

ATTACHMENT 3: HOPWA AND OTHER FEDERAL REQUIREMENTS

The following provisions shall be applicable to this Contract and binding on Subrecipient and Agency only if all or part of the funds to be paid for work performed under this Contract are provided under the Housing Opportunities for Persons with Aids Program administered by the United States Department of Housing and Urban Development. In the event of a dispute as to the applicability of any of the following provisions to Subrecipient's work under this Contract, Agency's determination shall be final.

1. **DEFINITIONS.** For purposes of this Contract and in addition to definitions made elsewhere in this Contract, the following quoted words and phrases contained in this Contract shall have the following meanings:
 - a) The "Act" is the federal Housing and Community Development Act of 1974, as amended.
 - b) "HOPWA" is the federal Housing Opportunities for Persons with AIDS program administered by HUD. "CFR" is the Code of Federal Regulations.
 - c) The "HOPWA Requirements" are the laws, rules and regulations (other than the Act) which are specifically applicable to this Contract. A substantial portion of the HOPWA Requirements are included in this Attachment 3.
 - d) "Contract Provisions" refers to "Attachment 1: Contract Provisions." This Attachment 3 contains the provisions common to all Agency administered HOPWA agreements.
 - e) "Cost Objective" generally means a service, program, project or activity in which costs can be assigned to and measured from. See 2 CFR §200.28.
 - f) "Allocable Costs" are particular to a Federal award or other cost objective if the goods or services involved are chargeable or assignable to that Federal award or cost objective in accordance with relative benefits received. See 2 CFR §200.405.
 - g) "Direct Costs" are those costs that can be identified specifically with a particular final cost objective or other internally or externally funded activity, or that can be directly assigned to such activities relatively easy with a high degree of accuracy. See 2 CFR §200.413.
 - h) "Indirect Costs" Indirect costs" means those costs incurred for a common or joint purpose benefitting more than one cost objective and not readily assignable to the cost objectives specifically benefitted without effort disproportionate to the results achieved. See 2 CFR §§ 200.56, 200.413, and 200.414.
 - i) "Reasonable Costs" include costs that are generally recognized as ordinary and necessary for the operation or efficient performance of the contract or award and do not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost. See 2 CFR §200.404.
 - j) "HUD" is the United States Department of Housing and Urban Development.
 - k) "OMB" is the federal Office of Management and Budget.
 - l) "Subrecipient" is the Contractor as defined elsewhere in this Contract.
 - m) "Program Income" is defined in 2 CFR §200.80. Generally, Program Income is income to Subrecipient that is generated from the use of HOPWA funds under this Contract. Program Income may include, without limitation, proceeds of the sale, rent or lease of real or personal property acquired with such funds, principal and interest payments on loans of such HOPWA funds, and interest earned on other

Program Income.

- n) "Project Funds" are the funds to be paid to the Subrecipient under this Contract. All Project Funds are funds disbursed to the Recipient and Agency under the HOPWA Program.
- o) Quarterly Reports are required to be submitted by Subrecipient in accordance with 2 CFR 200.328(b)(1). See 2 CFR §§200.327, 200.328, 200.329, 200.512, 24 CFR Part 91, and 24 CFR §574.520 for additional reporting requirements.

EXHIBITS. Exhibits to this Attachment are located online at www.shra.org and contain a substantial portion of the Federal Requirements and are incorporated into this Contract. Subrecipient acknowledges they have reviewed and accept these Exhibits by initialing here: _____ :

Exhibit 1 - HOPWA Regulations: 24 CFR Part 574.

Exhibit 2 - Requirements for Nonprofit Subrecipients. 2 CFR §200.70 and Appendix VIII to 2 CFR Part 200.

Exhibit 3 - Grants and Agreements with Institutions of Higher Education, Hospitals and Other Nonprofit Organizations [*applies only to Subrecipients who are not a state or local government or a public agency*]. See also 2 CFR §§ 200.52, 200.55, and Appendix VIII to 2 CFR Part 200.

Exhibit 4 - Cost Principles for Nonprofit Organizations [*applies only to Subrecipients who are not a state or local government, a public agency or an educational institution*]. See 2 CFR §200.70, and Appendix VIII to 2 CFR Part 200.

