Ryan Curren
OH Challenge Grant ATT 2
January 10, 2012
Version # 3

#1
CB 117402
Green

Attachment 2
Cooperative Agreement

Assistance Award/Amendment

U.S. Department of Housing and Urban Development
Office of Administration

1. Assistance Instrument: ☒ Cooperative Agreement ☐ Grant	2. Type of Action: ☐ Award ☒ Amendment
3. Instrument Number: CCPWA0068-11	4. Amendment Number: 1
5. Effective Date of this Action: February 1, 2012	6. Control Number:
7. Name and Address of Recipient: City of Seattle, Office of Housing, PO Box 94725, Seattle, WA: Washington 98124-4725. Phone: 206.499.5342 Fax:	8. HUD Administering Office: Office of Sustainable Housing and Communities, 451 7th Street, SW, Room 10180, Washington, DC 20410
	8a. Name of Administrator: James C. Norsworthy; 8b. Telephone Number: 202 402 6827
10. Recipient Project Manager: Ryan Curren	9. HUD Government Technical Representative: Dwayne S. Marsh, 202-402-6316, Dwayne.S.Marsh@hud.gov
11. Assistance Arrangement: ☒ Cost Reimbursement ☐ Cost Sharing ☐ Fixed Price; 12. Payment Method: ☐ Treasury Check Reimbursement ☐ Advance Check ☐ Automated Clearinghouse	13. HUD Payment Office: 801 Cherry Street, Unit #45, Suite 2500, Fort Worth, TX 76102

14. Assistance Amount

Previous HUD Amount	$2999234
HUD Amount this action	$0.00
Total HUD Amount	$2999234
Recipient Amount	$ 5937942
Total Instrument Amount	$8937177

15. HUD Accounting and Appropriation Data

15a. Appropriation Number	15b. Reservation number
861/30162	CCPWA0068-11

Amount Previously Obligated	$2999234
Obligation by this action	$ 0.00
Total Obligation	$2999234

16. Description

Employer Identification Number: 91-6001275 Program Code: CCP

This instrument (the HUD-1044, HUD-1044 Continuation Sheet) sets forth a legally binding agreement between the parties as to all amounts, deliverables, tasks, period of performance, terms and conditions, here within, whether implicitly stated or referenced. The Recipient certifies that all administrative and financial provisions of this instrument are in and will continue to be in compliance for the duration of the period of performance. All covenants, referenced or stated, are agreed to by the recipient upon signing this instrument.

This grant instrument consists of the following, some of which are incorporated by reference:

1. **HUD-1044 and HUD-1044 Continuation Sheet(s)**
2. **Grant Agreement Terms and Conditions**
3. **HUD 424-CBW, Total Budget Summary**
4. **Grant Deliverables (See HUD 1044 Continuation Sheet)**
5. **Work Plan/Logic Model (Tasks within Work Plan are considered deliverables)**
6. **OMB Circulars A-87, A-133 and A-102, which is incorporated in 24 CFR Part 85**
7. **Office of Sustainable Housing and Communities (OSHC) Program Policy Guidance.**
8. **Notice of Funding Availability (Docket No. FR-5500-N-33)**

Period of Performance is 36 months from February 1, 2012 to January 31, 2015.

17. ☒ Recipient is required to sign and return three (3) copies of this document to the HUD Administering Office	18. ☐ Recipient is not required to sign this document.
19. Recipient (By Name): Mr. Rick Hooper	20. HUD (By Name): James C. Norsworthy, Grant Officer
Signature & Title; Date (mm/dd/yyyy)	Signature & Title – Grant Officer; Date (mm/dd/yyyy): 12/30/2012

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1. BUDGET

	HUD Amount	Leverage/Match Amount [redacted]	Total
Direct Labor	455,132	115,350	570,482
Fringe Benefits	162,448	37,672	200,120
Travel	21,545	220	21,765
Equipment	0	0	0
Supplies/Materials	0	0	0
Consultants	636,830	0	636,830
Contracts	472,280	284,700	756,980
Construction	1,230,000	5,500,000	6,730,000
Other Direct Costs	21,000	0	21,000
Indirect Costs	0	0	0
	2,999,234	5,937,942	8,937,177

If the grantee's match/leverage contribution is less than **$5,937,942.00** the Government reserves the right to negotiate new line items and/or amounts to satisfy the grantee's requirement or to reduce the Government's share proportionally. The grantee shall notify HUD at any time it believes it will not meet its match requirement. I n addition, the grantee shall obtain HUD approval regarding any changes concerning the intended use of matching funds. If the grantee exceeds the dollar amount shown above, there will be no impact on the Federal share.

2. AMOUNT OF COST SHARE

The estimated cost for the performance of this grant is **$8,937,177.00.** HUD shall not be obligated to reimburse the City of Seattle Office of Housing excess of **$2,999,234.00**. The Grantee agrees to bear without reimbursement from HUD **$5,937,942.00** of the total costs. However, in the event that the Grantee incurs cost in excess of the total estimated project cost of **$8,937,177.00;** all such excess costs shall be borne entirely by the Grantee.

3. KEY PERSONNEL

The personnel specified below are considered to be essential to the work being performed hereunder:

Name	Title	% of time on the grant
Ryan Curren	OH, Program Manager	66%
Andres Mantilla	OED, Strategic Advisor	40%
Theresa Barreras	OED, Sr. Community Development Specialist	12%
Ken Takahashi	OED, Finance Manager	5%
Tina Vlasaty	OED, Strategic Advisor	5%
Nora Liu	DPD, Sr. Planner	40%
Maureen Kostyack	OH, Policy and Planning Manager	10%
Sebhat Tenna	DON, Strategic Advisor	40%
Rick Hooper	OH, Director	5%

4. SUBSTANTIAL INVOLVEMENT

HUD's Office of Sustainable Housing and Communities will work in partnership with its grantees to advance the program objectives of the grant program. The Cooperative Agreement allows for substantial involvement of HUD staff to enhance the performance of the grantee in the completion of their deliverables.

Anticipated substantial involvement by HUD staff may include, but will not be limited to:
Studies and Reports:

Review potential amendment recommendations to the study design and/or Workplan.
Review and provide recommendations in response to semi-annual progress reports (e.g., amendments to study design based on preliminary results).
Review and provide recommendations on the final report/study, including final interpretation of study results.

Approvals and Reviews:

Authority to halt activity if specifications or work statements are not met;
Review and approval of one stage of work before another can begin;
Review and approval of substantive provisions of proposed sub-grants or contracts beyond existing Federal policy;
Approval of workplan adjustments based on changing conditions and needs documented in the cohort targeted for capacity building.
Review and approval of key personnel

Participation and Monitoring:

Monitoring to permit specified kinds of direction or redirection of the work because of interrelationships with other projects;
HUD and recipient collaboration or joint participation; Implementing
HUD requirements which limit recipient discretion;
Coordination of complementary activities from respective capacity building intermediaries, including determining if workplans require adjustments based on changing conditions;
Where appropriate substantial, direct HUD operational involvement or participation during the assisted activity.

5. INDIRECT COSTS/PROVISIONAL RATE

N/A

6. AUDIT INFORMATION

The City of Seattle Office of Housing submitted an audit report conducted by the Washington State Auditor's Office for the year ending December 31, 2010. The audit report attests to the City of Seattle Office of Housing practice of generally accepted accounting principles and compliance with laws and regulations relating to government auditing standards. The internal control structure has been reviewed in accordance with OMB Circular A-133 and found to be in compliance with requirements that are applicable to certain of its major federal programs.

7. REPORTS AND DELIVERABLES

Reports:

1. **Bi-Annual Reporting**
2. **Additional Reporting Requirements:** Additional reporting requirements as outlined in the NOFA (FR-5500-N-33), FY11 HUD General Section (FR-5500-N-01), and 2 CFR 85.40.

List of Deliverables:

1. **Final Workplan and Logic Model: 60 calendar days.**

8. SPECIAL CONDITIONS

N/A

Exhibit A
City of Seattle NET Initiative Budget

OMB Approval No. 2501-0017

Draft Detailed Budget Worksheet

(Exp. 08/31/2011)

Name and Address of Applicant:	City of Seattle Office of Housing PO Box 94725 Seattle, WA 98124-4725

Public reporting burden for this collection of information is estimated to average 3 hours 12 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. Information collected will provide proposed budget data for multiple programs. HUD will use this information in the selection of applicants. Response to this request for information is required in order to receive the benefits to be derived. The information requested does not lend itself to confidentiality.

Category	Detailed Description of Budget (for full grant period)												
1. Personnel (Direct Labor)		**Estimated Hours**	**Rate per Hour**	**Estimated Cost**	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Position or Individual												
Ryan Curren	0.67	4,167	$35.84	$149,363	$149,363							
Andres Mantilla	0.4	2,490	$36.94	$91,992	$91,992							
Theresa Barreras	0.12	730	$42.62	$31,109	$31,109							
Ken Takahashi	0.05	310	$51.26	$15,890	$15,890							
Tina Vlasaty	0.05	310	$48.87	$15,150	$15,150							
Nora Liu	0.4	2,495	$50.20	$125,260	$89,471	$35,789						
Maureen Kostyack	0.1	644	$51.87	$33,402		$33,402						
Sebhat Tenha	0.4	2,480	$35.09	$87,018	$62,156	$24,862						
Rick Hooper	0.05	332	$64.15	$21,297		$21,297						
Total Direct Labor Cost				**$670,482**	**$455,132**	**$116,350**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
2. Fringe Benefits		**Rate (%)**	**Base**	**Estimated Cost**	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Ryan Curren		19.00%	$55,763	$55,763	$55,763							
Andres Mantilla		19.00%	$33,842	$33,842	$33,842							
Theresa Barreras		19.00%	$10,708	$10,708	$10,708							
Ken Takahashi		19.00%	$5,056	$5,056	$5,056							
Tina Vlasaty		19.00%	$4,916	$4,916	$4,916							
Nora Liu		19.00%	$40,196	$40,196	$28,711	$11,485						
Maureen Kostyack		19.00%	$10,579	$10,579		$10,579						
Sebhat Tenha		19.00%	$32,831	$32,831	$23,451	$9,380						
Rick Hooper		19.00%	$6,228	$6,228		$6,228						
				$0								
Total Fringe Benefits Cost				**$200,120**	**$162,448**	**$37,672**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
3. Travel												
3a. Transportation - Local Private Vehicle		**Mileage**	**Rate per Mile**	**Estimated Cost**	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
City fleet vehicle for outreach activities		400	$0.550	$220	$0	$220						
				$0								
Subtotal - Trans - Local Private Vehicle				$220	$0	$220	$0	$0	$0	$0	$0	$0

Grant Application Detailed Budget Worksheet

	Detailed Description of Budget										
3b. Transportation - Airfare (show destination)	**Trips**	**Fare**	**Estimated Cost**	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Annual conference of grant recipients (Washington DC)	9	$1,000.00	$9,000	$9,000							
			$0								
Subtotal - Transportation - Airfare			$9,000	$9,000	$0	$0	$0	$0	$0	$0	$0
3c. Transportation - Other	**Quantity**	**Unit Cost**	**Estimated Cost**	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
			$0								
			$0								
Subtotal - Transportation - Other			$0	$0	$0	$0	$0	$0	$0	$0	$0

3d. Per Diem or Subsistence (indicate location)	Days	Rate per Day	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Lodging (Washington D.C.)	27	$270.68	$7,308	$7,308							
Meals and Incidentals on non-travel days (Washington D.C.)	54	$84.46	$4,561	$4,561							
Meals and Incidentals on travel days (Washington D.C.)	18	$37.53	$676	$676							
			$0								
			$0								
Subtotal - Per Diem or Subsistence			$12,545	$12,545	$0	$0	$0	$0	$0	$0	$0
Total Travel Cost			**$21,765**	**$21,545**	**$220**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

4. Equipment (Only items over $5,000 Depreciated value)	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
			$0								
			$0								
			$0								
Total Equipment Cost			$0	$0	$0	$0	$0	$0	$0	$0	$0

form HUD-424-CBW (2/2003)

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Grant Application Detailed Budget Worksheet

Detailed Description of Budget

5. Supplies and Materials (items under $5,000 Depreciated Value)											
5a. Consumable Supplies	**Quantity**	**Unit Cost**	**Estimated Cost**	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Office Supplies	0	$0.00	$0	$0							
			$0								
			$0								
Subtotal - Consumable Supplies			$0	$0	$0	$0	$0	$0	$0	$0	$0

5b. Non-Consumable Materials	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
			$0								
			$0								
Subtotal - Non-Consumable Materials			$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Supplies and Materials Cost			$0	$0	$0	$0	$0	$0	$0	$0	$0

6. Consultants (Type)	Days	Rate per Day	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
TOD Acquisition Investment Contract	180	$420	$75,600	$75,600							
Commercial Lease Stability Contract	1095	$224	$245,280	$245,280							
Cultural Center Feasbility Study Consultant	540	$139	$75,060	$75,060							
CBO Capacity Building Grants	545	$221	$120,445	$120,445							
Public Outreach Liaison Contracts	545	$221	$120,445	$120,445							
Total Consultants Cost	2905	1225	$ 636,830	$636,830	$0	$0	$0	$0	$0	$0	$0

