or LLT land.

The land may be sold at its market value or the purchase price may be reduced to an amount needed to fill a financing gap for the project as approved by NORA. In addition, NORA may negotiate land pricing based on the guidelines set forth herein. Staff will obtain an appraisal of the land in accordance with NORA's appraisal policies.

Upon having selected a developer through an RFP, NORA may negotiate land pricing based on the guidelines set forth herein.

D. OTHER NEEDS

I. LAND SWAPS

NORA will also consider exchanging property it owns or controls for other properties held by landowners in the City of New Orleans, including both public and private landowners. The land swap could be proposed by NORA, or by another property owner.

a. Common Contexts for Land Swaps:

- (1) Multi-family Swaps: In certain instances residents will own or reside in a multi-family complex (including doubles and townhouses) for which they are one of only a few occupied units and the remainder are blighted and privately held. In those situations the family is essentially trapped in a blighted environment and will improve their well-being and help facilitate demolition of blighted complexes to relocate them to a NORA controlled property.
- (2) Relocation Swaps: Certain areas within certain neighborhoods suffer from such extensive blight and vacancies that even families with the resources to rebuild in that neighborhood are reluctant to do so. To facilitate greater clustering NORA may swap property it controls for property held by the transferee located in an area of high vacancy and blight.
- (3) Option 1 Swaps: Many families have received assistance under "Option 1" of the Road Home program but have yet to complete repairs. There are a number of reasons for this delay, however for many they simply could not manage the construction process themselves and would prefer to swap into a completed home.
- (4) Cluster swaps: Developers will be permitted to swap scattered site property they own to NORA in exchange for property that would allow them to rebuild in a more clustered fashion. These transfers will generally be focused on assisting entities with on-going projects in a certain neighborhood and who have completed at least 10 units in that neighborhood.

- (5) Community Benefit Swaps: Under these swaps NORA may acquire certain property for defined community benefit such as storm mitigation, school expansion, creation of green space, expansion of public facilities, other governmental purposes (including exchanging properties with other governmental entities), or ensuring appropriate density by offering property it owns in the immediate vicinity.
- (6) Infill Swaps: With over 50,000 blighted properties located in neighborhoods it is vital to promote in-fill development whenever possible. Under this model, developers interested in redeveloping NORA held property located in existing neighborhoods could swap large tracts of contiguous and vacant land they control in exchange for NORA properties. These transfers will promote in-fill development and avoid unnecessary use of green field sites.
- (7) Conflicting Land Uses and Inconsistency with Master Plan: Current land holdings do not always reflect the City's Master Plan or the input from neighborhoods during the community planning process. To the extent that NORA can swap property to promote more appropriate land use it may do so as well.
- (8) Rationale for Land Swaps:
 - Allow families more sustainable redevelopment opportunities
 - Helps NORA gain site control to heavily blighted areas
 - Reduces the "Jack-o-Lantern" effect and promote neighborhood development
 - Reduce blight and vacancy
 - Promotes clustered infill redevelopment
 - Reduces development costs
 - Increases coordination of disposition programs
 - Reduces maintenance costs
 - Ensures greater conformity with neighborhood based planning process

b. Basic Requirements for Land Swaps:

- i. All properties in the swap must be appraised to determine respective fair market values.
- ii. All swap contracts must be memorialized in legal agreements that state the consideration received includes the additional property and provide stated value for both properties.
- iii. All swaps will be described on NORA's website and posted for public comments in accordance with CFR 570.505(a) and NORA will respond to any comments in writing.
- iv. All swaps of more than 20 properties or greater than \$500,000 will be submitted to NORA's board for transaction specific approval.
- v. All swaps must include a change in title not merely possession.

- vi. Any property NORA acquires under a swap will be disposed of consistent with these disposition policies.
 - o In addition, any property received in a swap whose value is greater than \$25,000 must be disposed of in accordance with a CDBG national objective or otherwise the value of the property must be provided to the CDBG program.
- vii. Nothing contained herein will prevent NORA from coupling a swap or donation with a transaction otherwise valid under these procedures. For example, if a sale of property is to be made for Low and Moderate income Housing, NORA may discount the price of the land in accordance with its policies herein. Nothing contained herein would prohibit it from receiving land as supplemental consideration. To the extent a disposition meets more than one procedure or national objective, NORA may select the most appropriate characterization of the transaction.

2. GRANT PROGRAMS

NORA expects to receive funding from public and private sources to assist in the redevelopment of properties owned or controlled by it. NORA may dispose of properties to entities receiving an award of such grant funds in connection with the implementation of the applicable program. Properties disposed of pursuant to this Section shall be consistent with other policies set forth herein for similar programs.

3. MULTIFAMILY AND TOWNHOUSE PROCEDURES

NORA manages the disposition of a limited number of properties located in multifamily complexes (including apartment buildings, condominiums, townhouses and doubles). These properties are extremely costly to maintain, secure and insure and pose a threat to adjacent property owners. In addition, they typically blight the entire complex. In consideration of those urgent needs, NORA has adopted certain expedited procedures to govern the sale of multi-family property.

- All multi-family property that is blighted or poses a threat to adjacent property owners may be sold at 50% of Fair Market Value ("FMV") or a \$10,000 discount whichever is greater. This also helps adjust for the fact that many appraisers are not able to gain access to the interior of units in determining their valuation.
- Properties acquired at a discount are also eligible for up to \$5000 in growing home incentives under the Lot Next Door.
- After completion of the Lot Next Door requirements, NORA may list townhouses for sale, and shall post such listing on its website. Such properties shall be disposed of to the highest bidder with a credible redevelopment and financing plan that ensures:
 - a. Rapid rehabilitation of blighted units

- b. Adherence to quality rehabilitation standards
 - c. No history of owning blighted property
- Where there are competing proposals NORA may give preference to proposals from entities owning units in the complex.

4. OTHER GOVERNMENTAL PROGRAMS

NORA expects to work with other governmental entities, including the City of New Orleans, to further such entities' programs that assist in the redevelopment of properties in the City of New Orleans. NORA may dispose of properties to persons, including individuals, corporations, limited liability companies or similar entities, receiving an award pursuant to such programs. Properties disposed of pursuant to this Section shall be consistent with other policies set forth herein for similar programs.

E. COMMUNITY USE/ ALTERNATIVE LAND USE

NORA is authorized to dispose of (and lease) properties to support community uses or alternative land uses where doing so can eliminate blight, promote investment, support neighborhood redevelopment, and support community activities and uses, including those outlined in the New Orleans Master Plan. NORA must approve any community use or alternative land use plan. A "community use" as used herein shall constitute use of or activities upon land by favorably impacting the surrounding community. Land uses authorized as community uses may include, but are not limited to, uses or activities that:

- Serve the public or are open to the public;
- Provide aesthetic or functional community improvements;
- Prevent or mitigate community hazards or nuisances;
- Contribute to educational goals;
- Improve public utilities;
- Enable or facilitate volunteer or non-profit activity that provides a community improvement;
- Contribute to public uses, including dispositions to other governmental entities; or
- Directly enables any of the above categories of community uses.

Among the community or alternative land uses that may be considered include, without limitation, the following:

- Community Gardens
- Parks and Green Space
- Urban Agriculture
- Parking for commercial corridors
- Water Mitigation features
- Staging Areas for construction activities
- Soil Mitigation
- Activated urban spaces
- Art Installations/museums and memorials
- Demonstration projects and job training activities

All dispositions or leases of property must also adhere to the other applicable provisions of these Policies and Procedures with respect to disposition requirements.

NORA may enter into purchase agreements, leases or leases with an option to purchase properties which are subject to approved community or alternative land uses. The disposition method must be approved by NORA's Director of Real Estate Development. The lease terms shall comply with Section X below. The disposition of property or option to purchase the property shall be for a price equal to the fair market value thereof (or such lesser amount as may be approved by NORA's Executive Director or Director of Real Estate Development if the purchaser has demonstrated financial need for the success of the proposed project). The option to purchase may be exercised provided the tenant is not in default of its lease, the property is being maintained in accordance with the City of New Orleans Code of Ordinances, including keeping the property free of conditions characteristic of blight, and such other matters as NORA may reasonably require in connection with the particular lease.

Any conveyance of property shall be subject to use restrictions as determined by NORA, which if violated shall require the purchaser to either pay a penalty to NORA in an amount to be determined by NORA based upon the circumstances of the disposition or a profit sharing arrangement pursuant to which the purchaser and NORA would share in any profits received by the purchaser upon such transfer. In addition, in the event the buyer retains ownership of the property but ceases use of the property as permitted by NORA, NORA shall have the right to purchase the property from the buyer at a price no greater than the purchase price paid by the buyer plus the then fair market value of any improvements made to the property as determined by an appraisal obtained by NORA (provided such cost shall take into account the condition of the improvements (e.g., the improvements must be in good condition and well maintained)).

An applicant for an alternative land use must complete NORA's Community Use/ Alternative Land Use Property Application, a copy of which can be found on NORA's website at www.noraworks.org. Any application submitted will be subject to NORA's approval.

IV. ELIGIBILITY FOR PARTICIPATION IN NORA DISPOSITION

All persons are eligible for participation in NORA disposition programs with the exception of those covered by State ethics law. Examples of persons ineligible for this program include:

- Immediate family members of NORA employees or Board Members in decision making capacity regarding real estate;
- Any immediate family members of City or State officials with authority to review the transactions; or
- Any immediate family of anyone with whom NORA staff in a decision making capacity has a business relationship.

V. GENERAL PROCEDURES

In managing the disposition of LLT and NORA owned properties, NORA will follow the following general procedures:

- a. NORA will maintain an active property database that includes at a minimum the following:
 - Addresses of all LLT and NORA owned properties
 - Lot Next Door Status
 - Current disposition program (from the list below) if not being sold through Lot Next Door
 - Whether a purchase agreement has been signed on the property
 - Appraised value
 - Background information regarding neighborhood, council district, SHPO status
 - Environmental Review Status
 - Demolition Status
 - Post-disposition status of property
 - National objective that a transaction has satisfied if applicable
- b. NORA will work closely with neighborhoods in determining the appropriate disposition strategies and will tailor strategies based on input provided by neighborhoods.
- c. All properties acquired or improved (including through title clearance or demolition) using CDBG funds must be disposed of consistent with all CDBG requirements for a period of at least five years from the date the CDBG grant was closed out. Although not exhaustive of the applicable requirements, there are three key requirements to be aware of:
 - i. National Objective: In particular all such properties must either be sold at Fair Market Value ("FMV," at which point there are generally no further CDBG restrictions) or disposed of in a fashion that the ultimate use of property satisfies a HUD National Objective. In general, there are 3 primary national objectives: The provision of low and moderate income housing ("LMI"); the elimination of slum and blight; or addressing urgent needs.
 - ii. Environmental Reviews: All properties must undergo environmental reviews prior to disposition.
 - iii. Program income: Program income will be handled in accordance with all CDBG regulations and the specific provisions of the legal agreements governing the properties.
- d. NORA will keep adequate documentation in its files to document compliance with all applicable CDBG regulations.