Exhibit 5 – Audits of Institutions of Higher Education and Other Nonprofit Organizations [*applies only to Subrecipients who are not a state or local government or a public agency*]. See also 2 CFR §§ 200.55, 200.418, 200.419, and Appendix III to 2 CFR Part 200.

Exhibit 6 – Cost Principles for Educational Institutions [*applies only to Subrecipients who are an educational institution*]. See CFR §§ 200.418 and 200.419.

Exhibit 7 – Principles for determining Costs Applicable to Grants and Contracts with State, Local and Federally-Recognized Tribal Indian Governments [*applies only to Subrecipients who are a state or local government, a public agency*]. 2 CFR §§ 200.416, 200.417, and Appendix VII to 2 CFR Part 200.

Exhibit 8 – Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments. 2 CFR Part 200; see also 2 CFR §§200.416, 200.417, and Appendix VII to 2 CFR Part 200.

Exhibit 9 – New Restrictions on Lobbying. 24 CFR Part 87; see also 2 CFR §200.450.

Exhibit 10 – Federal Labor Standards Provisions; 29 CFR §5.5.

Exhibit 11 – Executive Order 12432 – M/WBE; see also 2 CFR §200.321.

Exhibit 12 – Executive Order 12138 – M/WBE; see also 2 CFR Section §200.321.

Exhibit 13 – Executive Order 11625 – M/WBE and Agency assembled M/WBE materials.

Exhibit 14 – Executive Order 11246, as amended – Equal Opportunity.

Exhibit 15 – Executive Order 13166 – Limited English Proficiency Access.

Exhibit 16 – Equal Access to Housing and HUD Programs Regardless of Sexual Orientation or Gender Identity: 24 CFR Parts 5, 200, 570, 574, 882, 891 and 982.

Exhibit 17 – Generally Applicable HUD Program Requirements; Waivers. 24 CFR Part 5. Exhibit 18. CPD Notice 15-02 – Appropriate Placement for Transgender Persons in Single Sex Emergency Shelters and Other Facilities.

Exhibit 20 – Notice CPD 06-07 Standards for HOPWA Short-Term Rent, Mortgage, and Utility (STRMU) Payments and Connections to Permanent Housing.

2. FINDING AND REPRESENTATION. This Contract has been made for the following purposes and based upon the following representations of the parties:

- a) In accordance with the provisions of California Government Code §53703, Agency possesses full powers for the purpose of administering the expenditure of funds received under the federal Housing and Community Development Act of 1974, as amended, Housing Opportunities for Persons with AIDS Grant program, administered by the United States Department of Housing and Urban Development.
- b) Agency has determined that the fulfillment of Subrecipient's obligations under this Contract serves the purposes of community improvement and welfare.
- c) Pursuant to the provisions of California Government Code §53703 and after public hearing, Subrecipient has been allocated HOPWA funds for the uses and activities of this Contract.
- d) Agency and Subrecipient are subject to all laws, rules and regulations regarding the use of HOPWA funds for the purposes and activities stated in this Contract.

3. COSTS. All costs must be necessary and reasonable for the performance of the federal award and be allocable thereto under these principles per 2 CFR §§ 200.403 and 404. Classifying a particular cost as direct or indirect depends on whether it can be identified directly with a cost objective (such as a project or activity) without disproportionate effort. All costs must comply with 2 CFR Part 200, Subpart E-Cost Principles (2 CFR §§ 200.420-200.475).

The contractor may elect, but is not required, to charge for indirect costs. If the contractor chooses to charge for indirect costs, the maximum indirect cost rate is 10% (*de minimis*), unless an indirect cost rate has been previously negotiated with and approved by the federal agency responsible for reviewing, negotiating and approving cost allocation plans or indirect cost rate proposals. The negotiated rate must be accepted by all federal awarding agencies.

4. ADDITIONAL RESTRICTIONS OF FUNDS. Subrecipient acknowledges that the funds for this Contract are HOPWA funds, the amount of which has been established after public hearing and that Agency has no authority to change the Project Funds except after public hearing and Recipient approval. Therefore, and notwithstanding any other provision of this Contract, the parties agree that the total compensation and reimbursement for all services and expenses required during the term of this Contract shall not exceed the Project Funds. Subrecipient shall provide, from whatever source, all additional funds necessary to fulfill Subrecipient's obligations under this Contract.