7. Contracts and Sub-Grantees (List individually)	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Rachel Kleit (University of Washington)	1	$227,000.00	$227,000	$227,000							
Business Technical Assistant Contract with Homesight	1095	$224	$245,280	$245,280							
Business Promotion Services Contract with Homesight	1095	$260	$284,700		$284,700						
			$0	$0							
Total Subcontracts Cost			$756,980	$472,280	$284,700	$0	$0	$0	$0	$0	$0

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Grant Application Detailed Budget Worksheet

Detailed Description of Budget												
8. Construction Costs												
8a. Administrative and legal expenses	**Quantity**	**Unit Cost**	**Estimated Cost**	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Legal services	0	0	$0	$0							
			$0								
Subtotal - Administrative and legal expenses			$0	$0	$0	$0	$0	$0	$0	$0	$0
8b. Land, structures, rights-of way, appraisal, etc	**Quantity**	**Approximate Unit Cost**	**Estimated Cost**	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Land acquisition	1	$ 6,730,000	$6,730,000	$ 1,230,000.00	$ 5,500,000						
			$0								
Subtotal - Land, structures, rights-of way, ...			$6,730,000	$1,230,000	$5,500,000	$0	$0	$0	$0	$0	$0
8c. Relocation expenses and payments	**Quantity**	**Unit Cost**	**Estimated Cost**	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
			$0								
			$0								
Subtotal - Relocation expenses and payments			$0	$0	$0	$0	$0	$0	$0	$0	$0
8d. Architectural and engineering fees	**Quantity**	**Unit Cost**	**Estimated Cost**	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
			$0								
			$0								
			$0								
Subtotal - Architectural and engineering fees			$0	$0	$0	$0	$0	$0	$0	$0	$0
8e. Other architectural and engineering fees	**Quantity**	**Unit Cost**	**Estimated Cost**	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
			$0								
			$0								
Subtotal - Other architectural and engineering fees			$0	$0	$0	$0	$0	$0	$0	$0	$0

Grant Application Detailed Budget Worksheet											
Detailed Description of Budget											
8f. Project inspection fees	**Quantity**	**Unit Cost**	**Estimated Cost**	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
			$0								
			$0								
Subtotal - Project inspection fees			$0	$0	$0	$0	$0	$0	$0	$0	$0
8g. Site work	**Quantity**	**Unit Cost**	**Estimated Cost**	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
			$0								
			$0								
Subtotal - Site work			$0	$0	$0	$0	$0	$0	$0	$0	$0
8h. Demolition and removal	**Quantity**	**Unit Cost**	**Estimated Cost**	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
			$0								
			$0								
Subtotal - Demolition and removal			$0	$0	$0	$0	$0	$0	$0	$0	$0
8i. Construction	**Quantity**	**Unit Cost**	**Estimated Cost**	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
			$0								
			$0								
			$0								
Subtotal - Construction			$0	$0	$0	$0	$0	$0	$0	$0	$0
8j. Equipment	**Quantity**	**Unit Cost**	**Estimated Cost**	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
			$0								

			$0								
			$0								
Subtotal - Equipment			$0	$0	$0	$0	$0	$0	$0	$0	$0
8k. Contingencies	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
			$0								
			$0								
Subtotal - Contingencies			$0	$0	$0	$0	$0	$0	$0	$0	$0
8l. Miscellaneous	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
			$0								
			$0								
			$0								
Subtotal - Miscellaneous			$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Construction Costs			**$6,730,000**	**$1,230,000**	**$5,500,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

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Grant Application Detailed Budget Worksheet

Detailed Description of Budget

9. Other Direct Costs		Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
	Item											
Printing and postage		12	750	$9,000	$9,000							
Conferences		12	1000	$12,000	$12,000							
				$0								
				$0								
				$0								
Total Other Direct Costs				**$21,000**	**$21,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Subtotal of Direct Costs				**$8,937,198**	**$2,999,234**	**$5,937,942**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

10. Indirect Costs		Rate	Base	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
	Type											
Total Indirect Costs				**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
Total Estimated Costs (Subtotal Direct + Total Indirect)				**$8,937,198**	**$2,999,234**	**$5,937,942**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

form HUD-424-CBW (2/2003)

Grant Application Detailed Budget Worksheet				
Detailed Description of Budget				
	Analysis of Total Estimated Costs		Estimated Cost	Percent of Total
1	Personnel (Direct Labor)		$ 570,482.03	6%
2	Fringe Benefits		$ 200,119.71	2%
3	Travel		$21,765	0%
4	Equipment		$ -	0%
5	Supplies and Materials		$ -	0%
6	Consultants		$ 636,830.00	7%
7	Contracts and Sub-Grantees		$756,980	8%
8	Construction		$6,730,000.00	75%
9	Other Direct Costs		$ 21,000.00	0%
10	Indirect Costs		$ -	0%
	Total:		$8,937,176.48	100%
	HUD Share:		$2,999,234	
	Match:	(as percentage of HUD Share)	$5,937,942	198%
				form HUD-424-CBW (2/2003)

Exhibit B

HUD Office of Sustainable Housing and Communities 2011 Terms and Conditions

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

COOPERATIVE AGREEMENT PROVISIONS

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A. GENERAL

1. Overview of Award Implementation

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

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

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

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

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

2. Purpose

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

3. Definitions

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

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

c. "DUNS" means Dun and Bradstreet Data Universal Numbering System.

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

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

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

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

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

i. "NOPI"means Notice of Public Interest

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

k. "Publication" includes:

(1) Any document containing information for public consumption; or

(2) The act of, or any act which may result in, disclosing information to the public.

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

m. "Subaward" means:

(1) A legal instrument to provide support for the performance of any portion of the substantive project or program for which the recipient received this award and that:

(a) The recipient awards to an eligible sub-recipient; or

(b) The sub-recipient at one tier awards to a sub-recipient at the next lower tier.

(2) The term does not include the recipient's procurement of property and services needed to carry out the project or program (see, generally, §_.210 of the attachment to OMB Circular A-133 (2 CFR Part 180), "Audits of States, Local Governments, and Non-Profit Organizations").

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

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

o. "Total Instrument Amount" is the amount under line item 14 of the HUD Form-1044 (Total Instrument Amount). This is the sum of the federal award and grantee match.

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

B. PROGRAM REQUIREMENTS

1. Allowable Costs

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

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

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

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

2. Administrative Requirements

The grantee must adhere to all respective uniform administrative rules for Federal grants and cooperative agreements and subawards as follows:

Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations	24 CFR Part 84	http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_36446.doc

Administrative Requirements for Grants	24 CFR Part 85	www.hud.gov/offices/lead/librar

and Cooperative Agreements to State, Local, and Federally Recognized Indian Tribal Governments		y/lead/**24_CFR**PART_**85**.pdf
Grants and Cooperative Agreements with State and Local Governments	OMB Circular A-102	http://www.whitehouse.gov/omb/circulars_a102
Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations	OMB Circular A-110 (Relocated to 2 CFR Part 215)	http://www.whitehouse.gov/omb/fedreg/2005/083105_a110.pdf
Audits of States, Local Governments, and Non-Profit Organizations; and	OMB Circular A-133 (Relocated to 2 CFR Part 180),	http://www.whitehouse.gov/omb/fedreg/2005/083105_a133.pdf

3. Advance Payment By Treasury Check Or Electronic Funds Transfer

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

4. Amendments

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

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

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

The Grantee shall be reimbursed by HUD for costs incurred in the performance of this grant. HUD shall not be obligated to reimburse the Grantee in excess of the "**Total HUD**

Amount". HUD reserves the right to withhold five-percent (5%) of the Federal grant amount pending the receipt and approval of a final progress report. See clause entitled "Final Report" for

more information. The proposed contribution to supplement HUD funds is the "Recipient Amount." The Grantee agrees to bear without reimbursement by HUD the **"Recipient Amount"** of the total costs. The Grantee is not obligated to contribute more than the **"Recipient Amount"**. However, the Grantee shall be solely responsible for any costs in excess of the estimated cost of the "**Total Instrument Amount**".

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

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

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

6. Budget

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

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

Standard Form 425, Federal Financial Report (24 CFR Part 84.52 and/or 85.52), detailing leveraged funds or in-kind contributions shall be submitted on a bi-annual basis. As part of the closeout process a final narrative and a final Standard Form 425 detailing the progress made in achieving the purpose of the grant and adequate documentation of the total federal funds expended in support of the activities to achieve this purpose are due to the GTR 90 days after the end of the period of performance (See clause entitled "Closeout").

The Federal Financial Report (Standard Form 425) shall be submitted on a bi-annual basis and is due 30 days after the reporting period.

7. Central Contractor Registration (CCR)

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

8. Certifications and Assurances

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

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

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

9. Changes

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

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

10. Closeout

The Grantee shall provide the Grant Officer with closeout documentation 90 days after to the end of the performance period, consisting of the following five elements:

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

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

Records and materials must be kept in a safe place and be accessible to auditors and other government officials for three years after the grantee and all subgrantees/subcontractors make final payments and all other pending matters are closed. (If the grant is covered by 24 CFR Part 84, see related record retention requirements in 24 CFR 84.85(c)(2).) This r equirement also extends to all subcontracts the Grantee has executed.

Accountability for property continues as long as the Grantee holds the property, or for the period of time established by the agreement. Disposal of property must be in accordance with the rules established in the Property Management Standards referred to in the award. Program income, including royalties, must be used to support eligible activities.

Notification to the Grant Officer if, at any time during the three-year period after project completion, the Grantee organization is discontinued or changes location. The Grant Officer should be notified immediately of the new address or the address of the party retaining all records.

11. Collection Of Data

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

a) The Grantee is conducting the collection of information at the specific request of HUD; or

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

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

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

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

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

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

1) The name of the entity receiving the award;
2) The amount of the award;
3) Information on the award, including the transaction type, funding agency, the North American Industry Classification System (NAICS) code or Catalog of Federal Domestic Assistance (CFDA) number (where applicable), program source, and an award title descriptive of the purpose of each funding action;
4) The location of the entity receiving the award and primary location of performance under the award, including the city, state, congressional district, and country;

5) A unique identifier of the entity receiving the award and of the parent entity of the recipient (the DUNS number), should the entity be owned by another entity; and
6) Any other relevant information specified by OMB.

13. Conduct of Work

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

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

14. Confidentiality

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

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

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

15. Contact Information Updates

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

16. Copyrights

HUD reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use for Federal government purposes: (a) the copyright in any work developed under this award, sub-award, or contract awarded under this

g rant; and (b) any rights of copyright to which a Grantee or sub-grantee or a contractor purchases ownership with award funds.

17. Default and Disputes

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

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

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

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

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

During performance of the grant, disagreements may arise between the Grantee and the Grant Officer on various issues. If a dispute concerning a question of fact arises, the Grant Officer shall prepare a final decision, taking into account all facts and documentation presented.

The decision shall be mailed to the Grantee. The Grantee may appeal the decision in writing within thirty (30) days to the Deputy Secretary of HUD, or his or her designated representative,

the Director, Office of Sustainable Housing and Communities.

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

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

18. Deliverable Products

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

19. Equipment

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

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

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

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

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

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

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

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

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

Bank of America
DHUD P.O. Box 277303
Atlanta, GA 3038 4-7303

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

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

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

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

Should the Grantee demonstrate an unwillingness or inability to establish procedures that will minimize the time elapsing between advances and disbursements, or fail to provide any

r equired progress report in a timely manner, the authorization for advance payments may be revoked. The Grantee may then be required to finance the project with its own working capital and payment to the Grantee may be made by Treasury check to reimburse it for actual cash disbursements that are approved by the GTR.

21. Environmental Review

This Environmental Review section applies to grantees that will conduct site control or land acquisition (Category 2- Detailed Execution Plans and Programs), as described in the NOFA.

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

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

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

22. Fair Housing and Civil Rights Laws

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

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

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

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

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

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

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

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

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

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

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

1.6, 8.55, 107.30, and 121.2.

23. Flow Down Provisions

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

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

24. HUD's Right to Audit and Disallow and Recover Funds

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

25. HUD's SUBSTANTIAL INVOLVEMENT

HUD's Office of Sustainable Housing and Communities will work in partnership with its grantees to advance the program objectives of the grant program. The Cooperative Agreement allows for substantial involvement of HUD staff to enhance the performance of the grantee in the completion of their deliverables.

Anticipated substantial involvement by HUD staff may include, but will not be limited to:
Studies and Reports

Review potential amendment recommendations to the study design and/or Workplan.
Review and provide recommendations in response to bi-annual progress reports (e.g., amendments to study design based on preliminary results).
Review and provide recommendations on the final report/study, including final interpretation of study results.

Approvals and Reviews

Authority to halt activity if specifications or work statements are not met;
Review and approval of one stage of work before another can begin;
Review and approval of substantive provisions of proposed sub-grants or contracts beyond existing Federal policy;
Approval of workplan adjustments based on changing conditions and needs documented in the cohort targeted for capacity building.
Review and approval of key personnel

Participation and Monitoring

Monitoring to permit specified kinds of direction or redirection of the work because of interrelationships with other projects;
HUD and recipient collaboration or joint participation; Implementing HUD requirements which limit recipient discretion; Coordination of complementary activities from respective capacity building intermediaries, including determining if workplans require adjustments based on changing conditions;
Where appropriate substantial, direct HUD operational involvement or participation during the assisted activity.

26. Incurrence of Costs

The Grantee is allowed to incur costs for activities beginning the effective date of the award as stated on the HUD-1044 under period of performance. Any costs incurred before the date are not allowable unless specifically authorized in writing by the Grant Officer or GTR.

