

**Subrecipient Contract for
FY 2023 Community Project Funding (CPF) Grant**

City of Madison Heights
(municipality)

&

Habitat for Humanity of Oakland County
(servicing agency)

CONTRACT DURATION:

Beginning Date: January 1, 2024

Ending Date: December 31, 2030

This contract shall be effective from the beginning date until December 31, 2030, or when funding has been expended, whichever comes first. The contract may be extended if additional CPF funds become available to the City of Madison Heights.

CONTRACT FUNDING SOURCES: FEDERAL COMMUNITY PROJECT FUNDING – HUD

In the Consolidated Appropriations Act, 2023 (Public Law 117-328) (the FY2023 Act), Congress made funding available for “grants for the Economic Development Initiative (EDI) for the purposes, and in amounts, specified for Community Project Funding/Congressionally Directed Spending.” These “Community Project Funding” or “CPF” awards are administered by the Department of Housing and Urban Development (HUD).

HUD has approved the following project, which was included in the Senate section of the Congressional Record on December 20, 2022.

Grantee:	City of Madison Heights
Subrecipient:	Habitat for Humanity of Oakland County
Project:	Home Upgrades program with Habitat for Humanity
Amount:	\$850,000
Grant Number:	B-23-CP-MI-0818

Section 1. AGREEMENT

This contract is made this day, January ____, 2024, between Habitat for Humanity of Oakland County, hereinafter designated as the “Agency,” having its principal office at 150 Osmon Street, Pontiac, Michigan 48342, and City of Madison Heights, hereinafter designated as the “Municipality” having its principal offices at 300 West 13 Mile Road, Madison Heights, MI 48071.

Section 2. PURPOSE

The City of Madison Heights has received an allocation of Community Project Funding for home upgrades and improvements to be completed specifically with Habitat for Humanity of Oakland County. Both parties approve of and hereby agree to the following as the purpose of his contract:

- A) The City of Madison Heights reimburses the Agency for services provided to City of Madison Heights residents, not exceeding \$850,000.
- B) The Total Grant amount awarded through CPF is \$850,000, with the Municipality retaining applicable administrative fees as necessary for the project.

Section 3. THE AGENCY'S RESPONSIBILITIES

The Agency shall do the following.:

- A. The Agency agrees to administer a program in line with the program criteria, application process, and construction processes detailed in the CPF Project Narrative attached to this agreement as Appendix 1.
- B. The Agency agrees to maintain all records required by the Federal regulations specified in CFR Part 200, Subpart D – Post Federal Award Requirements, that are pertinent to the project being funded under this Agreement. Such records shall include but are not limited to:
 - a. Records providing a full description of the project undertaken
 - b. Records demonstrating that the project undertaken meets one of the National Objectives of the CPF program
 - c. Records documenting compliance with the fair housing and equal opportunity component of HUD programs
 - d. Records of all applicants for the program, whether approved or not
 - e. All other records necessary to document compliance with Subpart D of 2 CFP Part 200
- C. Reimbursement Payment Procedures – The City will reimburse the Agency's funds available under this Agreement based upon information submitted by the Agency under the terms and conditions of this Agreement. Payments will be made for eligible expenses actually incurred directly related to this project. The City will make its best efforts to process the reimbursement payment in a timely manner as first reimbursed by HUD through the CPF program.
- D. Progress Reports – The Agency will report to the City's progress towards meeting goals and achievement in providing program benefits in forms, content, and frequency as required by the City and/or HUD. Progress reports shall be subject to the Paperwork Reduction Act requirements (2 CFR 200.328).
- E. Maintain an effective system of internal fiscal control and accountability for all CPF. Ensure all costs are supported by properly executed payrolls, time records, invoices, vouchers or other official documentation. All accounting documents relating to the use of federal funds shall be clearly identified and readily accessible. Maintain records pertaining to the monies received in accordance with this Agreement for a minimum of five years from the completion of this agreement. Allow the City of Madison Heights, the U.S. Department of Housing and Urban Development (HUD), the Comptroller General of the United States, and any of their authorized

representatives access to financial records pertaining to Community Project Funding Grant Funds and this agreement for the purpose of audit or examination.