- a) If Subrecipient incurs additional expenses or does additional work related to this Contract, Subrecipient shall bear all such costs and expenses unless the Agency has executed a written amendment to this Contract prior to Subrecipient's having incurred such costs and expenses.
- b) Subrecipient shall use proceeds of this Contract only for the purposes stated in this Contract, as described in the Scope of Work, and strictly in compliance with all applicable laws, rules and regulations.
- c) If Subrecipient is not a state or local government, educational institution or public agency, Subrecipient shall fully comply with the regulations, policies, guidelines and requirements

Subrecipient shall deposit any advance under this Contract in an interest bearing account and, unless specified otherwise in this Contract, shall remit any interest earned over \$100 to the Agency.

- d) Project Funds shall not be used for any religious purposes, which prohibition is further described in 24 CFR §§ 5.109 and 574.300(c).
- e) In the event of suspension or termination of this Contract, Subrecipient shall return unused funds to the Agency. If the Subrecipient improperly retains funds, the Agency may retain funds from future disbursements to the Subrecipient. In accordance with 2 CFR §§ 200.338 and 200.339, suspension or termination may occur if Subrecipient materially fails to comply with any term of the award, and the award may be terminated for convenience in accordance with 2 CFR §§ 200.338, 200.339, 200.340, 200.341, and 200.342.
- f) **RESEARCH AND DEVELOPMENT (R & D).** Funds may not be used for R & D. R & D means all research and development related activities, both basic and applied, that are performed by non-Federal entities. See 2 CFR § 200.87 for additional information on R & D.

5. RETURN OF PROGRAM INCOME. Subrecipient shall report receipt of all Program Income and return all Program Income to the Agency.

6. ANTI-KICKBACK RULES. Monthly, or more often, Subrecipient must, without condition, pay the salaries of architects, draftsmen, technical engineers and technicians performing work under this Contract. Such payments shall be made without deduction or rebate, excepting only such payroll deductions as are mandatory by law or permitted by applicable regulations issued by the Secretary of Labor pursuant to the "Anti-Kickback Act" of June 13, 1937 (18 U.S.C., §874). Subrecipient shall comply with all applicable "Anti-Kickback" regulations and shall insert appropriate provisions in all subcontracts covering work under this Contract to ensure compliance by subcontractors with such regulations. Subrecipient shall be responsible for the submission of affidavits required of subcontractors under this Contract, except for such variations or exemptions as the Secretary of Labor may specifically allow.

7. WORK HOURS. Subrecipient must comply with the provisions of the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 3701-3708) and must cooperate with Agency in implementing and enforcing the provisions of such Act. Among other requirements of the act, Subrecipient must pay not less than one and one-half times the basic rate of pay for the work of Subrecipient's employee in excess of eight hours in one day or forty hours in one week in the performance of this Contract. Subrecipient must insert appropriate provisions in all subcontracts covering work under this Contract to ensure compliance with such Act. Subrecipient must meet and cooperate with Agency's Labor Compliance officer to assure compliance with such Act.

8. WITHHOLDING OF SALARIES. If, in the performance of this Contract, there is any underpayment of salaries by Subrecipient or by any subcontractor, Agency must withhold from Subrecipient out of payments due to him or her any amount sufficient to pay employees underpaid the difference between the salaries required under this Contract to be paid and the salaries actually paid such employees for the total number of hours worked. The amounts withheld shall be disbursed by Agency for and on account of Subrecipient or subcontractor to the respective employees to whom they are due.

9. CLAIMS AND DISPUTES PERTAINING TO SALARY RATES. Claims and disputes pertaining to salary rates or to classification of architects, draftsmen, technical engineers and technicians performing work under this Contract must be promptly reported in writing by Subrecipient to Agency for the latter's decision which shall be final with respect thereto.