VI. DISPOSITION AUTHORITY & SETTLEMENT AUTHORITY

1. The following approvals are required for dispositions of property sold through mechanisms set forth in Section III above, except for Land Swaps and Neighborhood Initiated Dispositions which are addressed below:
 - a. For dispositions of properties with appraised value of \$500,000 or less to a single entity, all of which are made at or above market value:
 - Director of Real Estate Development, or
 - General Counsel, or
 - Executive Director
 - b. For dispositions of property with appraised value greater than \$500,000 and/or that are made at less than market value must also have the approval of the Executive Director.
 - c. For dispositions of property with appraised value greater than \$1,000,000 the Executive Director and the NORA Board.
2. The following approvals are needed for dispositions of property sold through the following mechanisms: Land Swaps and Neighborhood Initiated Dispositions:
 - a. For dispositions of properties with appraised value of \$250,000 or less to a single entity, all of which are made at or above market value:
 - Director of Real Estate Development, or
 - General Counsel, or
 - Executive Director
 - b. For dispositions of property with appraised value greater than \$250,000, the Executive Director and the NORA Board.
3. Nothing contained in these policies shall limit the authority of NORA to utilize property it controls to settle litigation initiated against the agency in the course of its disposition of property, provided that such disposition is consistent with all applicable CDBG regulations. If NORA intends to dispose of property in order to settle litigation, it shall require a written recommendation from NORA's general counsel detailing the reason for the settlement, the appropriateness of utilizing property to settle litigation and the consistency of said disposition with the goals and objectives of these policies and procedures. In addition, that recommendation must be approved by NORA's Director of Real Estate Development and Executive Director. Dispositions of property under this heading that are greater in value than \$250,000 must be approved by the NORA Board as well.
4. NORA may add additional approval steps, for example prior City approval of a transaction, via Cooperative Endeavour Agreement with other entities with whom it has contractual relations regarding certain subsets of property.

VII. INTERPRETATIONS OF POLICIES AND PROCEDURES & REVISIONS:

NORA's executive staff has sole authority to interpret these Policies. NORA's executive staff may adopt additional internal guidelines to clarify, expand, or provide further detail on any of the policies contained herein. Any such guidelines must be in writing and not contradict these Policies.

Policies and procedures will be revised as needed and adopted by NORA's Board. NORA shall maintain a record of all policies and procedures it has adopted and the date revised policies were adopted. All official policies and procedures will have a date stamp on them.

VIII. TRANSACTIONS TYPES

NORA currently has 4 major types of transaction structures it will use to dispose of property:

- 1) Straight Cash Sale for Fair Market Value.
- 2) Discounted Cash Sale:
 - a. These sales must meet a CDBG National Objective. The amount of any discount shall be determined based upon criteria to be developed by NORA, and may include such factors as financing gap, sale to low-middle- and moderate income households, etc.
- 3) Deferred Compensation:
 - a. Deferred compensation can either be fixed or variable.
- 4) Leases:
 - a. Most common scenario will be to support a community use.

Sales of properties subject to a discount or deferred purchase price may be subject to certain transfer restrictions imposed by NORA.

On occasion transactions may combine elements of different structures. As part of the transaction, NORA may also obligate the buyer to invest in certain defined community benefit activities in addition to any cash compensation that is provided.

IX. LAND DISCOUNTS/ DEFERRED COMPENSATION

NORA utilizes a variety of techniques and incentives to promote responsible development consistent with neighborhood wishes, publically adopted plans and in conformity with all applicable local, state and federal regulations. Given the variety of market conditions, rebuilding levels, demand for housing, and subsidies available there will necessarily be a broad array of factors that influence NORA decision making regarding incentives. In all cases, a project must clearly demonstrate that it requires alternative financing to be successful.

Scenario 1: Substantial Upfront Forgiveness of Land Costs: This is the most strong form of assistance that NORA can provide and has the highest performance and qualifying requirements. For transactions that qualify, NORA will generally reduce the land price to \$1345. For transactions with more than 50 properties, NORA may forgive the entire land price.

Qualifying Standards:

- 1) The proposed development must take place in a heavily distressed market with extensive conditions of slum and blight;

- 2) The proposed development must involve substantial scale (generally 20+ properties) to make a transformative impact and be focused on a neighborhood determined to be a stabilization priority;
- 3) The developer receiving the properties must submit a development plan that demonstrates an absolute commitment to affordable housing on all properties it is receiving. The developer agrees further to collect sufficient information from purchasers to demonstrate they have met the appropriate standards.
- 4) All homes built on properties being transferred must meet or exceed Builder's Challenge Standard, Enterprise Green Communities and NORA Hazard Resilience standards. At NORA's discretion, projects may also qualify if they are certified to meet comparable standards such as LEED or the National Home Builders Association.
- 5) The developer must provide NORA with a detailed construction budget and evidence that homes are not being sold for more than their Total Development Costs and the benefit in land price reduction is accruing to final occupant. All fees in the Total Development Cost must be reasonable and the developer's fee must be limited.

Minimum provisions required in legal documents:

- 1) Developer shall be required to collect required income documentation from purchasers. Properties may not be transferred until NORA has received this information.
- 2) Reference to an approved development plan or other commitment to comply with NORA's building standards and overall project goals regarding affordability. This provision should also allow that NORA may verify such compliance prior to transfer of such property to a third party.
- 3) Requirement to provide NORA with any and all documentation it may require to determine the total development costs of homes, including developer's fee.

Scenario 2: Deferral of Land Costs and partial or complete forgiveness for those sales made to families below 120% AMI: This is the second most significant form of assistance that NORA can provide and retains high performance and qualifying requirements. For transactions that qualify, NORA will generally defer the balance of the land price greater than \$1345 (or such greater amount determined by NORA in light of the circumstances of the development and financing gap).

Qualifying Standards:

- 1) The proposed development must take place in a distressed market with prevalent conditions of slum and blight;
- 2) The proposed development must involve significant scale (generally 5+ properties) to make a transformative impact and be focused on a neighborhood determined to be a stabilization priority;

- 3) The developer acquiring the properties must submit a development plan that demonstrates a strong commitment to affordable housing on all properties it is acquiring. The developer agrees further to collect sufficient information from purchasers to demonstrate they have met the appropriate standards.
- 4) All homes constructed on properties being transferred must meet or exceed Builder's Challenge Standard, Enterprise Green Communities and NORA Hazard Resilience standards. At NORA's discretion, projects may also qualify if they are certified to meet comparable standards such as LEED or the National Home Builders Association.
- 5) The developer must provide NORA with a detailed construction budget and evidence that homes are not being sold for more than their Total Development Costs and the benefit in land price reduction is accruing to final occupant. All fees in the Total Development Cost must be reasonable and the developer's fee must be limited.

Minimum provisions required in legal documents:

- 1) Developer shall be required to collect required income documentation from purchasers. Properties cannot be transferred and balance due waived until NORA has received this information.
- 2) Reference to an approved development plan or other commitment to comply with NORA's building standards and overall project goals regarding affordability. This provision should also allow that NORA may verify such compliance prior to transfer of such property to a third party or having balance forgiven,
- 3) Requirement to provide NORA with any and all documentation it may require to determine the total development costs of homes, including developer's fee.

Scenario 3: Deferral of Land Costs and partial or complete forgiveness for sales below 80% AMI: This is one of the most common and widely available forms of assistance that NORA can provide and helps ensure that an adequate number of units are being developed for families making less than 80% AMI. It retains more basic performance and qualifying standards than the other mechanisms. For transactions that qualify, NORA will generally defer the balance of the land price greater than \$1345 (or such greater amount determined by NORA in light of the circumstances of the development and financing gap). For transactions with more than 50 properties, NORA may defer the entire land price.

Qualifying Standards:

- 1) All homes for which the land value is forgiven must meet or exceed Builder's Challenge Standard, Enterprise Green Communities and NORA Hazard Resilience standards;
- 2) The proposed development must involve adequate scale (generally 5+ properties);
- 3) The developer agrees to collect sufficient information from purchasers to demonstrate that their incomes are below 80% AMI;

- 4) The developer's fee may not exceed 10% unless otherwise approved by NORA based upon extenuating circumstances, and the developer must provide evidence that reduction in land costs is benefiting the final occupant;
- 5) The developer agrees to allow NORA any and all inspection rights it needs to verify said information.

Minimum provisions required in legal documents:

- 1) Developer shall be required to collect required income documentation from purchasers. Properties cannot be transferred and balance due waived until NORA has received this information;
- 2) Reference to an approved development plan or other commitment to comply with NORA's building standards and overall project goals regarding affordability. This provision should also allow that NORA may verify such compliance prior to transfer of such property to a third party or having balance forgiven;
- 3) Requirement to provide NORA with any and all documentation it may require to determine the total development costs of homes, including developer's fee.

Scenario 4: Deferral of Land Costs and no forgiveness: This will also be a common and widely available form of assistance that NORA can provide. It helps make it easier to secure construction financing for potential developers, which is vital in today's credit markets. It retains very limited performance and qualifying standards but requires NORA to determine that a project will exhibit a likelihood of repayment. For transactions that qualify, NORA will generally defer the balance of the land price greater than \$1345 (or such greater amount determined by NORA in light of the circumstances of the development and financing gap). For transactions with more than 50 properties, NORA may defer the entire land price.

Qualifying Standards:

- 1) The proposed development must take place in an area with slum and blight present and a need for additional stability.
- 2) The proposed development must involve adequate scale (generally 10+ properties).
- 3) NORA must determine that the project has a high likelihood of succeeding and ensuring repayment of NORA resources and that the deferral of land will play a significant role in allowing the development to occur.