- F. Maintain client data demonstrating client eligibility for services provided. Such data shall include, name, address, income level or other basis for determining eligibility, and demographic information. Provide the Municipality a summary of Madison Heights clients and eligibility.
- G. Provide the Municipality invoices for services rendered based on actual costs. To the extent possible, costs must meet the Office of Management and Budget Uniform Guidance, "Cost Principles, Audit and Administrative Requirements for Federal Awards (2 CFR 200) general criteria such as be reasonable for the performance of the award, be accorded consistent treatment, be determined in accordance with generally accepted accounting principles and be adequately documented.
- H. Submit payment requests that include required supporting documentation on a quarterly basis.
- I. Provide management and personnel to perform the services prescribed by this agreement adequately.
- J. Be solely responsible for any and all taxes (federal, state and/or local); worker's compensation insurance; disability payments; social security payments; unemployment insurance payments; and/or any similar and shall hold the Municipality harmless from such payments.
- K. Provide insurance information. The municipality shall be named as an additional insured thereon and furnished with a certificate thereof.
- L. Provide copy of single audit report and federal audit if submitted to the Federal Audit Clearing House.
- M. Stay up-to-date and in compliance with any laws or policies that effect the expenditure of FY 2023 CPF funding.

Section 4. THE MUNICIPALITY RESPONSIBILITIES

The Municipality shall do the following:

- A. In consideration for services rendered by the Agency, pay a total sum not to exceed the CPF Program Year amount of \$850,000.
- B. Reimburse the Agency upon receipt of a payment request that includes the required supporting documentation from the Agency after the City has been reimbursed from HUD.
- C. The Municipality shall monitor the operations of Agency activities under this contract to assure compliance with applicable Federal requirements and contract provisions and that performance goals are being achieved on an annual basis in accordance with program regulations 24 CFR Part 570 and OMB regulations 2 CFR Part 200.

Section 5. COMPLIANCE

The Agency agrees to comply with the requirements of Housing and Urban Development (HUD) regulations concerning Community Project Funding Grant (CPF). The Agency also agrees to comply with all other applicable federal, state and local laws, regulations, and policies governing the funds provided under this Agreement.

Section 6. DISCRIMINATION PROHIBITED

The Agency shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment on a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, height, weight, or marital status pursuant to the Elliot Larsen Civil Rights Act, 1976, P.A. 453. The Agency and the Municipality shall also comply with the provisions of the Michigan Handicappers Civil Rights Act, 1976, P.A. 220, and the Federal Rehabilitation Act of 1973, P.A. 93-112, 87 Stat. 394, which requires that no employee or client or otherwise qualified handicapped individual shall, solely by reason of his/her handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal Assistance. No person shall, on the grounds of race, creed, color, sex, age, national origin, height, weight, handicap, or marital status, be excluded from participation in, be denied the proceeds of, or be subject to discrimination in the performance of this contract. The Agency shall comply with all applicable regulations promulgated pursuant to the Civil Rights Act of 1964 as amended.

Section 7. PROHIBITION OF POLITICAL AND RELIGIOUS ACTIVITY

There shall be no religious worship, instruction or proselytization as part of, or in connection with, the performance of this Agreement. None of the funds, materials, property or services under this Agreement shall be used in the performance of this Agreement for any partisan political activity, including lobbying, as specified in Federal Circular A-122 Cost Principles for Nonprofit Organizations -- lobbying revisions, or to further the election, defeat, recall, impeachment, appointment or dismissal of any candidate for or from any public office.

Section 8. GENERAL CONTRACT PROVISIONS

- A. Merger or Integration: This Agreement constitutes the entire agreement between the Agency and the Municipality with respect to the subject matter hereof; there are no other further written or oral understandings or Agreements with respect hereto.
- B. Modification, Assignment or Subcontracting Absent Prior Written Consent: No variation or modification of this Agreement and no waiver of its provisions shall be valid unless in writing and signed by the duly authorized officers of the Agency and the Municipality. Any alterations, additions, or deletions to the terms of this Agreement, which are required by the enactment of legislation, regulations, and directives, are automatically incorporated into this Agreement on the date designated by law, regulation, or directive.