10. Intentionally Omitted.

11. CONFLICT OF INTEREST. No member, officer or any employee of Subrecipient, or its designees or agents, who exercises any functions or responsibilities with respect to the program during his or her tenure or for one (1) year thereafter, shall have an interest, direct or indirect, in any contract or its proceeds, for work to be performed in connection with the program assisted under this Contract. Subrecipient must incorporate, or cause to be

incorporated, in all subcontracts a provision prohibiting such interest pursuant to the purposes of this Section. In the procurement of supplies, equipment, construction, and services by Subrecipient, the conflict of interest provisions in 2 CFR §§ 200.318 and 200.319, respectively, shall apply.

12. DISCRIMINATION BECAUSE OF CERTAIN LABOR MATTERS. No person employed on the work covered by this Contract shall be discharged or in any way discriminated against because he or she 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 to his employer under this Contract.

13. RECORDS, REPORTING AND MONITORING. Agency may monitor the adequacy of Contractor's performance in any manner which Agency deems most effective. Contractor must cooperate with Agency in such monitoring. Subrecipient must keep all necessary books and records, including loan documentation and financial records, in connection with the operation and services performed under this Contract, in accordance with 2 CFR §200.333, and must document all transactions so Agency may properly audit all expenditures made pursuant to this Contract. Subrecipient must maintain and preserve all records related to this Contract in its possession for a period of three (3) years from the completion date of this Contract, unless otherwise directed by Agency. All books, records and accounts kept by Subrecipient in connection with the performance of this Contract shall be made available for inspection by representatives of the federal government and/or Agency staff as required to monitor or audit the program.

In addition to the reports specified in this Contract, Subrecipient shall retain the records required by the applicable provisions of 2 CFR §200.333 and provide the Agency with the reports required pursuant to 2 CFR §§ 200.328 and 200.343, and such other records and reports as the Agency may reasonably require in the administration of this Contract. Subrecipient shall keep all other necessary books and records, including property, personnel, loan documentation and financial records, in connection with the operation and services performed under this Contract. Subrecipient shall conduct audits in accordance with 2 CFR Part 200, Subpart F. Subrecipient shall document all transactions sufficiently for Agency to properly monitor and audit all expenditures made pursuant to this Contract.

14. DRUG FREE WORKPLACE. Subrecipient must comply with the Drug-Free Workplace Act of 1988 (final rule published on May 25, 1990) and Agency's policies and rules promulgated under the Act. Subrecipient must obtain such policies and rules from the Agency.

15. RESTRICTIONS ON LOBBYING; FILING CERTIFICATION AND DISCLOSURE FORMS. Subrecipient shall not use any funds paid under this Contract, directly or indirectly, for any political activity, whatsoever or to influence any public official or employee. In any event, Subrecipient shall comply with the restrictions on lobbying stated in 24 CFR Part 87. Subrecipient shall sign and return to the Agency the certification described in 24 CFR 87, Appendix A and the disclosure form described in 24 CFR Part 87, Appendix B. Subrecipient shall require any person receiving proceeds of this Contract from Subrecipient to comply with 24 CFR Part 87, including the submission to Agency of completed certifications under Appendix A and disclosure forms under Appendix B. See also 2 CFR §200.450.

16. ELIGIBILITY AND NON-DISCRIMINATION (SECTION 109). Subrecipient shall not employ discriminatory practices in the provision of services, employment of personnel, or in any other respect on the basis of race, color, religion, sex, national origin, ancestry, or physical or mental handicap, or age as more specifically set forth in 24 CFR §574.603, which requires compliance with the non-discrimination and equal opportunity requirements at 24 CFR Part 5 and Section 109 of the Act (42 USC §5301).

17. CIVIL RIGHTS COVENANT. As provided in 24 CFR §§ 5.105, and 574.603 and depending upon the type and nature of the grant of HOPWA funds, this Contract may be subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and Title VIII of the Civil Rights Act of 1968 (P.L. 90-284) and HUD regulations. Subrecipient certifies that its activities under this Contract shall be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and Title VIII of the Civil Rights Act of 1968 (P.L. 90-284) and that it will comply with the other provisions of Titles 2 and 24 of the CFR and with other applicable laws, to the full extent of their application. Further, pursuant to Executive Order 11063 (as amended pursuant to Executive Order 12259) set out in 24 CFR Part 107, in the sale, lease or other transfer of land

acquired, cleared or improved with assistance provided under the Contract, Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination upon the basis of race, color, religion, sex, or national origin, in the sale, lease or rental, or in the use or occupancy of such land or any improvements erected or to be erected thereon, and providing that the Agency and the United States are beneficiaries of and entitled to enforce such covenant. Subrecipient, in undertaking its obligation in carrying out the program assisted hereunder, shall take such measures as are necessary to enforce such covenant and shall not itself so discriminate.