Minimum provisions required in legal documents:

- 1) Requirement of payment of residual balance prior to a transfer to third party.

Augmentation 1: Substantial forgiveness of land costs for model homes: In addition to any of the other incentives it provides, NORA may elect to substantially forgive the land cost of properties used for model homes. In general, no more than 10% of the properties being transferred may be used as model homes. For transactions that qualify, NORA will generally reduce the land price to \$1345 (or such greater amount determined by NORA in light of the circumstances of the development and financing gap). For transactions with more than 50 properties, NORA may forgive the entire land price.

Qualifying Standards:

- 1) The proposed development must take place in an area with slum and blight present and a need for additional stability;

- 2) The proposed development must involve significant scale (generally 10+ properties) to make a transformative impact;
- 3) The developer receiving this benefit must submit a development plan that demonstrates the role that model homes will play in the overall redevelopment strategy;
- 4) All model homes must meet or exceed Builder's Challenge Standard, Enterprise Green Communities and NORA Hazard Resilience standards. At NORA's discretion, projects may also qualify if they are certified to meet comparable standards such as LEED; the National Home Builders Association or use substantial amounts of renewable energy such as Solar.

Minimum provisions required in legal documents:

- 1) Reference to an approved development plan or otherwise explaining role of model homes.

X. ADDITIONAL GUIDELINES REGARDING LEASING OF VACANT PROPERTY

Background: The City of New Orleans was badly damaged by Hurricane Katrina and Rita. As such, many residents have not returned, resulting in an oversupply of vacant and overgrown lots in various neighborhoods. NORA continues to develop strategies in partnership with the neighborhood for dealing with the oversupply of vacant parcels. In some cases, these plans will create new green space on LLT and other NORA owned properties.

Policy Guidelines: To create leasing mechanisms to promote community uses and other environmentally sustainable uses on vacant property. Additionally, vacant property may be leased to allow for alternative temporary uses including but not limited to art exhibits, storage for repair equipment, and other alternative temporary uses with community support. These leases will allow NORA to reduce blight throughout the City in partnership with non-profits, neighborhood groups and other institutions in good standing. The leases provide an opportunity for neighborhood residents and community groups to take an active role in redeveloping their neighborhood.

Goals

- Greening, planting, and displaying art on NORA's vacant lots will make them better neighbors to the community
- Temporary greening can provide learning opportunities in green plantings, water retention and other environmental mitigation techniques
- Displaying temporary art exhibits on vacant lots will help NORA achieve its redevelopment goal of neighborhood beatification
- Reducing NORA's maintenance cost

Implementation

- In areas where NORA does not plan to immediately make properties available for sale and in areas where properties have not sold on the market, NORA will make lots available for temporary greening activities, temporary art exhibits, and other alternative temporary uses on vacant property with community support. A lease applicant must complete NORA's Community Use/ Alternative Land Use Property Application, a copy of which can be found on NORA's website at www.noraworks.org, and which application will be subject to NORA's approval.

Tenant Requirements

- Eligible tenants may be in-good-standing non-profits or for profit entities, neighborhood organizations, religious or other civic institutions, or qualified individuals.
- All tenants must have sufficient liability (\$1,000,000 minimum) coverage and indemnify New Orleans Redevelopment Authority.
- The property must be well-kept at all times. In determining whether a property is well-kept, the following will at a minimum be required: no citations for violations of city health, safety and building codes; and no trash or dumping on site; appropriate signage indicating use of space, consistent mowing of grass and removal of weeds. Violation of these requirements will result in a default of the lease.
- Tenant may assign or sublet the lease only with written permission from NORA.

General Lease Terms

- NORA may lease lots in 6 or 12-month increments to tenants for \$1,345.00 per term (which amount may be increased to include any costs and expenses for which NORA is responsible) or such lesser amount if determined by NORA to be in the best interests of the community, with potential renewal of the term if the property continues to be well maintained, the tenant under the lease is not otherwise in default thereunder or with respect to any other property leased to it by NORA or any other governmental entity and residential development interest remains stagnant. NORA may also grant the tenant an option to purchase as described in Section E. above; and
- All individuals or entities who enter into lease agreements must provide NORA with a plan for the greening or beautification of the lot, must clean the lot, must begin plantings or planned improvements within 30 days of execution of the lease agreement and must maintain the property in accordance with the City of New Orleans Code of Ordinances, including keeping the property free of conditions characteristic of blight during the entire term of the lease.

Available Properties

- Properties available for temporary greening and alternative temporary uses include NORA-owned property and Louisiana Land Trust (LLT) property.

Exhibit "C"
NORA PERFORMANCE MEASURES
and
PROJECTED OUTCOMES

	2017	2018	2019	Proposed 2020
Performance Measure: Management of disposition activities	1) Perform Interim Nuisance Abatement services for 3,665 Initial and follow-up Abatements for NORA properties in NORA's Inventory; 2) Perform 55 Inspections of properties disposed of by NORA	1) Perform Interim Nuisance Abatement services for 3,700 Initial and follow-up Abatements for NORA properties in NORA's Inventory; 2) Perform 55 Inspections of properties disposed of by NORA	1) Perform Interim Nuisance Abatement services for 3,700 Initial and follow-up Abatements for NORA properties in NORA's Inventory; 2) Perform 55 Inspections of properties disposed of by NORA	1) Perform Interim Nuisance Abatement services for 2981* Initial and follow-up Abatements for NORA properties in NORA's Inventory; 2) Perform 55* Inspections of properties disposed of by NORA *NOTE: NORA agrees to provide analysis and brief information for any advice variance(s).
Budget	Total of \$1,166,164.15 (\$1,000,000.00 Entitlement And	Total of \$1,074,581.86 (\$1,000,000.00 Entitlement And \$74,581.86 PI Funding)	Total of \$1M	Total of \$1M

	\$166,164.15 PI (Funding)			
--	-------------------------------	--	--	--

Exhibit D1

Deliver One Original
Office Of Community Development
ATTN: Fiscal Unit
1340 Poydras Street - Suite 1000
New Orleans, LA 70112

- AND -

Deliver One Copy To:
Office Of Community Development
ATTN: Neighborhood S
1340 Poydras Street - Suite 1000
New Orleans, LA 70112
GRANT AMOUNT: \$572,942.00

PROGRAM INCOME:

\$0.00
Some Denotes Program Income

BUDGET AND COST CONTROL STATEMENT FOR PROJECT DELIVERY COSTS

Page 1 of 1

Period Ending Date: January - December 2020
Contract Period: January 1, 2010 - December 31, 2020
Project Name: New Orleans Redevelopment Authority
Project Number: NORA CEA 2020
PC Number:
HUD Activity Number:
Operating Agency: New Orleans Redevelopment Authority
OCD Authorization: Project Manager

Instructions for completing Cost Control Statement:
Add Columns (2, 3 and 4) to obtain Column (5), then
subtract Column (5) from Column (1) to obtain Column (6)

Organizational Code		FOR FISCAL YEAR 2021					TOTAL	
1000 - Fiscal Year		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1010 - Salary		Amount Per Line	Cost for Reported	Estimated Cost This	Unexpended	YTD Cost This	Balance of Funds	1000 -
1020 - Retirement		Approved Budget	Month	Last Month	Unexpended	Reported Month	Balance of Funds	Unexpended
1030 - Social Security								Cost
1040 - Medicare								
1050 - Group Health Insurance								
1060 - Worker's Comp Insurance								
1070 - Unemployment Compensation								
1080 - Subtotal								
1090 - Subtotal								

BUDGET AND COST CONTROL STATEMENT (Page 2 of 5)
 Instructions for completing COST CONTROL STATEMENT: Add Columns (2, 3 and 4) to obtain Column (5), then Subtotal Columns (5), from Column (4) to obtain Column (6).

Cost Center	Line Item	(1) Amount For Last Approved Budget	(2) Cost for Requested Month	(3) Cumulative Cost Thru Last Month	(4) Reversal	(5) YTD Cost Thru Requested Month	(6) Balance of Funds	NON RECURRING COST	
								Line Number Cost	Description
2000 - Contracted Services	2010 - Advertising	\$ 3,885.40	\$ -	\$ -	\$ -	\$ -	\$ 3,885.40		
	2040 - Convention & Travel Expense	\$ 5,878.10	\$ -	\$ -	\$ -	\$ -	\$ 5,878.10		
	2050 - Dues & Subscriptions	\$ 3,885.40	\$ -	\$ -	\$ -	\$ -	\$ 3,885.40		
	2110 - Insurance Liability Property	\$ 24,797.00	\$ -	\$ -	\$ -	\$ -	\$ 24,797.00		
	2150 - Professional Services	\$ 55,891.00	\$ -	\$ -	\$ -	\$ -	\$ 55,891.00		
	2160 - Rents & Leases-Building (Office)	\$ 17,462.94	\$ -	\$ -	\$ -	\$ -	\$ 17,462.94		
	2170 - Rents & Leases-Other Property	\$ 916.65	\$ -	\$ -	\$ -	\$ -	\$ 916.65		
	2185 - Repairs & Maintenance	\$ 349.16	\$ -	\$ -	\$ -	\$ -	\$ 349.16		
	2185 - Property Maintenance & Security	\$ 133,146.98	\$ -	\$ -	\$ -	\$ -	\$ 133,146.98		
	2290 - Telephone-Local	\$ 2,603.57	\$ -	\$ -	\$ -	\$ -	\$ 2,603.57		
	2240 - Utilities	\$ 4,254.61	\$ -	\$ -	\$ -	\$ -	\$ 4,254.61		
	2800 - Indirect Cost	\$ 192,091.30	\$ -	\$ -	\$ -	\$ -	\$ 192,091.30		
	2000 - SUBTOTAL:	\$ 445,134.30	\$ -	\$ -	\$ -	\$ -	\$ 445,134.30		
1000 - Supplies & Materials	3210 Motor Vehicle - Gasoline	\$ 500.00	\$ -	\$ -	\$ -	\$ -			
	3215 Motor Vehicle - Other	\$ 175.00	\$ -	\$ -	\$ -	\$ -			
	1000 - SUBTOTAL:	\$ 675.00	\$ -	\$ -	\$ -	\$ -	\$ -		

BUDGET AND COST CONTROL STATEMENT (Page 1 of 3)
Instructions: For sampling COST CONTROL STATEMENTS: Add Columns (2, 5 and 6) to obtain Column (3), then subtract Column (3) from Column (1) to obtain Column (4).