- C. Default/Suspension/Termination: The Agency agrees that default, suspension or termination of this project may occur if it materially fails to comply with any term of this Agreement, or any rules, regulations or provisions referred to within, and that this grant may be terminated for convenience by the City. These conditions are fully described in the Code of Federal Regulations, Title 24, Part 85.43 (Enforcement) & Part 85.44 (Termination for Convenience).

Either party may, at any time during the life of this agreement, terminate this agreement by giving thirty (30) days written notice to the other party and City of Madison Heights, of its intention to terminate and an opportunity for consultation prior to termination. In the event of a termination, the Municipality's obligation shall only be to reimburse the Agency for services actually rendered up to the point of notification of termination.

- D. Addendum: The contract duration may be extended or shortened, funds may be added or subtracted pursuant to an Addendum signed by a representative from the Municipality and the Agency setting forth the modifications of the Agreement.
- E. Hold Harmless: To the fullest extent permitted by law, the Agency agrees to indemnify, pay in behalf of, and hold harmless the Municipality, their elected and appointed officials, employees, volunteers, boards, commissions and others working in behalf of the Municipality, against any and all claims, demands, suits, losses, including all costs connected therewith for any damages which may be asserted, claimed or recovered against or from the Municipality, by reason of personal injury, including bodily injury and death, and/or property damage, including loss of use thereof, which arises out of, or is in any way connected or associated with, the activity authorized by this contract.
- F. Confidentiality: The use or disclosure of personally identifiable information by the Municipality concerning services, applicants or recipients obtained in connection with the performance of the Agreement shall be restricted to the purposes directly connected with the administration of the services provided under this Agreement. Such information shall not be used for any other purpose unless required by law, statute or other legal process and is disclosed to Municipality.
- G. Disputes: Either the Agency or Municipality shall notify the other in writing of its intent to pursue a claim for breach of any terms of this Agreement. No suit may be commenced by the either party for breach of the agreement prior to the expiration of ninety (90) days from the date of such notification. Within this ninety (90) day period, the parties must meet with an appointed representative of the other party for the purpose of attempting to resolve the dispute. A period of ninety (90) days to cure or remedy an issue within such ninety (90) day period.
- H. Duplication of Benefits (DOB): In an effort to guard against fraud and ineligible use of taxpayer funding, the agency agrees that it will collect a certification from its recipient households that the household is not receiving duplicative benefit (DOB). The Agency agrees to not be in violation of Federal DOB regulations implementing the project described in this Agreement.
- I. Conflict of Interest: Except for approved administrative costs, no person having responsibilities dealing with CPF assisted activities may obtain a personal or financial benefit from this project, or have an interested in any contract, subcontract or agreement, either for themselves or their family

during the tenure or for one year thereafter. The general procurement standards in 2 CFR Part 200.318 shall apply.

- J. Notices: Whenever under this Agreement provision is made for notice of any kind, unless otherwise herein expressly provided, it shall be in writing and shall be served personally or sent by registered or certified mail with postage prepaid to the designated representatives at the addresses supplied below. A copy shall be provided to the Municipality.
- K. Equal Employment Opportunity: The Agency shall comply with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR Chapter 60).
- L. Copeland "Anti-Kickback Act": The Agency shall comply with the Copeland "Anti-Kickback" Act (18 U.S. C. 874) as supplemented in the Department of Labor regulations (29 CFR part 3). (Applies to contracts and subgrants for construction or repair.)
- M. Patent Regulations: The Agency shall comply with the Municipality requirements pertaining to patent rights with respect to any discovery or intervention, copyrights and rights in date which arise or is developed in the course of, or under this Agreement.
- N. Debarment, Suspension, Ineligibility and Voluntary Exclusion: The Agency shall comply with the provisions of CFR Part 24 that neither it nor its' Principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded for participation in this contract. Additionally, the Agency shall not use, directly or indirectly utilize any of the funds provided by this contract to employ, award contracts to, or otherwise engage the services of, or fund any contractor/subcontractor during any period that the contractor/subcontractor is debarred, suspended or ineligible under the provisions of CFR Part 24. Using the System for Award Management ([Http://sam.gov](http://sam.gov)), the Municipality has determined as of the date of this contract that the Agency is not excluded from the Federal Procurement and Non-procurement Programs.