18. MINORITY/WOMEN'S BUSINESS ENTERPRISES REQUIREMENTS. This Contract is subject to minority and women's business enterprises requirements set forth in Executive Orders 12432, 11625, and 12138. Subrecipient shall take all reasonable steps necessary to encourage the participation of minority and female owned businesses in work under this Contract.

- a) With regard to any work of construction funded with Project Funds, such steps may include, without limitation, the following:
 - (1) Obtaining the minority and Women's Business Enterprises Registry from the Agency MBE/WBE Coordinator to ensure such contractors receive an invitation to bid.
 - (2) Advertising the invitation to bid or to submit proposals in the El Hispano and the Sacramento Observer as well as in a newspaper of general circulation in the Sacramento metropolitan area.
 - (3) Reviewing the telephone directory or professional organization membership lists, or making direct contact with minority- or female-owned businesses for specialized trades and services, and inviting such firms to bid.
- b) Subrecipient shall include the Minority and Women's Business Enterprises requirements, in the form prescribed by the Agency, in all contracts for use of funds under this Contract, and Subrecipient shall coordinate purchases of goods and services over \$10,000 with the Agency's MBE/WBE Coordinator.
- c) Subrecipient shall maintain documentation of outreach efforts to minority and/or female owned businesses. Additionally, Subrecipient shall maintain documentation of contract awards for the Quarterly Reports.

19. FLOOD DISASTER PROTECTION. Pursuant to the requirements of the Flood Disaster Protection Act of 1973 (42 USC §4001), Subrecipient shall not use or permit the use of any portion of the assistance provided under this Contract for acquisition or construction purposes as defined by the Director of the Federal Emergency Management Agency (42 USC §4003(a)(4)), for use in an area identified by the Director of the Federal Emergency Management Agency as having special flood hazards unless the community in which such area is located is then participating in the national flood insurance program (described at 42 USC §§4011) and the use of any such assistance shall be subject to the mandatory purchase of flood insurance requirements of 42 USC §4012a.

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 Director 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, 42 USC §§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 the Flood Disaster Protection Act of 1973 (42 USC §4012a). Such provisions shall be required notwithstanding the fact that the construction on such land is not itself funded with assistance provided under this Contract.

20. COMPLIANCE WITH AIR AND WATER ACTS. This Contract is subject to the applicable requirements of the Clean Air Act (42 USC §7401 et seq.), the Federal Water Pollution Control Act, (33 USC §1251 et seq.), and the corresponding regulations of the Environmental Protection Agency (40 CFR Parts 1-49). In compliance with

said regulations, Subrecipient shall cause or require to be inserted in all contracts and subcontracts funded with Project Funds, and with respect to any transaction which is not otherwise exempt from such laws and regulations, all of the following requirements:

- a) A stipulation by the contractor or subcontractor that any facility to be utilized in the performance of the contract or subcontract is not listed on the List of Violating Facilities issued by the Environmental Protection Agency (EPA).
- b) Compliance with all the requirements of Section 114 of the Clean Air Act, (42 USC §7414c-8) and Section 308 of the Federal Water Pollution Control Act, (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 thereunder.
- c) A stipulation that, as a condition for the award of the contract, prompt notice shall be given to Agency by Subrecipient or the prospective contractor or subcontractor 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 contractor that he or she shall include or cause to be included the criteria and requirements in this Section 19a through 19c of this Section in every non-exempt subcontract and requiring that the contractor shall take such action as the government may direct as a means of enforcing such provisions.
- e) In no event shall any amount of the assistance provided under this Contract be utilized with respect to a facility which has given rise to a conviction under Section 113(c)(1) (42 USC §7413) of the Clean Air Act or Section 309(c) (32 USC §1319) of the Federal Water Pollution Control Act.