Cost Category	Line Item	(1) Amount Per Line Approved Budget	(2) Cost for Reported Months	(3) Cumulative Cost Through Last Month	(4) Reconciliation	(5) YTD Cost Through Reported Month	(6) Balance at Close of Month	FOR FISCAL ACCOUNTING USE ONLY
4000 - Equipment & Property	4900 - Property Acquisition	\$ 81,031.10	\$ -	\$ -		\$ -	\$ 81,031.10	
	4000 - SUBTOTAL:	\$ 81,031.10	\$ -	\$ -		\$ -	\$ 81,031.10	
	BUDGET AMOUNT:	\$ 972,942.00	\$ -	\$ -		\$ -	\$ 972,942.00	
	PROGRAM INCOME AMOUNT RECEIVED:	\$ -	\$ -	\$ -		\$ -		
	TOTAL AMOUNT REQUESTED:	\$ -	\$ -	\$ -		\$ -		
	LESS PROGRAM INCOME APPLIED:	\$ -	\$ -	\$ -		\$ -		
	LESS QUESTIONED COST:	\$ -	\$ -	\$ -		\$ -		
	ALLOWED REIMBURSEMENT TOTAL:							

CERTIFICATION

I certify that to the best of my knowledge and belief this report is true in all aspects and that all supporting documentation for which the agency is requesting reimbursement is maintained in compliance with the conditions of the contract and grant provisions.

For the Period Ending:

Cash Balance Beginning of M: 50.00

Add Cash Payments: 1

Less Cash Disbursements: 3

Cash Balance End of Month: 50.00

For the Period Ending:

Cash Balance Beginning of M: 50.00

Add Cash Payments: 1

Less Cash Disbursements: 3

Cash Balance End of Month: 50.00

This Budget and Cost Control Statement has been authorized for payment.

Signature of Author and Official	Title	Phone Number	Fax
Signature of Administrator/Program	Date Signed	Phone Number	Fax

Cooperative Endeavor Agreement 2021
City of New Orleans and New Orleans Redevelopment Authority
Blight Reduction via CDBG Entitlement Funding
K21-1032 Brass No. 2806

EXUDITY AND COST CONTROL STATEMENT (Page 2 of 3)
Instructions for completing COST CONTROL STATEMENT: Add Columns (2, 5 and 6) to obtain Column (4) to obtain Column (1) to obtain Column (6).

BUDGET AND COST CONTROL STATEMENT (Page 1 of 3)
 Instructions for completing COST CONTROL STATEMENT: Add Columns (2, 3 and 4) to obtain Column (5), then subtract Column (5) from Column (1) to obtain Column (6).

COST CENTER	Line Item	(1) Amount Per Line Item Approved Budget	(2) Cost for Reported Months	(3) Cumulative Cost Through Last Month	(4) Incompleteness Reported Months	(5) YTD Cost Through Reported Months	(6) Difference of Budget to Actual	NON-FISCAL ACCOUNTING USE	
								LINK Questioned Cost	Description
4000 - Equipment & Property									
4000 - SUBTOTAL:		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
BUDGET AMOUNT:		\$ 27,055.00	\$ -	\$ -	\$ -	\$ -	\$ 27,055.00		
PROGRAM INCOME AMOUNT REQUESTED:		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
TOTAL AMOUNT REQUESTED:		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
LESS PROGRAM INCOME APPLIED:		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
LESS QUESTIONED COST:		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
ALLOWED REIMBURSEMENT TOTAL:		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		

CERTIFICATION:

I certify that to the best of my knowledge and belief the report is true in all aspects and that all supporting documentation for which the agency is requesting reimbursement is maintained in compliance with the conditions of the grant and grant provisions.

For the Period Ending	
Cash Balance Beginning of Month	\$0.00
Add: Cash Disbursements	\$0.00
Less: Cash Disbursements	\$0.00
Cash Balance End of Month	\$0.00

This Budget and Cost Control Statement has been submitted for payment.

Signature of Author and Official	Title	Phone Number	Fax
Signature of Approver/Program	Date Signed	Phone Number	Fax

EXHIBIT "E"
HUD COMPLIANCE PROVISIONS
FOR
DIRECT GRANTEE
SUBRECIPIENT AGREEMENTS AND PROFESSIONAL SERVICES
CONTRACTS

CONTENTS

1. EQUAL EMPLOYMENT OPPORTUNITY (Equal Opportunity Clause)
2. STANDARD FEDERAL EQUAL EMPLOYMENT OPPORTUNITY
CONSTRUCTION CONTRACT SPECIFICATIONS
3. NOTICE OF REQUIREMENT FOR AFFIRMATIVE ACTION
4. CERTIFICATION OF NONSEGREGATED FACILITIES
5. CIVIL RIGHTS
6. SECTION 109 OF THE HOUSING AND COMMUNITY DEVELOPMENT
ACT OF 1974
7. SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF
1968 - COMPLIANCE IN THE PROVISION OF TRAINING, EMPLOYMENT
AND BUSINESS OPPORTUNITIES (Section 3 Clause)
8. SECTION 503 OF THE REHABILITATION ACT OF 1973 (29 USC 793)
9. SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED
10. AGE DISCRIMINATION ACT OF 1975
11. CERTIFICATION OF COMPLIANCE WITH AIR AND WATER ACTS
12. SPECIAL CONDITIONS PERTAINING TO HAZARDS, SAFETY
STANDARDS AND ACCIDENT PREVENTION
13. FLOOD DISASTER PROTECTION
14. ACCESS TO RECORDS - MAINTENANCE OF RECORDS
15. INSPECTION
16. REPORTING REQUIREMENTS
17. CONFLICT OF INTEREST
18. ACTIVITIES AND CONTRACTS NOT SUBJECT TO EXECUTIVE ORDER
11246, AS AMENDED
19. PATENTS
20. COPYRIGHT
21. TERMINATION FOR CAUSE
22. TERMINATION FOR CONVENIENCE
23. ENERGY EFFICIENCY
24. SUBCONTRACTS
25. DEBARMENT, SUSPENSION, AND INELIGIBILITY
26. PROTECTION OF LIVES AND HEALTH
27. BREACH OF CONTRACT TERMS
28. PROVISIONS REQUIRED BY LAW DEEMED INSERTED
29. CHANGES

- 30. PERSONNEL
- 31. ANTI-KICKBACK RULES
- 32. ASSIGNABILITY
- 33. INTEREST OF SUB-RECIPIENT
- 34. POLITICAL ACITIVITY
- 35. COMPLIANCE WITH THE OFFICE OF MANAGEMENT AND BUDGET
- 36. DISCRIMINATION DUE TO BELIEFS
- 37. CONFIDENTIAL FINDINGS
- 38. LOBBYING
- 39. FEDERAL LABOR STANDARDS PROVISIONS
- 40. SOLID WASTE DISPOSAL ACT
- 41. CONFIDENTIALITY
- 42. LIMITED ENGLISH PROFICIENCY (LEP)

- 1. **EQUAL EMPLOYMENT OPPORTUNITY (Equal Opportunity Clause)**
(applicable to contracts and subcontracts exceeding \$10,000)

During the performance of this contract, the Sub-recipient agrees as follows:

- A. The Sub-recipient will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Sub-recipient will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Sub-recipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- B. The Sub-recipient will, in all solicitations or advertisements for employees placed by or on behalf of the Sub-recipient, state that all qualified applicants will receive consideration without regard to race, color, religion, sex, or national origin.
- C. The Sub-recipient will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the Contract Compliance Officer advising the said labor union or workers' representatives of the Sub-recipient's commitment under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

- D. The Sub-recipient will comply with all provisions of Executive Order 11246 of September 24, 1965, as amended, and the rules, regulations, and relevant orders of the Secretary of Labor.
- E. The Sub-recipient will furnish all information and reports required by Executive Order 11246 of September 24, 1965, as amended, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the Department and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and others.
- F. In the event of the Sub-recipient's noncompliance with the non-discrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the Sub-recipient may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, as amended, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- G. The Sub-recipient will include the provisions of the sentence immediately preceding paragraph A and the provisions of paragraphs A through G in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, as amended, so that such provisions will be binding upon each Sub-recipient or vendor. The Sub-recipient will take such action with respect to any subcontract or purchase order as the Department may direct as a means of enforcing such provisions, including sanctions for noncompliance. Provided, however, that in the event a Sub-recipient becomes involved in, or is threatened with, litigation with a Sub-recipient or vendor as a result of such direction by the Department, the Sub-recipient may request the United States to enter into such litigation to protect the interest of the United States.

2. **STANDARD FEDERAL EQUAL EMPLOYMENT OPPORTUNITY
CONSTRUCTION CONTRACT SPECIFICATIONS**
(applicable to contracts and subcontracts exceeding \$10,000)

A. As used in these specifications:

- (1) "Covered area" means the geographical area described in the solicitation from which this contract resulted;
- (2) "Director" means Director, Office of Federal Contract Compliance Programs, United States Department of Labor, or any person to whom the Director delegates authority;

- (3) "Employer identification number" means the Federal Social Security number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941.
- (4) "Minority" includes:
 - (a) Black (all persons having origins in any of the Black African racial groups not of Hispanic origin);
 - (b) Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South America or other Spanish Culture or origin, regardless of race);
 - (c) Asian and Pacific Islander (all persons having origins in any of the original people of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands); and
 - (d) American Indian or Alaskan Native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification).
- B. When the Sub-recipient, or any sub-recipient, at anytime, subcontracts a portion of the work involving any construction trade, it shall physically include in each subcontract, in excess of \$10,000, the provisions of these specifications and the Notice which contains the applicable goals for minority and female participation and which is set forth in the solicitations from which this contract resulted.
- C. If the Sub-recipient is participating (pursuant to 41 CFR 60 4.5) in a Hometown Plan approved by the U.S. Department of Labor in the covered area either individually or through an association, its affirmative action obligations on all work in the Plan area (including goals and timetables) shall be in accordance with that Plan for those trades which have unions participating in the Plan. Sub-recipients must be able to demonstrate their participation in compliance with the provisions of any such Hometown Plan. Each Sub-recipient or Sub-recipient participating in an approved Plan is individually required to comply with its obligations under the EEO clause, and to make a good faith effort to achieve each goal under the Plan in each trade in which it has employees. The overall good faith performance by other Sub-recipients or sub-recipients toward a goal in an approved Plan does not excuse any covered Sub-recipient's or sub-recipient's failure to take good faith efforts to achieve the Plan goals and timetables.
- D. The Sub-recipient shall implement the specific affirmative action standards provided In paragraphs G(1) through G(16) of these specifications. The goals set forth in the solicitation from which this contract resulted are expressed as

percentages of the total hours of employment and training of minority and female utilization the Sub-recipient should reasonably be able to achieve in each construction trade in which it has employees in the covered area. Covered construction Sub-recipients performing contracts in geographical areas where they do not have a federal or federally-assisted construction contract shall apply the minority and female goals established for the geographic area where the contract is being performed. Goals are published periodically in the Federal Register in notice form and such notices may be obtained from any Office of Federal Contract Compliance Programs office or from Federal procurement contracting officers. The Sub-recipient is expected to make substantially uniform progress in meeting its goals in each craft during the period specified.