At a minimum, grantees are required to drawdown funds on a quarterly basis. An e-LOCCS Request Voucher for Grant Payment (HUD form 27053) must be used to be reimbursed for award funds. Any funds requested by the Grantee shall be requested in accordance with the clause entitled, "Estimated Cost and Payment - Line of Credit Control System (LOCCS)."

27. Indirect Costs

For grantees without a federally approved indirect cost rate, a provisional indirect cost rate, pending establishment of a final rate, will be applied to this grant. Reimbursement will be made on the basis of the provisional rate. By accepting this agreement, the Grantee agrees to bill at the provisional indirect cost rate until an approved indirect rate agreement becomes effective. Adjustments will be made from the provisional rate to the final rate. However, such adjustments must be within the total amount of the award as stated in Block #15 of the HUD-1044.

28. Inspection and Acceptance

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

29. Inspector General Referrals

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

30. Limitation on Consultant Payments

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

31. Limitation on Payments to Influence Certain Federal Transactions

Section 1352 of Title 31 of the U.S. Code provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

32. Lobbying Activities Prohibition

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

33. Management and Work Plan

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

The management and work plan consist of the goals and time-phased objectives and deliverables for each of the major tasks to be undertaken by the program. A revised budget, in accordance with the final negotiation, shall be submitted (if necessary).

34. Monitoring

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

35. Order of Precedence

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

a) HUD 1044 Cooperative Agreement
b) NOFA
c) Management and Work Plan.
d) Uniform Administrative Requirements.
e) Grantee's Proposal (if incorporated)

36. Patent Rights (Small Business Firms And Nonprofit Organizations)

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

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

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

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

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

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

38. Personnel

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

39. Profit/Fee

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

40. Program Income

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

41. Prohibited Use of Funds

You may not use funds for the following ineligible activities:

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

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

(c) Developing plans that would assist business or industry to relocate to an area to the detriment of communities where the business or industry is currently located. This funding restriction does not apply to businesses that are displaced as a result of Category 2 projects. The requirements of the Uniform Relocation Assistance and Real

Property Acquisition Policies Act of 1970 (42 U.S.C. 4601) (codified at 49 CFR Part 24) cover any person who moves permanently from real property or moves personal property from real property as a result of direct acquisition, rehabilitation, or demolition for a program or project receiving HUD assistance (See the General Section).

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

42. Publications and News Releases and Social Media

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

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

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

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

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

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

The use of Social Media, such as web feeds, wikis, blogs, photo and video-sharing, podcasts, and microblogs is acceptable under OSHC grant programs. Information to be released

throu gh Social Media must be provided to the GTR for review and comment at least 2 business days before the planned release.

43. Reporting

a) Deliverables

The Grantee shall include a schedule listing all significant project milestones, and dates for submission of all project deliverables including biannual project reports, interim reports where appropriate, the final report, and financial reports utilizing Standard Form 425, the Federal Financial Report. Upon approval of the Work Plan, the Grantee should ensure all deliverables identified in the Work Plan are delivered on time.

b) Bi-Annual Progress Reports

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

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

Grantees are advised that failure to submit timely biannual progress reports will result in not having their "eLOCCS Request Voucher for Grant Payment" processed and also may result in a low performance rating, which could result in grant termination. Reports are due 30 days after the reporting period.

c) Required Reports

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

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

Federal Financial Report (Standard Form 425)

d) Final Report

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

44. Reproduction of Reports

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

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

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

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

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

45. Review of Deliverables

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

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

4) In-kind and leverage commitments, if applicable.

b) General

1) The GTR shall have the sole responsibility for HUD review, correction, and acceptance of the deliverables of this grant. Such review(s) shall be carried out promptly by the GTR, so as not to impede the work of the Grantee.
2) The Grantee shall carry out the required corrections, if any, provided by the GTR and shall promptly return a revised copy of the product to the GTR.
3) The basis for acceptance shall be the Grantee's good faith efforts to complete the deliverables of this grant.
4) The GTR's review, correction, and acceptance of deliverables shall be limited to: (i) corrections of omissions or errors of fact, methodology, or analysis; ii) deletion of irrelevant materials; and (iii) improvements in style readability.
5) In the review and acceptance of deliverables, the GTR may not require any change in the Grantee's stated views, opinions, or conclusions.
6) Should there be any disagreement between the Grantee and the GTR as to any correction, or the methodology or analysis on which any conclusion is based, the GTR may require the Grantee to insert a Government dissent(s) in the appropriate place(s). The inclusion of such dissent(s) in an Official Product of Work, otherwise found acceptable by GTR, and the return to the GTR of a revised copy containing the dissent(s), shall satisfy the requirements for acceptance of the Official Product of Work under this clause. Such dissent(s) shall not apply to any independent publication by the Grantee of Independent Products that may arise from the work or findings of this grant.

46. Scope of Services

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

47. Section 508 Compliance

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

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

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

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

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

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

49. Special Conditions

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

50. Sub-recipient Monitoring and Management

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

51. Whistleblower Protection

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

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

#1

Ryan Curren
HUD Community Challenge Planning Grant ORD
February 22, 2012
Version # 10

ORDINANCE _____

AN ORDINANCE relating to a grant from the Department of Housing and Urban Development (HUD) for the purpose of implementing the Neighborhood Equitable Transit Oriented Development (NET) Initiative, a three year effort to implement priorities identified in the Rainier Valley and Beacon Hill neighborhood plans; authorizing acceptance of the grant funds; authorizing related agreements and actions; amending the 2012 Adopted Budget by creating a new Budget Control Level (BCL) for the purposes of the NET Initiative and providing an appropriation for the new BCL; and ratifying and confirming prior acts; all by a three-fourths vote of the City Council.

WHEREAS, the United States Congress has authorized $30,000,000 for a Community Challenge Planning Grant Program as part of the HUD Sustainable Communities Initiative; and

WHEREAS, The City of Seattle submitted an application to HUD in September 2011 to request funds through this program; and

WHEREAS, based on the City's successful application, HUD has awarded $2,999,234 to the City from these funds; and

WHEREAS, the HUD grant funds constitute one-time funding to be used over a period of performance not to exceed 36 months from the date funds are obligated by HUD; and

WHEREAS, the HUD grant requires a "cooperative agreement," which means an agreement in which the Federal government provides funding authorized by public statute where substantial involvement is expected between the Federal government and the funding recipient when carrying out the award activities; and

WHEREAS, the amount awarded to the City will fund the Neighborhood Equitable Transit-Oriented Development Initiative, which will consist of three major activities: the provision of transit oriented development acquisition loans, technical assistance to commercial businesses around the Othello Station, and planning and feasibility analysis around the potential development of a shared multi-cultural center; and

WHEREAS, the expenditure of these grant funds requires a new appropriation in the 2012 Adopted Budget for the Executive; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

DNS CITY CLERK

Section 1. The Director of Housing ("Director") or his designee is authorized, for and on behalf of The City of Seattle, to accept a grant from the United States Department of Housing and Urban Development ("HUD") under its Fiscal Year 2011 Community Challenge Planning Grant Program, in the amount of $2,999,234 awarded pursuant to the application by the City for its Neighborhood Equitable Transit-Oriented Development (NET) Initiative. The funds received under this grant ("HUD grant funds") shall be used to support community development programs described in Attachment 1, City of Seattle Application to the HUD Community Challenge Planning Grant Program, as those programs may be modified by the Director as he or she deems necessary or appropriate to implement the purposes of this ordinance consistent with HUD requirements.

Section 2. The Director or his or her designee is authorized, for and on behalf of The City of Seattle, to execute and deliver to HUD a Cooperative Agreement substantially in the form of Attachment 2 to this ordinance, including a Budget and the HUD Office of Sustainable Housing and Communities 2011 Terms and Conditions, substantially in the forms attached as Exhibit A and Exhibit B to Attachment 2 to this ordinance. The Director shall deliver a Final Work Plan and Logic Model with the Cooperative Agreement specifying that the City commitment of match funds may be satisfied through loans from other parties. The Director and his designees are authorized to execute, deliver, administer, modify and perform for and on behalf of The City of Seattle such other agreements and certifications as may be necessary to

2012 CITY CLERK

accept and expend the HUD grant funds, to comply with the Cooperative Agreement and to implement the activities supported by the HUD grant funds.

Section 3. The 2012 Adopted Budget is amended with the creation of a new Community Challenge Planning Grant Program BCL added to Attachment A of Ordinance 123758 as follows:

Item	Fund	Department	BCL Code	BCL Name	BCL Purpose
X.1	Office of Housing Operating Fund 16600	Executive	(XZ601)	Community Challenge Planning Grant Program	The purpose of the Community Challenge Planning Grant Program BCL is to provide for the implementation of the NET Initiative and invest in community building, commercial stability and transit oriented development in the Rainier Valley and Beacon Hill neighborhoods.

The Director shall have responsibility for administering the Budget Control Level.

Section 4. Contingent upon the execution of the grant or other funding agreement authorized in Section 2 of this ordinance, and in order to pay for actual necessary expenditures of the City for which no appropriations were made due to causes that could not reasonably have been foreseen at the time of the making of the 2012 Budget, the appropriation for the following item in the 2012 Budget is added:

DNS CITY CLERK

Fund Name and Number	Department	Budget Control Level	Amount
Office of Housing Operating Fund 16600	Executive	XZ601, Community Challenge Planning Grant Program	$2,999,234
Total			$2,999,234

The Finance Director shall create one or more subfunds, accounts or subaccounts, into which only the HUD grant funds shall be deposited, as may be needed to implement the purposes of the HUD grant funds and to maintain the funds separately. Those subfunds, accounts or subaccounts shall receive earnings on their positive balances. The funds appropriated in this section shall be disbursed only from the subfunds or accounts established under this Section. HUD grant funds shall be used consistent with HUD requirements restricting use of the funds. Unspent funds shall carry forward to subsequent years until they are exhausted or abandoned by ordinance.

Section 5. The Director of Housing is authorized to lend or grant HUD grant funds for property acquisition consistent with the Cooperative Agreement, after completion of all necessary environmental reviews and receipt of necessary HUD approvals.

Section 6. Ratify and Confirm. Any act consistent with the authority of this ordinance taken after its passage and prior to its effective date is hereby ratified and confirmed.

2012 CITY CLERK

Section 7. This ordinance shall take effect and be in force 30 days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by a three-fourths vote of all the members of the City Council the ____ day of _____, 2012, and signed by me in open session in authentication of its passage this _____ day of _____, 2012.

_____
President _____ of the City Council

Approved by me this ____ day of _____, 2012.

_____
Michael McGinn, Mayor

Filed by me this ____ day of _____, 2012.

_____
Monica Martinez Simmons, City Clerk

(Seal)

Attachment 1: City of Seattle Application Narrative for the HUD Community Challenge Planning Grant Program
Attachment 2: Draft Cooperative Agreement
Exhibit A: Draft City of Seattle NET Initiative Budget
Exhibit B: HUD Office of Sustainable Housing and Communities 2011 Terms and Conditions

CITY CLERK

Ryan Curren
OH Challenge Grant ATT 1
January 6, 2012
Version # 1

Attachment 1
CITY OF SEATTLE APPLICATION NARRATIVE FOR THE HUD COMMUNITY CHALLENGE PLANNING GRANT PROGRAM

City of Seattle HUD Community Challenge Grant Application Abstract

Project Name: City of Seattle Neighborhood Equitable Transit-Oriented Development Initiative				**Lead Applicant:** City of Seattle			
Telephone	**Email**	**2010 Population**	**Total Budget**	**HUD Request**	**Applicant Match**	**Location**	**Congressional Districts**
206.684.0362	Ryan.curren@seattle.gov	608,660	$8.9 million	$3 million	$5.9 million	City of Seattle	7

The City of Seattle is pleased to submit an application to the Department of Housing and Urban Development for $3 million to implement its **Neighborhood Equitable Transit-Oriented Development Initiative (NET Initiative)**. The NET Initiative is based on the theory that creating affordable residential, commercial, and community space provides stability to current residents and businesses vulnerable to the displacement pressures of private investment and development at new light rail stations. Inherent in this theory is the belief that ensuring equitable development requires low-income residents and communities of color to be active decision makers in implementing these strategies.

The NET Initiative will implement equitable TOD along Seattle's existing LINK light rail line which serves the Rainier Valley, the city's most ethnically diverse, low-income neighborhoods. It will encourage mixed use, transit-oriented development through an inclusive process designed to sustain the community organizing capacity of these communities. Building off of recently-completed TOD plans for station areas, the NET Initiative will promote equitable development through three integrated community development strategies:

1. **TOD Acquisition Loans:** Working with public and private partners, secure key sites for mixed-use transit-oriented development projects that include affordable residential and dedicated small business and community space.

2. **Commercial Stability Strategy:** Support an established multicultural business district at Othello station by providing technical support and innovative approaches to stabilizing commercial leases and growing local businesses.

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3. **Planning for Shared Cultural Centers:** Fund a feasibility analysis and engage community members to plan a multicultural center to strengthen the existing culturally and ethnically diverse communities by providing a gathering place.

This effort will support our region's Metropolitan Planning Organization's Growing Transit Communities (GTC) project, funded by a HUD Sustainable Communities Planning Grant, by providing a model for communities to implement the community development strategies identified during GTC's regional corridor planning. Seattle's **Office of Housing** will manage the project, with support from other City agencies, and in partnership with the **Seattle Housing Authority** and **Sound Transit**, the regional transit provider. The **University of Washington's Evans School of Public Affairs** will monitor and evaluate the project. Additional partners -- including **Enterprise Community Partners and Impact Capital** -- bring a wealth of expertise and matching funds to the NET Initiative. Joining this effort, public, private and nonprofit partners bring $5.9 million in leverage and supporting programs, a nearly 2:1 leverage ratio.