21. RELOCATION. This Contract is subject to the requirements of Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601 et seq.) and HUD implementing regulations at 24 CFR Part 42 and CFR §574.630. Subrecipient shall not undertake any of the work contemplated under this Contract if relocation is involved without first obtaining written approval from Agency. Subrecipient shall inform affected persons of the relocation assistance policies and procedures set forth in the regulations at 24 CFR Part 42 and 24 CFR 574.630.

22. PROPERTY OWNERSHIP AND PROCUREMENT. The Subrecipient, shall, in the acquisition or improvement of real and personal property with funds provided under this Contract, be subject to all applicable provisions of the Federal Requirements.

- a) General property and procurement guidelines are contained in 2 CFR §§ 200.310-200.316 and 2 CFR §§ 200.317-200.326, respectively. In all cases in which personal property is sold, the proceeds shall be transferred to Agency for the HOPWA program or shall be Program Income, and, personal property not needed by the Subrecipient shall be transferred to Agency for the HOPWA program or shall be retained by Subrecipient after compensating the Agency.
- b) Real property shall be acquired in accordance with Title III, Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (24 CFR Part 42) and 24 CFR §574.630.

23. USE OF DEBARRED, SUSPENDED OR PROHIBITED PARTIES. Subrecipient shall not use any Project Funds, directly or indirectly, to award contracts to, or otherwise engage the services of, or fund any contractor or subrecipient during any period of debarment, suspension or placement in ineligibility status under the provisions of 2 CFR Part 2424, 2 CFR Part 180, and 2 CFR §200.213. Subrecipient will verify that the Federal Debarred List Registry does not include any contractor or subrecipient prior to awarding contracts and that they will record the date that the Registry was consulted. Subrecipient acknowledges this requirement by initialing here:

Subrecipient initials _____

24. DAVIS BACON ACT AND STATE PREVAILING WAGES. The provisions of the Davis-Bacon Act do not apply to

the HOPWA Program (24 CFR §574.655). However, if this Contract is for construction, alteration, or repair (including painting and decorating) of public buildings or public works, California State Prevailing wages may apply (California Labor Code §1720 et seq.), in which case Subrecipient must comply with the provisions of California Labor Code §1720 et seq. and all rules, regulations and orders promulgated under said statutes.

25. FEDERAL LABOR STANDARDS. For construction, rehabilitation, alteration, or repair of real property funded with Project Funds, Subrecipient shall comply, and shall cause all subcontractors on such work to comply, with the applicable provisions of the Contract Work Hours and Safety Standards Act, as amended, (40 USC §3701 et seq.) and all rules, regulations and orders promulgated under said Acts. Among other provisions, said Acts establish minimum wages and fringe benefits; prohibit deductions or rebates from payments; provide for the withholding of funds to assure compliance with wage provisions; and provide for the termination of the contract and debarment of the contractor for failure so to comply. Subrecipient shall also comply, and shall cause all subcontractors on such work to comply, with all other applicable HUD labor requirements, including, without limitation, the requirements of 29 CFR Parts 3 and 5, which govern the payment of wages and the ratio of apprentices and trainees to journeymen. If wage rates higher than those required under such regulations are imposed by state or local law, nothing in this Contract is intended to relieve Subrecipient of its obligations, if any, to require payment of the higher rates. Subrecipient shall cause or require to be inserted, in all such contracts, provisions which subject the parties to the Federal Labor Standards Provision and all other applicable regulations and requirements of HUD. Subrecipient shall not award any contract subject to the provisions of Section 25 of the Contract to any contractor who is at the time ineligible under the provisions of any applicable regulations of the Department of Labor to receive an award of such contract.

26. ECONOMIC OPPORTUNITY EMPLOYMENT REQUIREMENTS. The following is applicable to all contracts related to the project which is the subject of this Contract.