- E. Neither the provisions of any collective bargaining agreement, nor the failure by a union with whom the Sub-recipient has a collective bargaining agreement, to refer either minorities or women shall excuse the Sub-recipient's obligations under these specifications, Executive Order 11246, or the regulations promulgated pursuant thereto.
- F. In order for the non-working training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees must be employed by the Sub-recipient during the training period, and the Sub-recipient must have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees must be trained pursuant to training programs approved by the U.S. Department of Labor.
- G. The Sub-recipient shall take specific affirmative action to ensure equal employment opportunity. The evaluation of the Sub-recipient's compliance with these specifications shall be based upon its effort to achieve maximum results from its actions. The Sub-recipient shall document these efforts fully, and shall implement affirmative action steps at least as extensive as the following:
 - (1) Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which the Sub-recipient's employees are assigned to work. The Sub-recipient, where possible, will assign two or more women to each construction project. The Sub-recipient shall specifically ensure that all foremen, superintendents and other on-site supervisory personnel are aware of and carry out the Sub-recipient's obligation to maintain such a working environment, with specific attention to minority or female individuals working at such sites or in such facilities.
 - (2) Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and

female recruitment sources and to community organizations when the Sub-recipient or its unions have employment opportunities available, and maintain a record of the organization's responses.

- (3) Maintain a current file of the names, addresses, and telephone numbers of each minority and female off-the-street applicant and minority or female referral from a union, a recruitment source, or community organization and of what action was taken with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the Sub-recipient by the union or, if referred, not employed by the Sub-recipient, this shall be documented in the file with the reason therefore, along with whatever additional actions the Sub-recipient may have taken.
- (4) Provide immediate written notification to the Director when the union or unions with which the Sub-recipient has a collective bargaining agreement have not referred to the Sub-recipient a minority person or woman sent by the Sub-recipient, or when the Sub-recipient has other information that the union referral process has impeded the Sub-recipient's efforts to meet its obligations.
- (5) Develop on-the-job training opportunities and/or participate in training programs for the area which expressly includes minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the Sub-recipient's employment needs, especially those programs funded or approved by the Department of Labor. The Sub-recipient shall provide notice of these programs to the sources compiled under G(2) above.
- (6) Disseminate the Sub-recipient's EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the Sub-recipient in meeting its EEO obligations; by including it in any policy manual and collective bargaining agreement; by publicizing it in the company newspaper, annual report, etc.; by specific review of the policy with all management personnel and with all minority and female employees at least once a year; and by posting the company EEO policy on a bulletin board accessible to all employees at each location where construction work is performed.
- (7) Review, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination, or other employment decisions including specific

Page 62 of 93

review of these items with on-site supervisory personnel such as Superintendents, General Foreman, etc., prior to the initiation of construction work at any job site. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.

- (8) Disseminate the Sub-recipient's EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing the Sub-recipient's EEO policy with other Sub-recipients and Sub-recipients with whom the Sub-recipient does or anticipates doing business.
- (9) Direct its recruitment efforts, both oral and written, to minority, female and community organizations, to schools with minority and female students and to minority and female recruitment and training organizations serving the Sub-recipient's recruitment area and employment needs. Not later than one month prior to the date for acceptance of applications for apprenticeship or other training by any recruitment source, the Sub-recipient shall send written notification to organizations such as the above, describing the openings, screening procedures, and tests to be used in the selection process.
- (10) Encourage present minority and female employees to recruit other minority persons and women and, where reasonable, provide after school, summer, and vacation employment to minority and female youth both on the site and in other areas of a Sub-recipient's work force.
- (11) Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR Part 60 3.
- (12) Conduct, at least annually, an inventory and evaluation of all minority and female personnel for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training, etc., such opportunities.
- (13) Ensure that seniority practices, job classifications, work assignments and other personnel practices, do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the Sub-recipient's obligations under these specifications are being carried out.

- (14) Ensure that all facilities and company activities are nonsegregated except that separate or single-user toilet and necessary changing facilities shall be provided to assure privacy between the sexes.
 - (15) Document and maintain a record of all solicitations of offers for subcontracts from minority and female construction Sub-recipients and suppliers, including circulation of solicitation to minority and female Sub-recipient associations and other business associations.
 - (16) Conduct a review, at least annually, of all supervisors' adherence to and performance under the Sub-recipient's EEO policies and affirmative action obligations.
- H. Sub-recipients are encouraged to participate in voluntary associations which assist in fulfilling one or more of their affirmative action obligations (G(1) through G(16)). The efforts of a Sub-recipient association, joint Sub-recipient-union, Sub-recipient-community, or other similar group of which the Sub-recipient is a member and participant, may be asserted as fulfilling any one or more of its obligations under G(1) through G(16) of these specifications provided that the Sub-recipient actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minorities and women in the industry, ensures that the concrete benefits of the program are reflected in the Sub-recipient's minority and female workforce participation, makes a good faith effort to meet its individual goals and timetables, and can provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the Sub-recipient. The obligation shall not be a defense for the Sub-recipient's non-compliance.
- I. A single goal for minorities and a separate single goal for women has been established. The Sub-recipient, however, is required to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non-minority. Consequently, the Sub-recipient may be in violation of the Executive Order if a particular group is employed in a substantially disparate manner (for example, even though the Sub-recipient has achieved its goals for women generally, the Sub-recipient may be in violation of the Executive Order if a specific minority group of women is underutilized).
- J. The Sub-recipient shall not use the goals and timetables or affirmative action standards to discriminate against any persons because of race, color, religion, sex, or national origin.
- K. The Sub-recipient shall not enter into any subcontract with any person or firm debarred from government contracts pursuant to E.O. 11246.

- L. The Sub-recipient shall carry out such sanctions and penalties for violation of these specifications and of the Equal Opportunity Clause including suspension, termination, and cancellation of existing subcontracts as may be imposed or ordered pursuant to E.O. 11246, as amended.
- M. The Sub-recipient, in fulfilling its obligations under these specifications, shall implement specific affirmative action steps, at least as extensive as those standards prescribed in paragraph G of these specifications, so as to achieve maximum results from its efforts to ensure equal employment opportunity. If the Sub-recipient fails to comply with the requirements of the Executive Order, the implementing regulations, or these specifications, the Director shall proceed in accordance with 41 CFR 60 4.8.
- N. The Sub-recipient shall designate a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out, to submit reports relating to the provisions hereof as may be required by the government and to keep records. Records shall at least include for each employee, the name, address, telephone numbers, construction trade, union affiliation if any, employee identification number where assigned, social security number, race, sex, status (e.g., mechanic, apprenticeship trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate of pay, and location at which the work was performed. Records shall be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, Sub-recipients shall not be required to maintain separate records.
- O. Nothing herein provided shall be construed as a limitation upon the application of other laws which establish different standards of compliance or upon the application or requirements for the hiring of local or other area residents (e.g., those under the Public Works Employment Act of 1977 and the Community Development Block Grant Program).

3. **NOTICE OF REQUIREMENT FOR AFFIRMATIVE ACTION**
(applicable to contracts and subcontracts exceeding \$10,000)

- A. The Offeror's or Bidder's attention is called to the "Equal Opportunity Clause" and the "Standard Federal Equal Employment Opportunity Construction Contract Specifications" set forth herein.
- B. The goals and timetables for minority and female participation, expressed in percentage terms for the Sub-recipient's aggregate workforce in each trade on all construction work in the covered area are applicable to all the Sub-recipient's construction work (whether or not it is federal or federally assisted) performed in

Page 65 of 93

the covered area. If the Sub-recipient performs construction work in a geographic area located outside of the covered area, it shall apply the goals established for such geographic area where the work is actually performed.

With regard to this second area, the Sub-recipient also is subject to the goals for both its federally involved and non-federally involved construction. The Sub-recipient's compliance with the Executive Order and the regulations in 41 CFR Part 60.4 shall be based on its implementation of the Equal Opportunity Clause, specific affirmative action obligations required by the specifications set forth in 41 CFR 60.4.3 (a) and its efforts to meet the goals established for the geographical area where the contract resulting from this solicitation is to be performed. The hours of minority and female employment and training must be substantially uniform throughout the length of the contract, and in each trade, and the Sub-recipient shall make a good faith effort to employ minorities and women evenly on each of its projects. The transfer of minority or female employees or trainees from Sub-recipient to Sub-recipient or from project to project for the sole purpose of meeting the Sub-recipient's goals shall be a violation of the contract, the Executive Order, and the regulations in 41 CFR Part 60.4. Compliance with the goals will be measured against the total work hours performed.

- C. The Sub-recipient shall provide written notification to the Director of the Office of Federal Contract Compliance Programs within 10 working days of award of any construction subcontract in excess of \$10,000 at any tier for construction work under the contract resulting from this solicitation. The notification shall list the name, address, and telephone number of the Sub-recipient; employer identification number; estimated dollar amount of the subcontract; estimated starting and completion dates of the sub-contract; and the geographical area in which the contract is to be performed.
- D. As used in this Notice, and in the contract resulting from this solicitation, the "covered area" is (insert description of the geographical areas where the contract is to be performed, giving the State, parish, and city, if any):

4. **CERTIFICATION OF NONSEGREGATED FACILITIES**
(applicable to contracts and subcontracts exceeding \$10,000)

By the submission of this bid, the bidder, offeror, applicant or Sub-recipient certifies that he/she does not maintain or provide for his/her establishments, and that he/she does not permit employees to perform their services at any location, under his/her control, where segregated facilities are maintained. He/she certifies further that he/she will not maintain or provide for employees any segregated facilities at any of his/her establishments, and he/she will not permit employees to

Page 66 of 93

perform their services at any location under his/her control where segregated facilities are maintained. The bidder, offeror, applicant or Sub-recipient agrees that a breach of this certification is a violation of the equal opportunity clause of this contract.