I. PURPOSE AND OUTCOMES (Rating Factor 1)

The Neighborhood Equitable Transit-Oriented Development (NET) Initiative presents a significant opportunity to advance equitable TOD in Seattle as major transit investments have reached the Rainier Valley, Seattle's lowest income and most ethnically diverse neighborhoods. Described below are the current conditions and recent planning efforts that led to the NET Initiative proposal, obstacles to three Livability Principles addressed by the NET Initiative, and major NET Initiative activities that will overcome these obstacles and achieve three measurable outcomes. Milestones and deliverables are discussed later in the Work Plan.

A. CURRENT CONTEXT AND BARRIERS TO THREE LIVABILITY PRINCIPLES

The arrival of light rail in Seattle brings many opportunities and challenges. Opened in 2009, light rail currently runs from the SeaTac Airport northward through the Rainier Valley to downtown Seattle, the regional employment and retail center. The next rail section, scheduled to open in 2016, will link downtown Seattle with the University of Washington and then to Northgate, a commercial and services hub. Once Seattle's north/south line is complete, light rail will link residents to over a million jobs region-wide as well as community colleges and universities, medical facilities, retail opportunities, and recreation. The introduction of light rail, however, brings with it the challenge of ensuring that all existing communities along the rail system benefit from this significant transit investment.

The NET Initiative is grounded in the belief that creating affordable residential, commercial, and community space provides stability to residents and businesses vulnerable to the displacement pressures of escalating real estate values resulting from private investment at new light rail stations. If these stabilizing anchors do not exist, communities will be displaced out of Seattle and the city will lose the

CITY CLERK

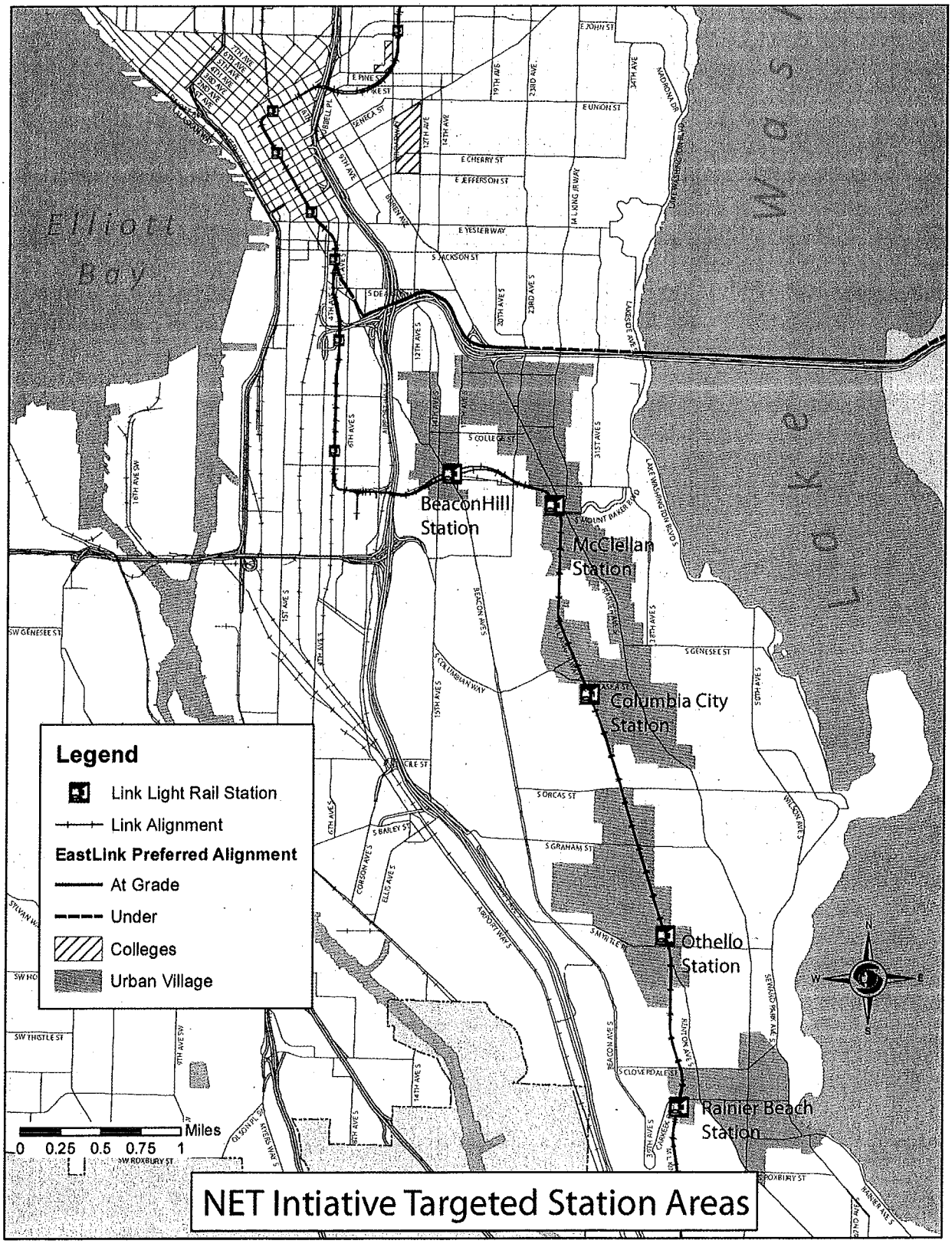
benefits of ethnically and economically diverse communities. In addition, to ensure equitable outcomes, low-income residents and communities of color must be active decision makers. The NET Initiative will implement three integrated community development strategies that involve local residents and businesses to strengthen the economic and social infrastructure of the Rainier Valley:

1. **TOD Site Acquisition:** Working with public and private partners, secure key sites for mixed-use transit-oriented development projects that include affordable residential and dedicated small business and community space.
2. **Commercial Stability Strategy:** Support an established multicultural business district at Othello station by providing technical support and innovative approaches to stabilizing commercial leases and growing local businesses.
3. **Planning for a Shared Cultural Center:** Fund a development feasibility analysis and engage community members to plan a multicultural center to support community-building activities of the existing culturally and ethnically diverse communities.

The NET Initiative targets five light rail station areas in Southeast Seattle (see map below). Each is located in an urban village; neighborhoods designated by the City of Seattle's Comprehensive Plan, a planning framework mandated by the Washington Growth Management Act to absorb 20 year housing and job growth targets. All have completed community-driven planning processes, resulting in TOD station area plans providing a roadmap for future development and now ready for implementation.

CITY CLERK

Ryan Curren
OH Challenge Grant ATT 1
January 6, 2012
Version # 1



Recent Planning Leading to the NET Initiative

The NET Initiative is consistent with our regional Metropolitan Planning Organization sustainability plan, Vision 2040. Vision 2040 is a long-range, integrated, environmental, land use, economic development, and transportation strategy for the four county region that encourages compact and equitable development in regional growth centers and around regional transit stations, such as those in the Rainier Valley. Vision 2040 guides the development of Seattle's Comprehensive Plan and PSRC's Growing Transit Communities (GTC) effort, funded with a $5 million HUD Sustainable Communities Regional Planning Grant. GTC will conduct corridor and station area planning along three light rail corridors in our region, of which only the Central Link corridor through Rainier Valley is currently operating. Seattle has already completed extensive community-based planning for TOD in station areas in the Rainier Valley, similar to the planning proposed by GTC. (See Section V Past Experience). The NET Initiative is the opportunity to implement the strategies necessary to fulfill the promise of these plans, demonstrating a community development model that can be shared with communities participating in GTC's work.

Seattle's station area planning efforts resulted in a mandate to make zoning changes needed to realize the area's TOD potential, and organize a comprehensive cross-departmental strategy to implement a new model for equitable development. Over the past twelve months City planners have worked with the community to complete detailed land use plans called Urban Design Frameworks. The UDFs will remove regulatory barriers to attract private investment. They will support the Federal Livability Principles by optimizing zoning and development standards to promote sustainable mixed-use mixed-income development, and developing urban design and streetscape standards for each area to improve pedestrian access to new transit service. Zoning legislation implementing the UDFs will be presented to City Council in Fall 2011.

Long-term Barriers to Three Livability Principles

Current Context: The Rainier Valley is home to Seattle's lowest income households. The average per capita income is $18,638, less than half the metro area average of $40,228; 23% of households are at or below the federal poverty level. The Rainier Valley is also the most culturally diverse area in the region with over 40 languages spoken, 57% of households speak a language other than English at home, less than 21% of residents are White, and no neighborhood has an ethnic majority (See Appendix A). A Brookings Institute analysis of refugee resettlement shows the Seattle metro area receiving the fifth most refugees in the nation since 1983 (49,000 total), part of trend increasing Seattle's share of the nation's annual refugee settlement from 2.6% in the 1980s to 4% in the 2000's, surpassing Chicago and Washington D.C. Refugee settlement agencies report a majority have settled in the Rainier Valley.

The Rainier Valley, which has seen little private market development for 40 years, is beginning to show signs of gentrification now that the light rail stations are completed. In March 2011 the first unsubsidized multi-family residential project since 1974 opened at the Othello light rail station. The developer reports that 66% of the new tenants of this 351 unit building moved to Seattle for work from out of state. Many of

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the land owners and developers in the Valley are waiting to see how this project performs and all early indications are of success. Sound Transit reports that land values surrounding its light rail stations in South Seattle have risen by over 50% since 2005 making it unlikely that new development will provide affordable residential and commercial rents, weakening the economic and social infrastructure needed to build a viable community where existing residents and businesses can successfully transition and sustain themselves in the broader culture and economy during this period of change. These signs of gentrification have increased the sense of urgency for implementing the community development strategies we posit will address barriers to three Livability Principles.

Support Existing Communities:

A key to incorporating equity into future development in the Rainier Valley will be identifying and building the capacity of community leaders and community based organizations (CBO). Many were deeply engaged in the recent station area planning but need capacity support to continue to engage in implementation of equitable TOD. Our Public Participation Plan addresses this Livability Principle by increasing participation and decision making of these CBOs, leaders, and their communities in the implementation of the NET Initiative's community development strategies, thus increasing the likelihood that these strategies will achieve the intended equitable outcomes.

Planning for a shared multi-cultural community center will provide a forum and guidance to those cultural communities in need of a secure gathering space. Non-profit operated community centers are a place for communities to provide services to their own members so that they can successfully sustain themselves in our culture and economy. They also provide a place for groups to maintain their own identities and to celebrate them – and are usually an effective forum for cross-cultural communication.

Promote Equitable Affordable Housing:

Development and preservation of affordable housing at transit station locations is essential to achieve equitable TOD. Locating affordable housing near high capacity transit allows household to lower their combined housing and transportation costs, leaving more resources to be spent on essential items like healthy food and healthcare. There is strong demand for affordable housing in these communities. According to a 2007 SE Seattle market analysis, 2,014 units affordable below 60% of area median income (AMI) are needed in light rail station areas. Currently in targeted areas 65% of housing is renter occupied and 50% of renters spend more than 30% of their income on housing costs (See Appendix B). Without an adequate supply of affordable housing existing residents will either be displaced to lower-rent markets or carry a higher housing cost burden. The TOD Acquisition Loans will promote affordable housing near station areas by securing 3-4 sites for up to 200 units of affordable housing for households primarily at or below 60% AMI. These sites will provide opportunities for developers of affordable housing to meet some of this demand and reduce housing cost burdens for low-income households.

Enhance Economic Competitiveness:

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The area is home to many small minority-owned businesses whose rents have risen dramatically. A 2008 survey of local businesses, 87% of which are independently-owned, showed that a majority had seen their rents rise by over 50% in the prior three years. A recent survey of commercial lease rates showed older commercial spaces leasing for $12-$15/square foot while newly developed space leases for $26-$30/square foot. Two activities of the NET Initiative -- TOD Acquisition Loans and the Commercial Stability Strategy -- aim to support economic development around station areas by securing more affordable commercial space, supporting job creation opportunities, and increasing the business performance of existing small businesses. These strategies aim to enhance the economic competitiveness of existing businesses by positioning them to better access new markets now open to them due to their proximity to light rail.

B. BEST PRACTICES AND INNOVATIVE APPROACHES

The NET Initiative is an opportunity to bring innovative community development strategies from around the country to Seattle. The Minneapolis Cooperative Mercado and Midtown Global Market provided a model for the Commercial Stability Strategy-- leveraging dedicated long-term affordable space to incubate local businesses, building capacity and expertise in the small businesses community, and ultimately ensuring they grow with the neighborhood. The Bay Area Transit-Oriented Affordable Housing Fund's use of public funds to leverage private investment directly informed our TOD Fund proposal targeting TOD sites in the Rainier Valley.

C. PROPOSED ACTIVITIES AND OUTCOMES

The NET Initiative is composed of three major activities designed to build equitable TOD. Grant funds also support a Puplic Participation Plan, Project Management and Project Evaluation which are described in the Work Plan. Current conditions for each activity are provided as narrative and the table below provides interim performance measurements and outcomes for each activity.