- i. The contract requires that, to the greatest extent feasible, opportunities for training and employment be given to lower-income residents of the project area.
- ii. The parties to this Contract certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.
- iii. Contractor will send to each labor organization or representative of workers with which he or she has a collective bargaining agreement or other contract or understanding, if any, a notice advising the said labor organization or workers' representative of his or her commitments under this Employment Clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.
- iv. Contractor will include this Employment Clause in every subcontract for work in connection with the project.
- vi. Good Faith Effort. Each Contractor or subcontractor undertaking work in connection with a Section 3 covered project must fulfill his or her obligation to utilize lower-income project area residents as employees to the greatest extent feasible by:
 - (1) Identifying the number of positions in the various occupational categories including skilled, semi-skilled, and unskilled labor, needed to perform each phase of the Section 3 covered project;
 - (2) Identifying the positions described in Paragraph (1) of this Section, the number of positions in the various occupational categories which are currently occupied by regular, permanent employees;
 - (3) Identifying the positions described in Paragraph (1) of this Section, the number of positions in the various occupational categories which are not currently occupied by regular permanent employees;
 - (4) Establishing the positions described in Paragraph (3) of this Section, a goal which is consistent with the purpose of this subpart within each occupational category of the number of positions to be filled by lower-income residents of the Section 3 covered project area;

- (5) Making a good faith effort to fill all of the positions identified in Paragraph (4) of this Section with lower income project area residents first and foremost, through the First Source Program; and
- (6) Making a good faith effort to fill of the positions identified in Paragraph (4) of this Section with lower-income project area residents.

27. ARCHITECTURAL BARRIERS ACT. Subrecipient shall comply with the Architectural Barriers Act of 1968 (42 USC §4151), as applicable, which Act requires that the design of any facility, except a private residence, that is constructed, renovated, remodeled or rehabilitated with funds received pursuant to this Contract shall comply with the "American Standard Specification for Making Buildings and Facilities Accessible, and Usable by, the Physically Handicapped," as described in 41 USC §§ 101-4712, and Subrecipient shall cooperate with Agency in its inspections pursuant to such provisions.

28. LEAD-BASED PAINT. The use of lead-based paint is prohibited in any residential structure constructed or rehabilitated with Project Funds, which prohibitions are further described in 24 CFR Part 35.. For those properties constructed prior to 1978, Subrecipient shall assure that rehabilitation applicants, purchasers or tenants, as the case may be, shall be notified (i) that the property may contain lead-based paint, (ii) of the hazards of lead-based paint, (iii) of the symptoms and treatment of lead-based poisoning (iv) of the precautions to be taken to avoid lead-based paint poisoning (including maintenance and removal techniques for eliminating such hazards), (v) of the advisability and availability of blood level screening for children under the age of seven years of age, and (vi) that, in the event lead-based paint is found on the property, appropriate abatement procedures may be undertaken. Subrecipient shall follow the procedures for the elimination of lead-based paint hazards, to the extent required under 24 CFR 574.635.

29. FOOD, TRAVEL AND ENTERTAINMENT. Travel costs may include expenses for transportation, lodging and subsistence and are only allowable for employees who are in travel status on official business and approved as part of this contract or with prior written approval and are specifically related to this contract. Costs must be considered reasonable and do not exceed charges allowed by contractor's Out of Town Travel Policy. See 2 CFR §200.474 for additional information on travel costs and www.shra.org for the Out of Town Travel Policy.

The costs of entertainment, including amusement, diversion, and social activities and any associated costs are unallowable, except where specific costs that might otherwise be considered entertainment have a programmatic purpose and are authorized either in the approved budget for the Federal award or with prior written approval. All entertainment costs must comply with 2 CFR §200.438. In addition, the costs of alcoholic beverages are unallowable per 2 CFR §200.423.

30. CHANGES IN LAWS AND REGULATIONS. In the event an applicable law or regulation is modified or eliminated, or new law or regulation is adopted, the revised law or regulation shall **automatically supersede the contract's scope of work and any attachments**. The most current exhibits, laws and regulations will be posted at www.shra.org.

31. OTHER PROGRAM REQUIREMENTS. Agency must provide Subrecipient with all relevant program information regarding the federal programs having jurisdiction over this Contract. Agency must assist Subrecipient in the interpretation of the requirements of such programs. Subrecipient shall be considered to be familiar with the requirements of such programs and shall comply with such requirements.