As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms, and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation and housing facilities provided for employees which are segregated by explicit directive or are, in fact, segregated on the basis of race, color, religion, or national origin because of habit, local custom, or any other reason.

He/she further agrees that (except where he/she has obtained for specific time periods) he/she will obtain identical certification from proposed sub-recipients prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the equal opportunity clause; that he/she will retain such certifications in his/her files; and that he/she will forward the following notice to such proposed sub-recipients (except where proposed sub-recipients have submitted identical certifications for specific time periods).

5. CIVIL RIGHTS

The Sub-recipient shall comply with the provisions of Title VI of the Civil Rights Act of 1964. No person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

6. SECTION 109 OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974

The Sub-recipient shall comply with the provisions of Section 109 of the Housing and Community Development Act of 1974. No person in the United States shall on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title. Section 109 further provides that discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973, as amended, is prohibited.

7. SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968 -

(Section 3 Clause) (applicable to contracts and subcontracts exceeding \$100,000 funded by Section 3 covered assistance)

- A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.
- C. The Sub-recipient agrees to send to each labor organization or representative of workers with which the Sub-recipient has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Sub-recipient's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.
- D. The Sub-recipient agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the Sub-recipient is in violation of the regulations in 24 CFR part 135. The Sub-recipient will not subcontract with any Sub-recipient where the Sub-recipient has notice or knowledge that the Sub-recipient has been found in violation of the regulations in 24 CFR part 135.
- E. The Sub-recipient will certify that any vacant employment positions, including training positions, that are filled (1) after the Sub-recipient is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Sub-recipient's obligations under 24 CFR part 135.

- F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
- G. With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).
8. **SECTION 503 OF THE REHABILITATION ACT OF 1973 (29 USC 793)**
(applicable to contracts and subcontracts exceeding \$10,000)
- A. The Sub-recipient will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is otherwise qualified. The Sub-recipient agrees to take affirmative action to employ, advance in employment and otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all employment practices such as the following: employment upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- B. The Sub-recipient agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
- C. In the event of the Sub-recipient's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.
- D. The Sub-recipient agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Director, provided by or through the contracting officer. Such notices shall state the Sub-recipient's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment, and the rights of applicants and employees.

- E. The Sub-recipient will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Sub-recipient is bound by the terms of Section 503 of the Rehabilitation Act of 1973, and is committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals.
- F. The Sub-recipient will include the provisions of this clause in every subcontract or purchase order of \$10,000 or more unless exempted by rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the Act, so that such provisions will be binding upon each Sub-recipient or vendor. The Sub-recipient will take such action with respect to any subcontract or purchase order as the Director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

9. **SECTION 504 OF THE REHABILITATION ACT OF 1973, AS AMENDED**

The Sub-recipient agrees that no otherwise qualified individual with disabilities shall, solely by reason of his disability, be denied the benefits, or be subjected to discrimination including discrimination in employment, any program or activity that receives the benefits from the federal financial assistance.

10. **AGE DISCRIMINATION ACT OF 1975**

The Sub-recipient shall comply with the provisions of the Age Discrimination Act of 1975. No person in the United States shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity receiving federal financial assistance.

11. **CERTIFICATION OF COMPLIANCE WITH AIR AND WATER ACTS**
(applicable to contracts and subcontracts exceeding \$100,000)

The Sub-recipient and all sub-recipients shall comply with the requirements of the Clean Air Act, as amended, 42 USC 1857 et seq., the Federal Water Pollution Control Act, as amended, 33 USC 1251 et seq., and the regulations of the Environmental Protection Agency with respect thereto, at 40 CFR Part 15, as amended.

In addition to the foregoing requirements, all nonexempt Sub-recipients and sub-recipients shall furnish to the owner, the following:

- A. A stipulation by the Sub-recipient or sub-recipients, that any facility to be utilized in the performance of any nonexempt contract or subcontract, is not listed on the List of Violating Facilities issued by the Environmental Protection Agency (EPA) pursuant to 40 CFR Part 15, as amended.

- B. Agreement by the Sub-recipient to comply with all the requirements of Section 114 of the Clean Air Act, as amended, (42 USC 1857 c 8) and Section 308 of the Federal Water Pollution Control Act, as amended, (33 USC 1318) relating to inspection, monitoring, entry, reports and information, as well as all other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued there under.
- C. A stipulation that as a condition for the award of the contract, prompt notice will be given of any notification received from the Director, Office of Federal Activities, EPA, indicating that a facility utilized, or to be utilized for the contract, is under consideration to be listed on the EPA List of Violating Facilities.
- D. Agreement by the Sub-recipient that he will include, or cause to be included, the criteria and requirements in paragraph (1) through (4) of this section in every nonexempt subcontract and requiring that the Sub-recipient will take such action as the government may direct as a means of enforcing such provisions.

12. **SPECIAL CONDITIONS PERTAINING TO HAZARDS, SAFETY STANDARDS AND ACCIDENT PREVENTION**

A. **Lead-Based Paint Hazards**

The construction or rehabilitation of residential structures is subject to the HUD Lead-Based Paint regulations, 24 CFR Part 35. The Sub-recipient and sub-recipients shall comply with the provisions for the elimination of lead-based paint hazards under Subpart B of said regulations. The Owner will be responsible for the inspections and certifications required under Section 35.14 (f) thereof.

B. **Use of Explosives**

When the use of explosives is necessary for the prosecution of the work, the Sub-recipient shall observe all local, state and federal laws in purchasing and handling explosives. The Sub-recipient shall take all necessary precaution to protect completed work, neighboring property, water lines, or other underground structures. Where there is danger to structures or property from blasting, the charges shall be reduced and the material shall be covered with suitable timber, steel or rope mats.

The Sub-recipient shall notify all owners of public utility property of intention to use explosives at least 8 hours before blasting is done close to such property. Any supervision or direction of use of explosives by the engineer does not in any way reduce the responsibility of the Sub-recipient or his Surety for damages that may be caused by such use.

C. Danger Signals and Safety Devices (Modify as Required)

The Sub-recipient shall make all necessary precautions to guard against damages to property and injury to persons. He shall put up and maintain in good condition, sufficient red or warning lights at night, suitable barricades and other devices necessary to protect the public. In case the Sub-recipient fails or neglects to take such precautions, the Owner may have such lights and barricades installed and charge the cost of this work to the Sub-recipient. Such action by the Owner does not relieve the Sub-recipient of any liability incurred under these specifications or contract.

13. FLOOD DISASTER PROTECTION

This contract is subject to the requirements of the Flood Disaster Protection Act of 1973 (P.L. 93 234). Nothing included as a part of this contract is approved for acquisition or construction purposes as defined under Section 3(a) of said Act, for use in an area identified by the Secretary of HUD as having special flood hazards which is located in a community not then in compliance with the requirements for participation in the National Flood Insurance Program pursuant to Section 201(d) of said Act; and the use of any assistance provided under this contract for such acquisition for construction in such identified areas in communities then participating in the National Flood Insurance Program shall be subject to the mandatory purchase of flood insurance requirements or Section 102(a) of said Act.

Any contract or agreement for the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Contract shall contain, if such land is located in an area identified by the Secretary as having special flood hazards and in which the sale of flood insurance has been made available under the National Flood Insurance Act of 1968, as amended, 42 U.S.C. 4001 et seq., provisions obligating the transferee and its successors or assigns to obtain and maintain, during the ownership of such land, such flood insurance as required with respect to financial assistance for acquisition or construction purposes under Section 102(a) of Flood Disaster Protection Act of 1973.

14. ACCESS TO RECORDS - MAINTENANCE OF RECORDS

The Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the Sub-recipient which are directly pertinent to this specific contract, for the purpose of audits, examinations, and making excerpts and transcriptions. All records connected with this contract will be maintained in a central location by the unit of local government and will be maintained for a period of five (5) years from the official date of the final closeout of the grant.

15. **INSPECTION**

The authorized representative and agents of the Department of Housing and Urban Development shall be permitted to inspect all work, materials, payrolls, records of personnel, invoices of materials, and other relevant data and records.

16. **REPORTING REQUIREMENTS**

The Sub-recipient shall complete and submit all reports, in such form and according to such schedule, as may be required by the Owner.

17. **CONFLICT OF INTEREST**

- A. No officer or employee of the local jurisdiction or its designees or agents, no member of the governing body, and no other public official of the locality who his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed. Further, the Sub-recipient shall cause to be incorporated in all subcontracts the language set forth in this paragraph prohibiting conflict of interest.
- B. No member of or delegate to Congress, or Resident Commissioner, shall be admitted to any share or part of this contract or to any benefit that may arise there from, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

18. **ACTIVITIES AND CONTRACTS NOT SUBJECT TO EXECUTIVE ORDER 11246, AS AMENDED**
(applicable to contracts and subcontracts of \$10,000 and under)

During the performance of this contract, the Sub-recipient agrees as follows:

- A. The Sub-recipient shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Sub-recipient shall take affirmative action to ensure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
- B. The Sub-recipient shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by Contracting Officer setting forth the provisions of this non-discrimination clause. The Sub-recipient shall

state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

- C. Sub-recipients shall incorporate foregoing requirements in all subcontracts.

19. **PATENTS**

- A. The Sub-recipient shall hold and save the Owner and its officers, agents, servants, and employees harmless from liability of any nature or kind, including cost and expenses for, or on account of any patented or unpatented invention, process, article, or appliance manufactured or used in the performance of the contract including its use by the Owner, unless otherwise specifically stipulated in the Contract Document.
- B. License or Royalty Fees: License and/or Royalty Fees for the use of a process which is authorized by the Owner of the project must be reasonable, and paid to the holder of the patent, or his authorized license, direct by the Owner and not by or through the Sub-recipient.
- C. If the Sub-recipient uses any design device or materials covered by letters, patent or copyright, he shall provide for such use by suitable agreement with the owner of such patented or copy-righted design device or material. It is mutually agreed and understood, that without exception the contract prices shall include all royalties or costs arising from the use of such design, device or materials, in any way involved in the work. The Sub-recipient and/or his Sureties shall indemnify and save harmless the Owner of the project from any and all claims for infringement by reason of the use of such patented or copy-righted design, device or materials or any trademark or copy-right in connection with work agreed to be performed under this contract, and shall indemnify the Owner for any cost, expense, or damage which it may be obliged to pay by reason of such infringement at any time during the prosecution of the work or after completion of the work.