TOD Acquisition Loans -- Addresses Outcome 2: Increase supply of affordable housing near transit

Seattle's Comprehensive Plan states that 3,380 new housing units are needed by 2024 to accommodate growth in the five Rainier Valley Urban Villages. Of those the Comprehensive Plan sets a goal for approximately 1,250 units for households below 80% AMI (See Appendix B). A combination of incentives and new financing tools are needed to meet these goals. In 2009 Seattle adopted housing funding policies giving priority to sites near transit corridors for both short-term and permanent affordable housing capital funds. This has increased interest among both funding partners and affordable housing developers in housing investment around station areas. Over the past year Enterprise Community Partners and OH have explored a coordinated public, private, and philanthropic funding for site acquisition but have lacked the staff capacity and consulting resources to craft an investment strategy.

With grant funds, Seattle will work with public and private funding partners to provide nearly $7 million in short-term financing for the acquisition and pre-development of land near light rail stations for affordable mixed-use projects, for up to 200 units of affordable housing, achieving 16% of our 20-year Comprehensive Plan goal.

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Commercial Stability Strategy -- Addresses Outcome 4: Local business development
A goal from the 2010 Othello Station Neighborhood Plan is to "value ethnic diversity of neighborhood merchants as a key asset of the neighborhood." Rapidly rising rents coupled with anemic sales are a threat to these valued community assets. A 2010 survey of the businesses in the Othello station area business district found 42% were paying 30-50% of their revenue for rent. 2010 Business and Occupation tax data shows Othello business district gross aggregate revenue declined by 10% since 2008 and while the gross revenue of the entire Rainier Valley increased by 13% in the same period. The NET Initiative will address these challenges by implementing a three-tiered Commercial Stability Strategy at Othello to support all local businesses; provide business technical assistance, commercial lease services, and marketing and promotion services.

Cultural Center Planning -- Addresses Outcome 1: Decision-making of marginalized populations
The NET Initiative will support the planning of a non-profit owned multi-cultural community center in the Rainier Valley. Seven ethnic communities own their own community center and another four rent space, while eight communities have no space. Station area planning identified 10 cultural communities interested in sharing a multi-cultural center space but no one entity willing or able to lead the development feasibility process. This project will develop a program and development plan based on the needs of a range of immigrant and refugee communities which do not currently have a dedicated gathering space in the neighborhood, and help build the community capacity needed to finance and operate this center from within the community.

The following table provides the interim performance measure of each project activity, the outcomes they aim to achieve, the measures of each outcome, and the Livability Principles addressed.

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Interim Performance Measures, Outcomes, and Livability Principles					
NET Initiative Activity	**1 Year Interim Performance Measure(s)**	**2 Year Interim Measures**	**3 Year Outcome(s) Measured**	**Outcome(s) Targeted**	**Livability Principle**
TOD Site Acquisition Loans	Developer response to NOFA outstrips TOD Fund capacity	1-2 purchase and sale agreements	3-4 purchase and sale agreements with covenants providing 200 units of affordable housing for 50 years for households at or below 80% AMI. Secure sites for 16% of Seattle's Comprehensive Plan goal for affordable housing in the targeted areas	Impact on affordability and accessibility of housing near transit	Promote Equitable, Affordable Housing / Support Existing Communities
Commercial Stability Strategy	All 90 business owners at Othello Station area are contacted	30 businesses receive lease negotiation support	75% of businesses secure lease terms > 1 year	Economic development, local business development	Enhance Economic Competiveness
	Contact all land owners and developers actively seeking development opportunities	30 businesses receive technical assistance	75% of business report occupancy costs below 20% of gross revenue		
		30 businesses receive marketing consulting	75% of businesses report increased or stable revenue.		
Cultural Center Planning	Community infrastructure report produced	30 meetings engaging 200 participants all from traditionally marginalized communities	Identified and committed nonprofit organization to lead the development process A development feasibility report	Increased participation and decision-making by populations traditionally marginalized in planning.	Support Existing Communities

D. IMPLEMENTATION

The NET Initiative has strong community, political, and private support to successfully implement the project's activities. Seattle's Comprehensive Plan growth and affordability targets, as well as the recent station area plans' visions for equitable development provide a mandate for this project. See Appendix C for a letter of support from the Seattle City Council, Appendix D for a letter of support from Homesight, a Rainier Valley CDC, and letters of commitment from two CDFIs committing $4 million toward this project. In addition, Seattle Mayor Mike McGinn is firmly committed to integrating this work into PSRC's Growing Transit Communities regional corridor planning through his role on the GTC Oversight Committee. The City Council also passed legislation in 2009 prioritizing high frequency transit corridors for affordable housing investments. This project is seen as a maturation of those policies.

III. WORK PLAN AND HUD PRIORITIES (Rating Factor 2)

The NET Initiative's three proposed activities and outcomes were described above. This section will provide further details on the Initiative's work plan to implement each of these activities including a timeline for each activity, and the milestones and deliverables for each month of the Initiative. End dates for individual tasks are included following each activity description. Project management structure, tasks, and schedule are found in Section V B. See Appendix E for bios and qualifications of all partners.

A. PROPOSED ACTIVITIES AND SCHEDULE

Public Participation Plan:

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According to the Department of Neighborhoods there are 6 business associations, 11 organized cultural groups, 10 neighborhood organizations, and over 18 community service agencies in the Rainier Valley. Grant funds will be used to provide capacity building grants to some of these groups to participate on NET Initiative Work Groups and to subcontract with Public Outreach Liaisons (POL) to conduct outreach and identify emerging leaders in underrepresented communities. The objective is to ensure full representation of underrepresented communities, not just the current leaders of established organizations. Organizing the leaders and constituents of these groups around the three proposed community development strategies will increase their communication and capacity to be champions for equitable outcomes. This will increase the likelihood of successfully achieving our proposed outcomes and result in more sustainable CBOs.

The POLs are community organizers from traditionally marginalized communities; ethnic and minority communities, seniors, youth, and people with disabilities. The POL model is based on the belief that these communities have been historically underrepresented in planning processes due to obstacles in traditional community engagement models, language barriers, transportation barriers, and built-in cultural biases associated with conventional approaches to outreach. Instead of asking residents and businesses to participate in large centralized community meetings, the POLS engages these groups where they already gather and meet -- religious institutions, cultural centers, and senior housing, for example. Grant funds are budgeted to lower these obstacles to engagement by providing translation and interpretation services as well as securing meeting space in culturally appropriate facilities.

CBOs will use some grant funds to work with NET Initiative staff to apply the Equity Framework developed by the PSRC Equity Network to the NET Initiative. CBOs will provide guidance to the Equity Network's regional corridor planning work by sharing best practices learned while implementing NET Initiative community development strategies. CBOs and POLs will help conduct outreach for the Commercial Stability Strategy's work to support ethnic and minority owned businesses, participate on the Work Group to plan for a multi-cultural center, and participate in the TOD Acquisition Loans Work Group's selection of acquisition proposals. A CBO grantee will work with the Public Participation Plan Lead to host an annual conference of CBO grantees and POLs to share best practices and receive training on community organizing, leadership development, and community development strategies. A CBO with existing organizational capacity will be contracted to provide trainings to other grantees.

Department of Neighborhoods staff, Sebhat Tenna, manager of the POL model during the 2009 Neighborhood Plan Update process described in Section V, will lead the outreach of the POLs and oversee the CBO contracts. Sebhat will lead a Work Group made up initially of the other three Work Group chairs to integrate the activities funded by the capacity building grants and POL outreach into their work plans and governance structure. POLs and CBO representatives will join the Work Group as contracts and grants are made.

Work Plan Schedule of Major Tasks:

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Work Group management of work plan:

- Task: Work Group finalizes work plan and establishes roles and responsibilities (Jan. 2012)
- Task: Work Group crafts and releases RFP for CBO capacity building grants (March 2012)
- Task: Work Group contracts with fiscal agent to hire POL subcontractors (March 2012)
- Task: Work Group signs capacity building contracts with CBOs (April 2012)

CBO grantees and POL subcontractors facilitated meetings/trainings to historically underrepresented communities in culturally appropriate manner:

- Task: Work Group chair trains POLs (April 2012)
- Task: POLs and CBO staff develop outreach plans for each Work Group (May 2012)
- Task: CBO grantees assign staff to participate on appropriate Work Groups and POLs host community meetings to recruit participants in project activities (June 2012)
- Task: POLs and CBOs execute outreach plans for each Work Group through the project term.

Community capacity building and leadership training

- Task: A CBO grantee provides annual capacity building trainings to other grantees (July, annually)
- Task: A CBO organizes an annual conference of CBO grantees and POLs (October, annually)

Metrics and Results: a well trained cohort of POLs; a new model of community development outreach is tested for replicability along the regional transit corridors; CBOs actively engaged in all Work Group activities; realistic and effective outreach plans for each Work Group are developed and implemented; CBOs increase their communication between each other and work collaboratively to champion equitable development around transit stations. Specific outcomes are found in the table in Section I C on page 5.

TOD Site Acquisition Loans

Objective: The City and its partner lenders will make $6.73 million available to secure 3-4 properties for affordable mixed-used development. The ultimate objective is to catalyze private economic development and provide a TOD funding model that PSRC can replicate at the regional scale as part of their Sustainable Community Regional Planning Grant effort.

Work Plan Narrative:

A consultant will be contracted to recommend policies, procedures, investment protocols, and an analysis of site opportunities that incorporates best practices from other TOD funds and is tailored to our local finance resources and regulations. Funds will be primarily used in two ways. (1) Funds will be made available through a Notice of Funding Availability (NOFA). The NOFA will offer funds to developers to acquire sites and conduct pre-development work for affordable transit-oriented development. Preference will be given for acquisitions based on the proximity to one of the light rail stations and their ability to leverage public private partnerships. Costs will be a consideration in all acquisitions.

(2) If a developer has not been selected through the NOFA process to acquire a site, the City and its lending partners will award the Seattle Housing Authority funds to purchase and hold these properties

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until a developer is chosen to develop the site, providing developers the time to assemble financing (See Appendix F). SHA's tax-exempt status significantly reduces the land carrying costs. In all cases acquisition loan funds may be used to cover carrying costs such as loan interest and site maintenance. Pre-development costs may also fund, in particular, design work for pedestrian and bike projects identified by the Seattle Department of Transportation's Pedestrian and Bike Master Plans. However, ped and bike design projects must be on or connected to a site acquired with a TOD Acquisition Loan.

Upon acquisition of sites through either process, OH will execute a regulatory agreement to require any subsequent development of housing to be affordable for a minimum of 50 years. An important source of matching funds is Seattle's Housing Levy, which includes funding for site acquisition; these dollars can stay in the residential portion of a project as permanent financing. Grant funds provide essential flexibility for non-residential portions of the project. If not for grant funds, only traditional equity will be available for development of ground floor space, making it difficult to provide affordable commercial and community space. In addition, all housing units developed via the TOD Fund that subsequently receive long-term financing from OH will be developed in accordance with Washington State's Evergreen Sustainable Development Standard. The Evergreen Standard requires measures that safeguard health and safety while increasing durability and energy efficiency.

Responsible Parties: To launch this effort Tom Mack, Multifamily Lending Manger from the Office of Housing will form a Work Group comprised of representatives from CBOs receiving capacity building grants; Scott Kirkpatrick, Sound Transit's Transportation Oriented Development Program Manager; Al Levine, Seattle Housing Authority Deputy Director; Melanie Gillespie, Impact Capital's Director of Lending; and Jonathan Clarke, Enterprise Community Partner's Pacific Northwest Loan Fund Lender. See Appendix G for a letter of support from Sound Transit.

Developers of affordable housing projects will be selected through a competitive application process. As a result of its long history of nonprofit housing development, Seattle is home to many capable nonprofit housing developers. See Appendix D for a letter from local CDC HomeSight describing their experience and capacity to develop affordable housing in the Rainier Valley.

Public Participation: CBO representation on the Work Group and Public Outreach Liaisons will ensure community priorities are incorporated into each stage of the TOD Site Acquisition Loans including the review of site acquisition proposals.

Work Plan Schedule of Major Tasks:
Work Group management of work plan

- Task: Work Group finalizes work plan and establishes roles and responsibilities (Jan. 2012)
- Task: Agree on joint investment protocols and projects selection criteria (August 2012)
- Task: Release a TOD Acquisition Loans Replicability Report. (Dec. 2014)

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Consultant is hired to recommend an investment structure and plan (April 2012)

- Task: Work Group releases consultant RFP (Feb. 2012) and a contract is signed (March 2012)
- Task: Investment Protocols and Investment Plan Report is presented to Work Group (July 2012)

Acquire and develop TOD properties through a NOFA process

- Task: Work Group crafts and releases NOFA (Oct. 2012)
- Task: Work Group selects proposals (Feb. 2013) and signs first purchase agreements. (April 2013)

Acquire and develop TOD properties through private broker

- Task: Work Group determines efficacy of NOFA process (Feb. 2013) and signs MOU with SHA if needed to hire a real estate broker (March 2013)
- Task: Broker inspect sites (April 2013), Work Group makes first offers on sites (June 2013), and SHA signs purchase agreements (September 2013)

Metrics and Results: Detailed and achievable work plan; signed MOU securing financial commitments to a TOD fund; adopted fund structure and investment plan; developers respond to a TOD Fund NOFA with more viable acquisition proposals than the fund can meet; model fund structure to inform a regional TOD fund; 3-4 TOD appropriate sites purchased by December 2014. Specific outcomes are found in the table in Section I C on page 5.