IN WITNESS WHEREOF, this Agreement has been duly executed this _____ day of _____, 2023.

CITY OF MADISON HEIGHTS, MI

HABITAT FOR HUMANITY OF OAKLAND COUNTY

By: _____

By: _____

Its: _____

Its: _____

By: _____

By: _____

Its: _____

Its: _____

**FY 2023 COMMUNITY PROJECT FUNDING
GRANT AGREEMENT NO. B-23-CP-MI-0818**

Appendix 1 – Project Narrative

The City of Madison Heights, in partnership with Habitat for Humanity of Oakland County (HFHOC) , will create a multi-faceted program to help Madison Heights homeowners make home upgrades, such as furnaces, hot water heater replacements, roof replacements and repairs, kitchen and bath upgrades, deck and porch replacements, and new siding and other home upgrades to address long-term health and safety issues.

The project area has been designated in the south end of Madison Heights, located South of Lincoln, North of I-696 between Dequindre and Stephenson Highway.

HFHOC will be a sub-recipient of the City and has staff dedicated to homeowner-occupied home restoration and financial counseling. Homeowners with low to moderate income can qualify for grant funding to cover various home repairs with emphasis placed on addressing health and safety concerns. HFHOC's Unique Entity ID number is T2ZYT2MKZH5. As the sub-recipient, they will oversee all grant activities, including applicants for participants, assessing and approving repairs to be completed, contracting for the work to be completed, verifying that work is completed, payment of vendors, and repayment (if required) from participants in the program. They will also track expenditures and report to the municipality throughout the program.

HFHOC will manage this fund on behalf of the City and has staff dedicated to homeowner-occupied home restoration and financial counseling. Homeowners with low to moderate income can qualify for grant funding to cover various home repairs with emphasis placed on addressing health and safety concerns.

Program Criteria:

- Property must be owner-occupied
- Property owner(s) must be current on mortgage, homeowner's insurance, and property taxes or current on a payment plan for delinquent taxes.
- Habitat must deem the home in acceptable condition for requested work to be performed.

Application Process:

1. Interested applicants complete an online application. Applications can be taken via phone with HFHOC staff.
2. HFHOC Intake Specialist (IS) receives completed online application forms and exports forms into processing spreadsheets.
3. Applicants are initially screened for falling within Geographic Service Area (GSA) and meeting AMI requirements. Ineligible applicants are sent a denial letter due to falling outside of GSA or exceeding income eligibility.
4. Applications will be reviewed by Partner and Community Programs (PCP) team following existing homeowner selection criteria: need, income eligibility, and willingness to partner.

5. HFHOC IS will send applicant addresses to Oakland County Treasurer's office to confirm ownership and tax delinquency status.
6. Background checks & sex offenders will be processed by HFHOC.
7. All eligible applicants are priority scored based on criteria of Income and Special Needs (Veteran Status, Senior, Disability Status).
8. If the applicant passes the selection criteria, PCP will inform the Construction team that a site evaluation is required.

Project Evaluation & Admin Process

1. Construction contacts homeowners to schedule a site evaluation. The Project Manager (PM) completes site evaluation, verifying the requested work and inspecting the entire property. Construction compiles a project estimate and the required photos of the requested work.
 1. Construction provides a list of priority home repairs and recommended order of importance and urgency.

Construction Process

1. Construction will request contractor bids for the project.
2. Once all bids are received, a Pre-Construction meeting is scheduled with the homeowner & the construction team to review the documents below.
 1. Home Assessment Worksheet
 2. Pre-construction meeting acknowledgment form
 3. Contract/Scope of work
3. Homeowner and HFHOC will determine the final scope of work to be completed.
4. Construction will meet with the homeowner at the home for the following:
 1. Explain payment policy and procedures and sign the following documents:
 1. Statement of satisfaction
 2. Warranty
 3. Addendums, if necessary

Upon completion of the home repair project, Habitat's construction staff visits each home to perform a final inspection and take after photos for reporting. We meet with the homeowner to review a statement of satisfaction and gather feedback on how to improve the program for the future. Each homeowner is asked to complete a survey rating their experience with the program on a scale of 1-5, 5 being the highest. Results are compiled and included in our reporting. Habitat will offer a 1-year warranty on work completed.