20. **COPYRIGHT**

No materials, to include but not limited to reports, maps, or documents produced as a result of this contract, in whole or in part, shall be available to the Sub-recipient for copy-right purposes. Any such materials produced as a result of this contract that might be subject to copyright shall be the property of the Owner and all such rights shall belong to the Owner.

21. **TERMINATION FOR CAUSE**

If, through any cause, the Sub-recipient shall fail to fulfill in a timely and proper manner his obligations under this contract, or if the Sub-recipient shall violate any of the covenants, agreements, or stipulations of this contract, the Owner shall thereupon have the right to terminate this contract by giving written notice to the Sub-recipient of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the Sub-recipient under this contract shall, at the option of the Owner, become the Owner's property and the Sub-recipient shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder. Notwithstanding the above, the Sub-recipient shall not be relieved of liability to the Owner for damages sustained by the Owner by virtue of any breach of the contract by the Sub-recipient, and the Owner may withhold any payments to the Sub-recipient for the purpose of set-off until such time as the exact amount of damages due the Owner from the Sub-recipient is determined.

22. TERMINATION FOR CONVENIENCE

The Owner may terminate this contract at any time by giving at least ten (10) days notice in writing to the Sub-recipient. If the contract is terminated by the Owner as provided herein, the Sub-recipient will be paid for the time provided and expenses incurred up to the termination date.

23. ENERGY EFFICIENCY

The Sub-recipient shall comply with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Public Law 94-163).

24. SUBCONTRACTS

- A. The Sub-recipient shall not enter into any subcontract with any contractor who has been debarred, suspended, declared ineligible, or voluntarily excluded from participating in contracting programs by any agency of the United States Government or the State of Louisiana.
- B. The Sub-recipient shall be as fully responsible to the Owner for the acts and omissions of the Sub-recipient's sub-recipients, and of persons either directly or indirectly employed by them, as he is for the acts and omissions of persons directly employed by the Sub-recipient.
- C. The Sub-recipient shall cause appropriate provisions to be inserted in all subcontracts relative to the work to bind contractor to the Sub-recipient by the terms of the contract documents insofar as applicable to the work of sub-

recipients and to give the Sub-recipient the same power as regards terminating any subcontract that the Owner may exercise over the Sub-recipient under any provision of the contract documents.

- D. Nothing contained in this contract shall create any contractual relation between any Sub-recipient and the Owner.

25. DEBARMENT, SUSPENSION, AND INELIGIBILITY

The Sub-recipient represents and warrants that it and its sub-recipients are not debarred, suspended, or placed in ineligibility status under the provisions of 2 CFR 200.213 (government debarment and suspension regulations).

26. PROTECTION OF LIVES AND HEALTH

The Sub-recipient shall exercise proper precaution at all times for the protection of persons and property and shall be responsible for all damages to persons or property, either on or off the worksite, which occur as a result of his prosecution of the work. The safety provisions of applicable laws and building and construction codes, in addition to specific safety and health regulations described by Chapter XIII, Bureau of Labor Standards, Department of Labor, Part 1518, Safety and Health Regulations for Construction, as outlined in the Federal Register, Volume 36, No. 75, Saturday, April 17, 1971, Title 29 - LABOR, shall be observed and the Sub-recipient shall take or cause to be taken, such additional safety and health measures as the Owner may determine to be reasonably necessary.

27. BREACH OF CONTRACT TERMS

Any violation or breach of terms of this contract on the part of the Sub-recipient or the Sub-recipient's sub-recipients may result in the suspension or termination of this contract or such other action that may be necessary to enforce the rights of the parties of this contract. The duties and obligations imposed by the contract documents and the rights and remedies available there under shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law.

28. PROVISIONS REQUIRED BY LAW DEEMED INSERTED

Each and every provision of law and clause required by law to be inserted in this contract shall be deemed to be inserted herein and the contract shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either Party the contract shall forthwith be physically amended to make such insertion or correction.

29. **CHANGES**

The Owner may, from time to time, request changes in the scope of the services of the Sub-recipient to be performed hereunder. Such changes, including any increase or decrease in the amount of the Sub-recipient's compensation which are mutually agreed upon by and between the Owner and the Sub-recipient, shall be incorporated in written and executed amendments to this Contract.

30. **PERSONNEL**

The Sub-recipient represents that it has, or will secure at its own expense, all personnel required in performing the services under this Contract. Such personnel shall not be employees of or have any contractual relationship with the Owner.

All the services required hereunder will be performed by the Sub-recipient or under its supervision, and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and local law to perform such services.

No person who is serving sentence in a penal or correctional institution shall be employed on work under this Contract.

31. **ANTI-KICKBACK RULES**

Salaries of personnel performing work under this Contract shall be paid unconditionally and not less often than once a month without payroll deduction or rebate on any account except only such payroll deductions as are mandatory by law or permitted by the applicable regulations issued by the Secretary of Labor pursuant to the "Anti-Kickback Act" of June 13, 1934 (48 Stat. 948; 62 Stat. 740; 63 Stat. 108; Title 18 U.S.C. 874; and Title 40 U.S.C. 276c). The Sub-recipient shall comply with all applicable "Anti-Kickback" regulations and shall insert appropriate provisions in all subcontracts covering work under this contract to insure compliance by the sub-recipients with such regulations, and shall be responsible for the submission of affidavits required of sub-recipients there under except as the Secretary of Labor may specifically provide for variations of or exemptions from the requirements thereof.

32. **ASSIGNABILITY**

The Sub-recipient shall not assign any interest in this Contract, and shall not transfer any interest in the same (whether by assignment or novation) without prior written approval of the Owner provided that claims for money due or to become due the Sub-recipient from the Owner under this Contract may be assigned to a bank, trust company, or other financial institution, or to a Trustee in

Page 77 of 93

Bankruptcy, without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Owner.

33. INTEREST OF SUB-RECIPIENT

The Sub-recipient covenants that he presently has no interest and shall not acquire any interest direct or indirect in the above described project or any parcels therein or any other interest which would conflict in any manner or degree with the performance of his services hereunder. The Sub-recipient further covenants that in the performance of this Contract no person having any such interest shall be employed.

34. POLITICAL ACTIVITY

The Sub-recipient will comply with the provisions of the Hatch Act (5 U.S.C. 1501 et seq.), which limits the political activity of employees.

35. COMPLIANCE WITH THE OFFICE OF MANAGEMENT AND BUDGET

The parties agree to comply with the regulations, policies, guidelines, and requirements of the Office of Management and Budget, Circulars 2 CFR 200, as they relate to the use of Federal funds under this contract.

36. DISCRIMINATION DUE TO BELIEFS

No person with responsibilities in operation of the project to which this grant relates will discriminate with respect to any program participant or any applicant for participation in such program because of political affiliation or beliefs.

37. CONFIDENTIAL FINDINGS

All of the reports, information, data, etc., prepared or assembled by the Sub-recipient under this Contract are confidential, and the Sub-recipient agrees that they shall not be made available to any individual or organization without prior written approval of the Owner.

38. LOBBYING

The Sub-recipient certifies, to the best of his or her knowledge and belief that:

1. No federally appropriated funds have been paid or will be paid, by or on behalf of the Sub-recipient, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of

Page 78 of 93

any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

2. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the Sub-recipient shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

39. FEDERAL LABOR STANDARDS PROVISIONS

The Sub-recipient shall abide by the requirements of the Federal Labor Standards Provisions (form HUD-4010) as follows.

Federal Labor Standards Provisions U.S. Department of Housing and Urban Development Office of Labor Relations

Applicability

The Project or Program to which the construction work covered by this contract pertains is being assisted by the United States of America and the following Federal Labor Standards Provisions are included in this Contract pursuant to the provisions applicable to such Federal assistance.

A. 1. (i) Minimum Wages. All laborers and mechanics employed or working upon the site of the work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 3), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the Sub-recipient and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under Section I(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of 29 CFR 5.5(a)(1)(iv); also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs, which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period.

Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under 29 CFR 5.5(a)(1)(ii) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the Sub-recipient and its sub-recipients at the site of the work in a prominent and accessible, place where it can be easily seen by the workers.

(ii) (a) Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate and fringe benefits therefor only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(b) If the Sub-recipient and the laborers and mechanics to be employed in the classification (if known), or their representatives, and HUD or its designee agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by HUD or its designee to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, D.C. every additional classification action within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB control number 1215-0140.)

(c) In the event the Sub-recipient, the laborers or mechanics to be employed in the classification or their representatives, and HUD or its designee do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), HUD or its designee shall refer the questions, including the views of all interested parties and the recommendation of HUD or its designee, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

(d) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (1)(ii)(b) or (c) of this paragraph, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the Sub-recipient shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the Sub-recipient does not make payments to a trustee or other third person, the Sub-recipient may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the Sub-recipient, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the Sub-recipient to set aside in a separate account assets for the meeting of obligations under the plan or program. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

2. Withholding. HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the Sub-recipient under this contract or any other Federal contract with the same prime Sub-recipient, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime Sub-recipient so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees and helpers, employed by the Sub-recipient or any contractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee or helper, employed or working on the site of the work, all or part of the wages required by the contract, HUD or its designee may, after written notice to the Sub-recipient, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased. HUD or its designee may, after written notice to the Sub-recipient, disburse such amounts withheld for and on account of the Sub-recipient or Sub-recipient to the respective employees to whom they are due. The Comptroller General shall make such disbursements in the case of direct Davis-Bacon Act contracts.

3. (i) Payrolls and basic records. Payrolls and basic records relating thereto shall be maintained by the Sub-recipient during the course of the work preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in Section 1(b)(2)(B) of the Davis-bacon Act), daily and weekly

Page 81 of 93

number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5 (a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in Section 1(b)(2)(B) of the Davis-Bacon Act, the Sub-recipient shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Sub-recipients employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs. (Approved by the Office of Management and Budget under OMB Control Numbers 1215-0140 and 1215-0017.)