Commercial Stability Strategy

Objective: Grow the capacity of small retail businesses and test a retail business development model that can be replicated in other station areas with high concentrations of ethnically owned businesses. The Commercial Stability Strategy will focus on three business service areas: business support and growth, commercial lease stability, and marketing and promotion.

Work Plan Narrative:

Business Technical Assistance: The City will issue an RFP to solicit a partner with experience with limited English proficiency businesses and expertise in providing business support services to work with existing businesses to strengthen their performance. Example support services include improving financial systems and reporting and improving merchandizing and product mix to capture new and expanded customer bases.

Marketing and Promotion Services: The City Office of Economic Development will continue its Business District Support Program that partners with HomeSight, a local CDC, to enhance demand for existing Othello businesses through individual business and business district marketing and promotion. See Appendix D for a letter from Homesight describing the activities they oversee. The program uses CDBG funds so any new strategies implemented during this project will need to be CDBG eligible.

Commercial Lease Stability: A separate RFP will be issued to solicit community nonprofit partners to submit proposals that aim to stabilize small businesses tenants at risk of displacement through a menu of strategies. This menu could include:

- Strengthening connections between existing businesses and developers by identifying and cultivating promising businesses to help ready them for newly developed retail spaces.
- Working with developers to create new models for affordable commercial space, such as shared spaces, or spaces smaller than is typical in the market.
- Mitigating credit risk posed by independent retailers for developers by establishing a master lease or master condo (if space is purchased) and subletting spaces to appropriate businesses at affordable rates. The Seattle Housing Authority is interested in developing the space for this master lease. .
- Exploring the possibility of a lease guaranty product with the Rainier Valley CDF to help mitigate credit risk for existing small businesses interested in leasing newly developed spaces.

Responsible Parties: Overseeing the Commercial Stability Strategy, and assisting with the provision of technical assistance to participating businesses, will be the Office of Economic Development (OED). Tina Vlasaty, OED's expert on small business retention and expansion, will staff a Work Group composed of three Rainier Valley CDCs, representatives from CBOs receiving capacity building grants, the Seattle Housing Authority, and the MLK Business Association.

Public Participation: CBO representation on the Work Group and POL outreach to local businesses will ensure community priorities are incorporated into every aspect of the Commercial Stability Strategy. The organizational partner(s) contracted to provide business support services will be responsible for contacting all 90 businesses in the Othello station area and all land owners and developers actively seeking development opportunities.

Work Plan Schedule of Major Tasks:
Work Group management of work plan:

- Task: Work Group finalizes work plan and establish roles and responsibilities (Jan 2012)
- Task: Work Group finalizes and releases RFPs for Business Technical Assistance and Commercial Lease Stability (Feb 2012), selects organizational partners from RFP processes (March 2012), and executes contracts for Business Technical Assistance and Commercial Lease Stability (April 2012).

Marketing and Promotions Services

- Task: Work Group renews contract with HomeSight and MLKBA (January 2012)
- Task: HomeSight develops Othello business district promotion plan and develops schedule for business district clean-up events and festivals (March 2012, 2013, 2014)
- Task: HomeSight and Public Outreach Liaisons outreach to businesses (April 2012 – ongoing)

Business Technical Assistance

- Task: Business Technical Assistance organizational partner hired (April 2012)

- Task: Partner and Public Outreach Liaisons outreach to businesses (May 2012 – ongoing)
- Task: Partner provides TA services to businesses (June 2012 – ongoing)

Commercial Lease Stability

- Task: Commercial Lease Stability partner hired and menu of strategies selected (April 2012)
- Task: Partner outreach and to prospective tenants, property owners and developers (June 2012 – ongoing)
- Task: Partner provides matchmaking between appropriate tenants and landlords for vacant spaces. (Sept 2012 – ongoing)
- Task: Partner provides lease negotiation, education and capacity building work with businesses in existing spaces. (Sept 2012 – ongoing)

Metrics and Results: Detailed and achievable work plan; contact with all 90 business owners in the station area; all business support services are over subscribed; contact with all property owners and developers actively seeking development opportunities in station area; model commercial lease stability program to replicate in other ethnic and minority business districts. Specific outcomes are found in Table X in Section I C.

Planning for Shared Cultural Center

Objective: Develop a realistic program and financing plan for a multi-cultural center, identify critical capacity needed to successfully fund-raise, develop and manage such a center, and inform site selection.

Work Plan Narrative:
A Work Group will hire a consultant to conduct an economic, programming and management feasibility analysis while concurrently identifying key thresholds individual communities must achieve to move the project forward, including understanding and commitment to the long-term costs and responsibilities of the project. The consultant will support the Work Group in developing the organizational structure needed for a successful capital campaign and also provide grant-writing services.

Responsible Parties: DPD's Nora Liu will chair a Work Group comprised of representatives from all organizations serving ethnic communities initially interested in the development of a shared center.

Public Participation: CBO representation on the Work Group and Public Outreach Liaison outreach to ethnic communities will ensure each community's priorities are taken into consideration throughout this process.

Work Plan Schedule of Major Tasks:
Work Group management of work plan:

- Task: Work Group finalizes work plan and establish roles and responsibilities (Jan 2012)

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- Task: CBO and Public Outreach Liaisons engage communities to garner interest in project (March 2012)
- Task: Work Group crafts and releases consultant RFP (March 2012), selects consultant (May 2012)

Cultural center feasibility work:

- Task: Consultant produces community infrastructure report (December 2012)
- Task Consultant produces development feasibility study and action plan (June 2013)

Metrics and Results: a realistic development feasibility study and plan; community leaders committed to implementing the development plan; and community leaders develop organizational structure needed for successful capital campaign. Specific outcomes are found in the table in Section I C on page 5.

Obstacles to Achieving outcomes, outputs, and related performance measures:

Due to the innovative nature of the NET Initiative, a variety of obstacles may hinder our efforts to implement the proposed activities. Given the limited geography within which we are focusing acquisition funds, there may be difficulties identifying suitable and affordable parcels. Affordable housing developers may have difficulty moving quickly to acquire parcels so we have established an agreement with SHA to use a broker to acquire properties while the nonprofit developers work to line up traditional finances. The Commercial Stability Strategy may have difficulty measuring business revenue performance because of ethnic businesses owners mistrust of government so we will work with the University of Washington to refine our proposed outcomes and data collection methods to capture this data in a secure way. We are confident through early identification of these obstacles and strategic management of the NET Initiative we will be successful in all our major activities. To ensure flexibility and adaptation, the City plans major check-in and decision points near the end of year one and two. UW will play a key role here, providing objective feedback on successes and setbacks and offering recommendations for corrections and adaptive management.

B. PROJECT EVALUATION AND CROSS-CUTTING POLICY KNOWLEDGE

The effectiveness of the NET Initiative will be measured by researchers at the University of Washington's Evans School of Public Affairs (See Appendix H). Faculty members Rachel Garshick Kleit and Daniel Carlson would lead this effort. Both Dr. Kleit and Mr. Carlson have a history of collaboration with local governments and nonprofits in both teaching and applied research. See Appendix E for their bios.

City staff will be responsible for tracking the Initiative's success in meeting stated Work Plan milestones and producing deliverables on time. Annual reports documenting the Initiative's progress will be made available online. The objective of the NET Initiative's evaluation is to determine if the community development strategies proposed allow for the existing residents and businesses of the Rainier Valley to remain and thrive as additional investment and development continues (see Appendix H for more detail.)

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The outcome of this research partnership will be a case study of the NET Initiative, with policy lessons learned and recommendations for future programming. This case study as well as all analyzed data will be made available on the project's website. The study itself will also be sent to local government, community development, and planning associations for further dissemination. Additional cross-cutting policy knowledge will be made available at the local level through training workshops for all CBOs receiving capacity building grants and PSRC's Regional Equity Network, providing a model for communities soon to receive transit service to have greater decision making authority regarding their communities' development.

Project monitoring systems will be created to collect data and monitor progress toward our outcomes. Annual performance evaluations will be followed by adjustments to policies and programs. To accomplish these evaluations, the City and the UW will establish a data sharing agreement detailing how data collected by City staff or consultants will be provided to the UW for analysis and evaluation. Grant funds will procure time from two professors and a graduate research assistant to conduct this work. The UW will support Work Groups efforts to collect the raw data used to measure progress toward the stated outcomes. Data includes affordable housing production information collected by OH, community engagement data collected by DON, business performance data collected by OED, and race, ethnicity, and income data by the City's demographer. The UW and each Work Group will establish schedules for data collection based on each project's timeline and deliverables. A NET Initiative website will provide updates on a rolling basis as data is analyzed and measured against NET Initiative outcomes. The UW will provide annual Project Status Reports to be distributed online and directly to all community partners.

C. CAPACITY BUILDING AND KNOWLEDGE SHARING

The Management Team will, at a minimum, hold the trainings listed below for all Management Team members and an additional representative of their organization. The success of these workshops will be evaluated by a survey given to attendees. Details on capacity building workshops for CBOs can be found in Section II A in the description of the Public Participation Plan.

1. Managing and Reporting of Federal Funds – This training, to be held one month after receipt of the grant, will focus on the proper spending, tracking, and reporting of Federal funds. In addition, the Project Manager will develop and train the team on the internal administration systems to track partner match of funds and time.

2. Performance Measurement – This training, to be held two months following receipt of the grant, will consist of three separate workshops: 1) An overview of the principles of performance measurement with an emphasis on the Carter-Richmond methodology and logic modeling; 2) Reviewing the performance measures chosen for each project as well as how data will be collected and shared; and 3) How to use HUD's eLogic Model. At each monthly Management Team meeting following this group of workshops, members will discuss any questions or concerns they may have regarding their performance measurements and reporting.

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To facilitate knowledge sharing among project partners and interested parties, project staff will maintain a project website linked through seattle.gov, where meeting dates, times, locations, agendas, meeting summaries and relevant materials will be posted. This website will include our Work Plan and an accessible system to follow our progress toward achieving our outcomes. Annual Project Status Reports will be posted to inform partner and peer organizations of the project's accomplishments and lessons learned. As Census 2010 data becomes more available at the local level, updated data, including geospatial maps, on each geographic area of the project will be added to the website. To further inform Management Team members of the latest innovations in equitable TOD, a listserv will be developed to which members can post and all HUD recommended webinars will be required viewing.

D. POLICIES TO FURTHER FAIR HOUSING

Seattle's 2008 Analysis of Impediments to Fair Housing Choice (AI) identified two key barriers to fair housing; 1) an inadequate supply of affordable housing exacerbates fair housing challenges by impeding housing choice, and 2) protected classes continue to experience direct housing discrimination, especially racial and ethnic minorities, refugees and immigrants, families, female headed households with no husband present, and people with disabilities.

The NET Initiative will address these barriers through affordable housing development and commercial revitalization. Over 200 units of multifamily rental housing will be affordable to households with incomes below 60% of median income. Rental units developed using Seattle funding will be subject to the city's fair housing policies. Project owners must implement Affirmative Marketing Plans designed to reach persons from all segments of the community to announce vacant units. Compliance with these plans are monitored by the OH Asset Management Team through annual reviews and inspections. The affordable housing will be located in mixed-income communities with access to light-rail transit and regional job centers. The Commercial Stability Strategy will also spur business and job growth in the economically distressed areas by supporting independently-owned businesses.

III. BUDGET (Rating Factor 3)

The table below provides an overview of the NET Initiative's use of grant and match funds for each activity identified in the Section II. Details of partner match commitments are provided in Section IV. Program staff salaries and benefits are considered activity costs. Project administrative costs are rolled up into under Project Administration in this table and are detailed in the HUD 424 CBW form. 10% of requested grant funds are allocated for deepening the engagement, and governance of traditionally marginalized populations. See HUD 424 CBW Detailed Budget Worksheet for the overall project.

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NET Initiative Budget			
Net Initiative Budget Activity	**HUD Grant Amount**	**Local Match**	**Receiving/Match Agency**
Grant Management			
Project Manager	$ 130,000		Office of Housing (OH)
Project Administration	$ 130,000		OH, DPD, OED, DON
Public Participation Plan			
Work Group Management	$ 50,641	$ 21,015	Department of Neighborhoods (DON)
Public Outreach Liaisons contracts	$ 125,000		DON
Capacity building grants to CBOs	$ 125,000		DON
Cultural Center Feasibility Study			
Work Group Management	$ 112,751	$ 39,316	DPD
Cultural Center Consultant	$ 75,000		DPD
TOD Acquisition Loans			
Loans Management	$ 36,920	$ 68,419	OH
Site acquisition and pre-development	$ 1,230,000	$ 5,500,000	OH/OH, Enterprise, and Impact Capital
Investment Consultant	$ 75,000		OH
Commercial Stability Strategy			
Work Group Management	$ 192,470		Office of Economic Development (OED)
Organizational partner contract for commercial lease stability assistance	$ 245,000		OED
Organizational partner contract for business technical assistance	$ 245,000		OED
HomeSight/MLKBA Business District Support Program contract		$ 284,700	OED
Project Evaluation Management	$ 227,000		University of Washington
Total	$ 2,999,000	$ 5,913,450	
Project Budget Total	$ 8,912,450		

IV. ADDITIONAL LEVERAGING AND COLLABORATION (Rating Factor 4)

Through its working partnership with public and non-governmental organizations, the NET Initiative leverages $5.9 million, for nearly a 2:1 leverage ratio. All leveraged funds are documented with letters of commitments attached to this application.

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Project Partner	Commitment Amount	Commitment Type	Designated Purpose
Office of Housing	$1,568,419	$1.5 million in cash and .15 FTE for three years	The cash match will be used for the TOD Loans. The in-kind staff will coordinate City funding of affordable housing in targeted project areas.
Office of Economic Development	$284,700	CDBG funds	For managing the Business District Support Program providing marketing and promotion services to Othello station area business
Department of Neighborhoods	$21,015	.1 FTE for three years	The in-kind staff will manage the project's outreach and community capacity building work.
Department of Planning and Development	$39,316	.1 FTE for three years	The in-kind staff will manage the Cultural Center Feasibility work.
Enterprise Community Capital	$2,000,000	$2 million in cash	The cash match will be used for the TOD Fund.
Impact Capital	$2,000,000	$2 million in cash	The cash match will be used for the TOD Fund.
Total	**$5,913,450**		

The NET Initiative is designed to support PSRC's Growing Transit Communities planning effort funded by a HUD Sustainable Communities Regional Planning Grant. Though not eligible as match, PSRC's work plan to develop a regional TOD acquisition fund will directly inform the creation of the TOD Acquisition Loans to be used as a model for the regional fund. In addition, the GTC's Regional Equity Network is likely to fund multiple $5,000-$15,000 grants to community organizations in the Rainier Valley to engage in corridor planning. These groups will also participate in the Public Participation Plan. The work by CBOs and Public Outreach Liaisons will provide a model for communities participating in GTC to implement the community development strategies identified during regional corridor planning.

The average per capita income is $18,638 in the Rainier Valley, less than half the metro area average of $40,228.

V. CAPACITY (Rating Factor 5)

The City of Seattle is taking this opportunity to more formally align City departmental work plans and staffing in a way that encourages collaboration among City departments and community partners involved in sustainable community development. To lay the groundwork for this initiative, the City has engaged other public partners including the Seattle Housing Authority and the regional transit agency, Sound Transit. Bringing community-level input and expertise are community development corporations active in these neighborhoods, and the community development funding agencies, Enterprise Community Partners and Impact Capital, a LISC affiliate.

A. PAST EXPERIENCE

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Project staff have significant experience in outreach efforts involving low-income persons living in the Rainier Valley. The 2009-2010 Neighborhood Plan Update process was led by the Department of Planning and Development (DPD) in Rainier Valley neighborhoods targeted by the NET Initiative, and was staffed by three staff now committed to the NET Initiative. DPD facilitated a team from seven City departments over an 18 month period with a $993,000 budget. The Department of Neighborhoods led the outreach effort, using both innovative and time tested tools, from hands-on workshops to smaller scale interactive meetings with community-based organizations, as well as on-line updates and surveys and engaging over 1,500 residents, which resulted in vision, goals, and community-preferred strategies to achieve equitable TOD in each area. The outreach model won the 2010 Governor's Smart Communities Award for its use of 13 Public Outreach Liaisons from communities of color, people with disabilities, youth, and seniors sub-contracted to engage their communities in the neighborhood planning process. Fully 1,200 of the 1,500 residents (80%) engaged in neighborhood planning were from these communities.

Staff currently manage federal funds and oversee projects similar to the NET Initiative. Since 1981, OH has managed over $175 million in public funding through four voter-approved housing levies and locally administered federal HOME and CDBG funds. These funds have leveraged over $500 million in additional public and private funding to produce over 10,000 affordable rental units and 600 loans to first-time homebuyers. Seattle voters renewed the Housing Levy in 2009, approving $145 million over 7 years. The 2009 Levy added new funding for Acquisition & Opportunity Loans, prioritized for TOD, providing short-term acquisition financing to take advantage of opportunities during the economic downturn. For both bridge and permanent financing, Seattle coordinates closely with other funders to support key priorities. Each year, OH joins with six other municipal and private funders to offer capital, operating, and supportive services funds under one umbrella Notice of Funding Availability (NOFA). OH regularly makes loans in tandem with the Enterprise Foundation and Impact Capital, a LISC affiliate.

In 1998, when Sound Transit announced the light rail alignment through the Rainier Valley rather than along Interstate 5, local residents protested fearing light rail would displace low-income businesses and residents. In response, Seattle and King County committed $50 million of CDBG funds to create the Rainier Valley Transit Oriented Development Community Development Fund. Before the fund even launched some in the community demanded that TOD be taken out of the name, associating TOD with gentrification and displacement. RVCDF used $25 million to provide construction mitigation resources to businesses during light rail construction, resulting in 85% retention of businesses along the corridor. The other $25 million had flexible community development parameters that the RVCDF had to prioritize. The conflicting objectives for TOD and fear of gentrification proved difficult to overcome, resulting in a disjointed investment strategy and lack of coherent vision for development in station areas. Thanks to the 2009-2010 community-led neighborhood planning processes, the Rainier Valley now has a clear vision of what specific types and location of investments they want to spur economic development. This grant funding is the opportunity to realize this vision.

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B. PROJECT MANAGEMENT AND TASKS

Organizational Structure:

Oversight of the project will be led by a Management Team composed of senior policy staff from each partner agency. A dedicated Project Manager housed in the Office of Housing will chair this team and have responsibility for day-to-day coordination of the various components of the NET Initiative. See Appendix I for an illustration of the project's organizational structure, decision making, and Work Group membership. Chairs of each Work Group will sit on the Management Team, allowing for greater integration of proposed activities' work plans. The Management Team will meet monthly to coordinate work and manage the various activities of the project.

Grant Management:

If grant funds are awarded on January 1st 2012 the first responsibility of the Management Team will be to formalize a HUD Cooperative Agreement. Other tasks include finalizing the project work plan, budget, accounting system, and governance structure in order to sign sub-agreements with each partner organization. These tasks will be accomplished by March 1, 2012. Planning for the budget and staff work plan adjustments to each agency will begin upon a grant award announcement in order to quickly begin implementation. An internal management tool reporting on these tasks and more will be created to provide monthly updates to HUD and for use in semi-annual reporting. This will include an at-a-glance timeline review progress toward the project objectives. By April 1, 2012 the team will develop an online presence and host the capacity-building trainings described in Section II C. Every September team members will collect data with the University of Washington Performance Evaluation Work Group for the use in the project's annual reviews as per a data sharing agreement described in Section II C.

Organizational Capacity: Work Groups perform the bulk of the project work. Their tasks and results are listed in Section II after each proposed activity description. They will meet twice a month as a group with additional weekly one-on-one meetings between the Project Manager and Work Group chairs. See Appendix E for a list of staff for each Work Group and their qualifications. Designated staff for each activity are also identified in the description of each proposed activity in Section II A.

Decision Making: The Management Team will be responsible for approving major project policy decisions, including allocation of resources, and releasing documents representing findings and recommendations of individual phases. Decisions will be made on a consensus basis. Day-to-day decisions in executing the decisions of the Management Team will be reserved for the Project Manager. Any unresolved disputes on the Management Team will be taken to the Office of Housing Director Rick Hooper.

PREFERRED SUSTAINABILITY STATUS (Rating Factor 6)

This project has obtained certification from the Designated Point of Contact for the PSS, the Puget Sound Regional Council. HUD form 2995 is completed and attached to this application.

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Ryan Curren
OH Challenge Grant ATT 2
January 10, 2012
Version # 1

Attachment 2
Draft Cooperative Agreement

DRAFT: Assistance Award/Amendment

U.S. Department of Housing and Urban Development
Office of Administration

1. Assistance Instrument ☒ Cooperative Agreement ☐ Grant		2. Type of Action ☒ Award ☐ Amendment	
3. Instrument Number CCPWA0068-11	4. Amendment Number	5. Effective Date of this Action 11/21/2011	6. Control Number
7. Name and Address of Recipient City of Seattle Office of Housing, PO Box 94725 Seattle, WA: Washington 98124-4725 Phone: 206.499.5342 Fax:		8. HUD Administering Office Office of Sustainable Housing and Communities 451 7th Street, SW, Room 10180 Washington, DC 20410	
		8a. Name of Administrator James C. Norsworthy	8b. Telephone Number 202 402 6827
10. Recipient Project Manager Ryan Curren		9. HUD Government Technical Representative Dwayne S. Marsh, 202-402-6316, Dwayne.S.Marsh@hud.gov	
11. Assistance Arrangement ☒ Cost Reimbursement ☐ Cost Sharing ☐ Fixed Price	12. Payment Method ☐ Treasury Check Reimbursement ☐ Advance Check ☐ Automated Clearinghouse	13. HUD Payment Office 801 Cherry Street Unit #45, Suite 2500 Fort Worth, TX 76102	

14. Assistance Amount		15. HUD Accounting and Appropriation Data	
		15a. Appropriation Number	15b. Reservation number
Previous HUD Amount	$0.00		
HUD Amount this action	$2999256	861/30162	CCPWA0068-11
Total HUD Amount	$2999256	Amount Previously Obligated	$ 0.00
Recipient Amount	$ 8914257	Obligation by this action	$2999256
Total Instrument Amount	$ 11913513	Total Obligation	$2999256

16. Description

Employer Identification Number: 91-6001275 Program Code: RIP

This is a conditional award contingent on the completion of a negotiated budget and submission of all required pre-award deliverables. **No costs can be incurred until all negotiations are completed.** The review and approval of funds drawdown requests shall not occur until the following items have been met:

1. **There is a final approved negotiated budget in place;**
2. **Final award agreement has been signed by grantee and HUD;**
3. **The grantee has been set-up in LOCCS and approved; and**

This grant instrument consists of the following, some of which are incorporated by reference:

4. **HUD-1044 and HUD-1044 Continuation Sheet(s)**
5. **Grant Agreement Terms and Conditions**
6. **HUD 424-CBW, Total Budget Summary**
7. **Grant Deliverables (See HUD 1044 Continuation Sheet)**
8. **Work Plan/Logic Model (Tasks within Work Plan are considered deliverables)**
9. **OMB Circulars A-87, A-133 and A-102, which is incorporated in 24 CFR Part 85**
10. **Office of Sustainable Housing and Communities (OSHC) Program Policy Guidance.**
11. **Notice of Funding Availability (76 Federal Register 35461, Docket No. FR-5500-N-33)**

Period of Performance: January 1, 2012 to December 31, 2014 (36 months).

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17. Recipient is required to sign and return three (3) copies of this document to the HUD Administering Office		18. Recipient is not required to sign this document.	
19. Recipient (By Name) Mr. Rick Hooper		20. HUD (By Name) James C. Norsworthy, Grant Officer	
Signature & Title	Date (mm/dd/yyyy)	Signature & Title – Grant Officer	Date (mm/dd/yyyy) 11/21/2011

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

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1. CONDITIONAL AWARD

This is a conditional award contingent on the completion of a negotiated budget and submission of all required pre-award deliverables. No costs can be incurred until all negotiations are completed. The review and approval of LOCCS drawdown requests shall not occur until the following items have been met:

1. There is a final approved negotiated budget in place;
2. Final award agreement has been signed by grantee and HUD;
3. The grantee has been set-up in LOCCS and approved; and
4. HUD has reviewed the grantee's request for drawdown and approved the request.

2. BUDGET

Final budget will be negotiated and reflected in signed Cooperative agreement (Amendment 1).

3. AMOUNT OF COST SHARE

Final amount of cost share will be verified and reflected in signed Cooperative agreement (Amendment 1).

4. KEY PERSONNEL

The list of key personnel will be finalized after negotiation and reflected in the signed Cooperative Agreement (Amendment 1).

The personnel specified below are considered to be essential to the work being performed hereunder:

Name	Title	% of time on the grant	% of time on any current grants

5. SUBSTANTIAL INVOLVEMENT

HUD's Office of Sustainable Housing and Communities will work in partnership with its grantees to advance the program objectives of the grant program. The Cooperative Agreement allows for substantial involvement of HUD staff to enhance the performance of the grantee in the completion of their deliverables.
Anticipated substantial involvement by HUD staff may include, but will not be limited to:
Studies and Reports

Review potential amendment recommendations to the study design and/or Workplan.
Review and provide recommendations in response to semi-annual progress reports (e.g., amendments to study design based on preliminary results).
Review and provide recommendations on the final report/study, including final interpretation of study results.

Approvals and Reviews

Authority to halt activity if specifications or work statements are not met;
Review and approval of one stage of work before another can begin;
Review and approval of substantive provisions of proposed sub-grants or contracts beyond existing Federal policy;
Approval of workplan adjustments based on changing conditions and needs documented in the cohort targeted for capacity building.

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Review and approval of key personnel
Participation and Monitoring
Monitoring to permit specified kinds of direction or redirection of the work because of interrelationships with other projects;
HUD and recipient collaboration or joint participation;
Implementing HUD requirements which limit recipient discretion;
Coordination of complementary activities from respective capacity building intermediaries, including determining if workplans require adjustments based on changing conditions;
Where appropriate substantial, direct HUD operational involvement or participation during the assisted activity.

6. INDIRECT COSTS/PROVISIONAL RATE

For grantees without a federally approved indirect cost rate, a provisional indirect cost rate, pending establishment of a final rate will be applied to this grant. Reimbursement will be made on the basis of the provisional rate until a new rate is negotiated and agreed upon.

7. AUDIT INFORMATION

Audit information will be reviewed prior to the signing of the Cooperative Agreement (Amendment 1).

8. REPORTS AND DELIVERABLES

Reports:

1. **Final Workplan: 60 calendar days**
2. **Semi-annual Reporting (two reports per calendar year).**
3. **Additional Reporting Requirements:** Additional reporting requirements as outlined in the NOFA and FY11 HUD General Section.