(ii) (a) The Sub-recipient shall submit weekly for each week in which any contract work is performed a copy of all payrolls to HUD or its designee if the agency is a Party to the contract, but if the agency is not such a Party, the Sub-recipient will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i). This information may be submitted in any form desired. Optional Form WH-347 is available for this purpose and may be purchased from the Superintendent of Documents (Federal Stock Number 029-005-00014-1), U.S. Government Printing Office, Washington, DC 20402. The prime Sub-recipient is responsible for the submission of copies of payrolls by all sub-recipients. (Approved by the Office of Management and Budget under OMB Control Number 1215-0149.)

(b) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the Sub-recipient or Sub-recipient or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be maintained under 29 CFR 5.5 (a)(3)(i) and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in 29 CFR Part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(c) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by subparagraph A.3.(ii)(b).

(d) The falsification of any of the above certifications may subject the Sub-recipient or Sub-recipient to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code.

(iii) The Sub-recipient or contractor shall make the records required under subparagraph A.3.(i) available for inspection, copying, or transcription by authorized representatives of HUD or its designee or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the Sub-recipient or Sub-recipient fails to submit the required records or to make them available, HUD or its designee may, after written notice to the Sub-recipient, sponsor, applicant or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

4. Apprentices and Trainees.

(i) **Apprentices.** Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the Sub-recipient as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a Sub-recipient is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or sub-recipient's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination.

Page 83 of 93

Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the Sub-recipient will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) **Trainees.** Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate that is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the Sub-recipient will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) **Equal employment opportunity.** The utilization of apprentices, trainees and journeymen under 29 CFR Part 5 shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

5. Compliance with Copeland Act requirements. The Sub-recipient shall comply with the requirements of 29 CFR Part 3 which are incorporated by reference in this contract

6. Subcontracts. The Sub-recipient or Sub-recipient will insert in any subcontracts the clauses contained in subparagraphs 1 through 11 of this paragraph A and such other

Page 84 of 93

clauses as HUD or its designee may by appropriate instructions require, and a copy of the applicable prevailing wage decision, and also a clause requiring the sub-recipients to include these clauses in any lower tier subcontracts. The prime Sub-recipient shall be responsible for the compliance by any Sub-recipient or lower tier Sub-recipient with all the contract clauses in this paragraph.

7. Contract termination; debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract and for debarment as a Sub-recipient and a Sub-recipient as provided in 29 CFR 5.12.

8. Compliance with Davis-Bacon and Related Act Requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this contract.

9. Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the Sub-recipient (or any of its sub-recipients) and HUD or its designee, the U.S. Department of Labor, or the employees or their representatives.

10. (i) Certification of Eligibility. By entering into this contract the Sub-recipient certifies that neither it (nor he or she) nor any person or firm who has an interest in the Sub-recipient's firm is a person or firm ineligible to be awarded Government contracts by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001. Additionally, U.S. Criminal Code, Section 1010, Title 18, U.S.C., "Federal Housing Administration transactions", provides in part: "Whoever, for the purpose of . . . influencing in any way the action of such Administration..... makes, utters or publishes any statement knowing the same to be false..... shall be fined not more than \$5,000 or imprisoned not more than two years, or both."

11. Complaints, Proceedings, or Testimony by Employees. No laborer or mechanic to whom the wage, salary, or other labor standards provisions of this Contract are applicable shall be discharged or in any other manner discriminated against by the Sub-recipient or any contractor because such employee has filed any complaint or instituted or caused to

be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable under this Contract to his employer.

B. Contract Work Hours and Safety Standards Act. The provisions of this paragraph B are applicable only where the amount of the prime contract exceeds \$100,000. As used in this paragraph, the terms "laborers" and "mechanics" include watchmen and guards.

(1) Overtime requirements. No Sub-recipient or Sub-recipient contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of 40 hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.

(2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in subparagraph (1) of this paragraph, the Sub-recipient and any Sub-recipient responsible therefore shall be liable for the unpaid wages. In addition, such Sub-recipient and Sub-recipient shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in subparagraph (1) of this paragraph, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of 40 hours without payment of the overtime wages required by the clause set forth in sub paragraph (1) of this paragraph.

(3) Withholding for unpaid wages and liquidated damages. HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Sub-recipient or contractor under any such contract or any other Federal contract with the same prime contract, or any other Federally-assisted contract subject to the Contract Work Hours and Safety Standards Act which is held by the same prime Sub-recipient such sums as may be determined to be necessary to satisfy any liabilities of such Sub-recipient or contractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (2) of this paragraph.

(4) Subcontracts. The Sub-recipient or contractor shall insert in any subcontracts the clauses set forth in subparagraph (1) through (4) of this paragraph and also a clause requiring the sub-recipients to include these clauses in any lower tier subcontracts. The prime Sub-recipient shall be responsible for compliance by any Sub-recipient or lower tier contractor with the clauses set forth in subparagraphs (1) through (4) of this paragraph.

C. Health and Safety. The provisions of this paragraph C are applicable only where the amount of the prime contract exceeds \$100,000.

(1) No laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his health and safety as determined under construction safety and health standards promulgated by the Secretary of Labor by regulation.

(2) The Sub-recipient shall comply with all regulations issued by the Secretary of Labor pursuant to Title 29 Part 1926 and failure to comply may result in imposition of sanctions pursuant to the Contract Work Hours and Safety Standards Act, 40 USC 3701 et seq.

(3) The Sub-recipient shall include the provisions of this paragraph in every subcontract so that such provisions will be binding on each sub-recipient. The Sub-recipient shall take such action with respect to any subcontract as the Secretary of Housing and Urban Development or the Secretary of Labor shall direct as a means of enforcing such provisions.

40. SOLID WASTE DISPOSAL ACT

The Grantee shall comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements listed below include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) AT 40 CFR part 247 containing the highest percentage of recovered materials, practicable, consistent with maintaining a satisfactory level of competition.

Applicability.(a)(1) This guideline applies to all procurement actions using federal funding and involving items designated by EPA in this part, where the purchase price of the item exceeds \$10,000, the value of the quantity acquired by the preceding fiscal year exceeds \$10,000. This guideline shall require that all solid waste management services procurements are conducted in a manner that maximizes energy and resource recovery.

(2) This guideline applies to any public agency using appropriated Federal funds to procure designated items, and to persons contracting with any such agencies with respect to work performed under such contracts. (3) The \$10,000 threshold applies to public agencies as a whole rather than to agency subgroups such as regional offices or sub-agencies of a larger department or agency.

(b) The term *procurement actions* includes:

(1) Purchases made directly by a procuring agency or purchases made directly by any person (e.g., a contractor) in support of work being performed for a procuring agency using federal funds

(2) Any purchases of designated items made "indirectly" by a procuring agency, as in the case of procurements resulting from grants, loans, funds, and similar forms of disbursements of monies.

(c)(1) This guideline does not apply to purchases of designated items which are unrelated to or incidental to Federal funding, i.e., not the direct result of a contract or agreement with, or a grant, loan, or funds disbursement to, a procuring agency.

41. CONFIDENTIALITY

The Sub-Recipient shall comply with the Confidentiality regulations, per 24 CFR 574.440. Per 24 CFR 574.440, "the grantee shall agree, and shall ensure that each project sponsor agrees, to ensure the confidentiality of the name of any individual assisted under this part and any other information regarding individuals receiving assistance." The Sub-recipient shall ensure all documentation and written agreements protect the confidentiality of all individuals/agencies funded or receiving any assistance under this grant.

42. LIMITED ENGLISH PROFICIENCY (LEP)

Assistance to Those with Limited English Proficiency. The Subrecipient agrees to take all reasonable actions to communicate with persons who have Limited English Proficiency (LEP) to ensure that such persons have meaningful access and an equal opportunity to participate in the program(s) and/or services funded under this Agreement.

Exhibit "F"
Compliance Unit Requirements

Community Development Block Grant (CDBG) funding requires the following compliance monitoring:

- Davis Bacon monitoring for all Public Facility construction projects in excess of \$2,000 and all residential construction projects involving 8 or more units
- Contract and Subcontract activity reports if any portion of funding was used for construction
- Equal Employment Opportunity and Affirmative Action monitoring for all subrecipients
- Section 3 monitoring for all Construction contracts in excess of \$100,000
- Total Federal Funding Inquiry report to be completed by all subrecipients to determine if an A-133 Single Audit is required
- A-133 Single Audit to be performed by any subrecipient that expends \$750,000 or more in one fiscal year.

Exhibit "G"

NORA Entitlement Monthly Reporting Form

Performance Measure	1	2	3	4	5	6	7	8	9	10	11	12	Cumulative Total
Acquisition													
Properties acquired by NORA													
Disposition													
Target Zone Properties Disposed													
Inspections													
Inspection of Properties Disposed of by NORA													
Interim Nuisance Abatement													
Initial Abatements													
Follow-up Abatements													
Alternative Land Use													
No. of properties transformed into active outdoor space													
No. of properties transformed into other City initiatives													

Name and Title of Reporting Officer:

Signature of Reporting Officer:

Exhibit "H"
NORA Entitlement Monthly Reporting Form Supplemental

<u>Address</u>	<u>Performance Measure</u>	<u>Month</u>

Name and Title of Reporting Officer:

Signature of Reporting Officer:

Exhibit "I"
Program Income Report

City of New Orleans PROGRAM INCOME REPORT						
Agency Name:						
TOTAL PROJECT AWARD:				PRIOR PERIOD P.I.		\$ -
PROGRAM INCOME FOR THE MONTH AND YEAR OF:				CURRENT MONTH P.I.		\$ -
				YEAR TO DATE P.I.		\$ -
SOURCES AND USES STATEMENT:						
	Project 1	Project 2	Project 3	Project 4	Total Program Income	
SOURCES OF INCOME:						
Interest Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Rentals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sale of Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Percentage:	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
EXPENDITURES:						
Personnel Services:						
Personnel Salaries & Wages	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Personnel Employee Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operations:						
Auto Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Communications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Equipment & Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Indirect Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lease	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Marketing/Advertisements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Purchased Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Postage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Printing/Publications	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase Professional & Technical Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased Property Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies and Materials	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Training/Conferences	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contractual Services:						
(Enter Vendor Name)						
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Program Income Ending Balance:						\$ -
Agency Authorized Signature:						
						Date
City of New Orleans Approval:						
						Date
Note: For Salaries, provide narrative about specific staff and how they connect to the project on a separate sheet. Attach all supporting documentation for expenditures incurred on this report.						