List of Deliverables:

Final list of deliverables will be reviewed prior to the signing of the Cooperative Agreement (Amendment 1).

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Exhibit A
Draft City of Seattle NET Initiative Budget

OMB Approval No. 2501-0017

Draft Detailed Budget Worksheet

(Exp. 08/31/2011)

Name and Address of Applicant:	City of Seattle Office of Housing PO Box 94725 Seattle, WA 98124-4725

Public reporting burden for this collection of information is estimated to average 3 hours 12 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. Information collected will provide proposed budget data for multiple programs. HUD will use this information in the selection of applicants. Response to this request for information is required in order to receive the benefits to be derived. The information requested does not lend itself to confidentiality.

Category	Detailed Description of Budget (for full grant period)											
1. Personnel (Direct Labor)		Estimated Hours	Rate per Hour	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Position or Individual												
Ryan Curren	0.67	4,167	$35.84	$149,363	$149,363							
Andres Mantilla	0.4	2,490	$36.94	$91,992	$91,992							
Theresa Barreras	0.12	730	$42.62	$31,109	$31,109							
Ken Takahashi	0.05	310	$51.26	$15,890	$15,890							
Tina Vlasaty	0.05	310	$48.87	$15,150	$15,150							
Nora Liu	0.4	2,495	$50.20	$125,260	$89,471	$35,789						
Maureen Kostyack	0.1	644	$51.87	$33,402		$33,402						
Sebhat Tenha	0.4	2,480	$35.09	$87,018	$62,156	$24,862						
Rick Hooper	0.05	332	$64.15	$21,297		$21,297						
Total Direct Labor Cost				$570,482	$455,132	$115,350	$0	$0	$0	$0	$0	$0
2. Fringe Benefits		Rate (%)	Base	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Ryan Curren		19.00%	$55,763	$55,763	$55,763							
Andres Mantilla		19.00%	$33,842	$33,842	$33,842							
Theresa Barreras		19.00%	$10,708	$10,708	$10,708							
Ken Takahashi		19.00%	$5,056	$5,056	$5,056							
Tina Vlasaty		19.00%	$4,916	$4,916	$4,916							
Nora Liu		19.00%	$40,196	$40,196	$28,711							
Maureen Kostyack		19.00%	$10,579	$10,579								
Sebhat Tenha		19.00%	$32,831	$32,831	$23,451							
Rick Hooper		19.00%	$6,228	$6,228								
				$0								
Total Fringe Benefits Cost				$200,120	$162,448	$0	$0	$0	$0	$0	$0	$0
3. Travel												
3a. Transportation - Local Private Vehicle		Mileage	Rate per Mile	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
City fleet vehicle for outreach activities		400	$0.550	$220								
				$0								
Subtotal - Trans - Local Private Vehicle				$220	$0	$0	$0	$0	$0	$0	$0	$0

Grant Application Detailed Budget Worksheet

	Detailed Description of Budget											
3b. Transportation - Airfare (show destination)		Trips	Fare	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Annual conference of grant recipients (Washington DC)		9	$1,000.00	$9,000	$9,000							
				$0								
Subtotal - Transportation - Airfare				$9,000	$9,000	$0	$0	$0	$0	$0	$0	$0
3c. Transportation - Other		Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
				$0								
				$0								
Subtotal - Transportation - Other				$0	$0	$0	$0	$0	$0	$0	$0	$0

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			$0									
Subtotal - Transportation - Other			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
3d. Per Diem or Subsistence (indicate location)	**Days**	**Rate per Day**	**Estimated Cost**	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
Lodging (Washington D.C.)	27	$270.68	$7,308	$7,308								
Meals and Incidentals on non-travel days (Washington D.C.)	54	$84.46	$4,561	$4,561								
Meals and Incidentals on travel days (Washington D.C.)	18	$37.53	$676	$676								
			$0									
			$0									
Subtotal - Per Diem or Subsistence			$12,545	$12,545	$0	$0	$0	$0	$0	$0	$0	
Total Travel Cost			**$21,765**	**$21,545**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	
4. Equipment (Only items over $5,000 Depreciated value)	**Quantity**	**Unit Cost**	**Estimated Cost**	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
			$0									
			$0									
			$0									
Total Equipment Cost			**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	

Grant Application Detailed Budget Worksheet

Detailed Description of Budget

5. Supplies and Materials (Items under $5,000 Depreciated Value)												
5a. Consumable Supplies	**Quantity**	**Unit Cost**	**Estimated Cost**	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
Office Supplies	0	$0.00	$0	$0								
			$0									
			$0									
Subtotal - Consumable Supplies			$0	$0	$0	$0	$0	$0	$0	$0	$0	
5b. Non-Consumable Materials	**Quantity**	**Unit Cost**	**Estimated Cost**	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
			$0									
			$0									
Subtotal - Non-Consumable Materials			$0	$0	$0	$0	$0	$0	$0	$0	$0	
Total Supplies and Materials Cost			**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	
6. Consultants (Type)	**Days**	**Rate per Day**	**Estimated Cost**	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
TOD Acquisition Investment Contract	180	$420	$75,600	$75,600								
Commercial Lease Stability Contract	1095	$224	$245,280	$245,280								
Business Technical Assistant Contract	1095	$224	$245,280	$245,280								
Business Promotion Services Contract	1095	$260	$284,700		$284,700							
Cultural Center Feasibility Study Consultant	540	$139	$75,060	$75,060								
CBO Capacity Building Grants	545	$221	$120,445	$120,445								
Public Outreach Liaison Contracts	545	$221	$120,445	$120,445								
Total Consultants Cost	5095	1709	$ 1,166,810	**$882,110**	**$284,700**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	
7. Contracts and Sub-Grantees (List individually)	**Quantity**	**Unit Cost**	**Estimated Cost**	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
Rachel Kleit (University of Washington)	1	$227,000.00	$227,000	$227,000								
			$0	$0								
Total Subcontracts Cost			$227,000	$227,000	$0	$0	$0	$0	$0	$0	$0	

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Grant Application Detailed Budget Worksheet												
	Detailed Description of Budget											
8. Construction Costs												
8a. Administrative and legal expenses	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Legal services	0	0	$0	$0							
			$0								
Subtotal - Administrative and legal expenses			$0	$0	$0	$0	$0	$0	$0	$0	$0
8b. Land, structures, rights-of way, appraisal, etc	Quantity	Approximate Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
Land acquisition	1	$ 6,730,000	$6,730,000	$ 1,230,000.00	$ 5,500,000						
			$0								
Subtotal - Land, structures, rights-of way, ...			$6,730,000	$1,230,000	$5,500,000	$0	$0	$0	$0	$0	$0
8c. Relocation expenses and payments	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
			$0								
			$0								
Subtotal - Relocation expenses and payments			$0	$0	$0	$0	$0	$0	$0	$0	$0
8d. Architectural and engineering fees	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State.Share	Local/Tribal Share	Other	Program Income
			$0								
			$0								
			$0								
Subtotal - Architectural and engineering fees			$0	$0	$0	$0	$0	$0	$0	$0	$0
8e. Other architectural and engineering fees	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
			$0								
			$0								
Subtotal - Other architectural and engineering fees			$0	$0	$0	$0	$0	$0	$0	$0	$0
			4						form HUD-424-CBW (2/2003)		

Grant Application Detailed Budget Worksheet											
	Detailed Description of Budget										
8f. Project inspection fees	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
			$0								
			$0								
Subtotal - Project inspection fees			$0	$0	$0	$0	$0	$0	$0	$0	$0
8g. Site work	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
			$0								
			$0								
Subtotal - Site work			$0	$0	$0	$0	$0	$0	$0	$0	$0
8h. Demolition and removal	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
			$0								
			$0								
Subtotal - Demolition and removal			$0	$0	$0	$0	$0	$0	$0	$0	$0
8i. Construction	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
			$0								
			$0								
			$0								
Subtotal - Construction			$0	$0	$0	$0	$0	$0	$0	$0	$0
8j. Equipment	Quantity	Unit Cost	Estimated Cost	HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income

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			$0									
			$0									
Subtotal - Equipment			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
				HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
8k. Contingencies		Quantity	Unit Cost	Estimated Cost								
				$0								
				$0								
Subtotal - Contingencies			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
				HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income	
8l. Miscellaneous		Quantity	Unit Cost	Estimated Cost								
				$0								
				$0								
				$0								
Subtotal - Miscellaneous			$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Construction Costs			$6,730,000	$1,230,000	$5,500,000	$0	$0	$0	$0	$0	$0	$0
									form HUD-424-CBW (2/2003)			
			5									

Grant Application Detailed Budget Worksheet

Detailed Description of Budget

					HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
9. Other Direct Costs		Quantity	Unit Cost	Estimated Cost								
	Item											
Printing and postage		12	750	$9,000	$9,000							
Conferences		12	1000	$12,000	$12,000							
				$0								
				$0								
				$0								
Total Other Direct Costs				$21,000	$21,000	$0	$0	$0	$0	$0	$0	$0
Subtotal of Direct Costs				$8,937,176	$2,999,234	$5,900,050	$0	$0	$0	$0	$0	$0
					HUD Share	Applicant Match	Other HUD Funds	Other Federal Share	State Share	Local/Tribal Share	Other	Program Income
10. Indirect Costs		Rate	Base	Estimated Cost								
	Type											
Total Indirect Costs				$0	$0	$0	$0	$0	$0	$0	$0	$0
Total Estimated Costs (Subtotal Direct + Total Indirect)				$8,937,176	$2,999,234	$5,900,050	$0	$0	$0	$0	$0	$0
										form HUD-424-CBW (2/2003)		

Grant Application Detailed Budget Worksheet

Detailed Description of Budget

	Analysis of Total Estimated Costs	Estimated Cost	Percent of Total
1	Personnel (Direct Labor)	$ 570,482.03	6%
2	Fringe Benefits	$ 200,119.71	2%
3	Travel	$21,765	0%
4	Equipment	$ -	0%
5	Supplies and Materials	$ -	0%
6	Consultants	$1,166,810.00	13%

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		7	Contracts and Sub-Grantees		$ 227,000.00	3%							
		8	Construction		$6,730,000.00	75%							
		9	Other Direct Costs		$ 21,000.00	0%							
		10	Indirect Costs		$ -	0%							
			Total:		$8,937,176.48	100%							
			HUD Share:		$2,999,234								
			Match:	(as percentage of HUD Share)	$5,900,050	197%							

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Exhibit B

HUD Office of Sustainable Housing and Communities 2011 Terms and Conditions

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

COOPERATIVE AGREEMENT PROVISIONS

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A. GENERAL

1. Overview of Award Implementation

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

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

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

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

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

2. Purpose

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

3. Definitions

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

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

c. "DUNS" means Dun and Bradstreet Data Universal Numbering System.

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

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

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

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

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

i. "NOPI"means Notice of Public Interest

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

k. "Publication" includes:

(1) Any document containing information for public consumption; or

(2) The act of, or any act which may result in, disclosing information to the public.

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

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m. "Subaward" means:

(1) A legal instrument to provide support for the performance of any portion of the substantive project or program for which the recipient received this award and that:

(a) The recipient awards to an eligible sub-recipient; or

(b) The sub-recipient at one tier awards to a sub-recipient at the next lower tier.

(2) The term does not include the recipient's procurement of property and services needed to carry out the project or program (see, generally, §_.210 of the attachment to OMB Circular A-133 (2 CFR Part 180), "Audits of States, Local Governments, and Non-Profit Organizations").

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

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

o. "Total Instrument Amount" is the amount under line item 14 of the HUD Form-1044 (Total Instrument Amount). This is the sum of the federal award and grantee match.

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

B. PROGRAM REQUIREMENTS

1. Allowable Costs

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

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

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

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

2. Administrative Requirements

The grantee must adhere to all respective uniform administrative rules for Federal grants and cooperative agreements and subawards as follows:

Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations	24 CFR Part 84	http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_36446.doc

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Administrative Requirements for Grants	24 CFR Part 85	www.hud.gov/offices/lead/librar

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and Cooperative Agreements to State, Local, and Federally Recognized Indian Tribal Governments		y/lead/**24_CFR**PART_**85**.pdf
Grants and Cooperative Agreements with State and Local Governments	OMB Circular A-102	http://www.whitehouse.gov/omb/circulars_a102
Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations	OMB Circular A-110 (Relocated to 2 CFR Part 215)	http://www.whitehouse.gov/omb/fedreg/2005/083105_a110.pdf
Audits of States, Local Governments, and Non-Profit Organizations; and	OMB Circular A-133 (Relocated to 2 CFR Part 180),	http://www.whitehouse.gov/omb/fedreg/2005/083105_a133.pdf

3. Advance Payment By Treasury Check Or Electronic Funds Transfer

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

4. Amendments

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

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

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

The Grantee shall be reimbursed by HUD for costs incurred in the performance of this grant. HUD shall not be obligated to reimburse the Grantee in excess of the "**Total HUD**

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Amount". HUD reserves the right to withhold five-percent (5%) of the Federal grant amount pending the receipt and approval of a final progress report. See clause entitled "Final Report" for

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more information. The proposed contribution to supplement HUD funds is the "Recipient Amount." The Grantee agrees to bear without reimbursement by HUD the **"Recipient Amount"** of the total costs. The Grantee is not obligated to contribute more than the **"Recipient Amount"**. However, the Grantee shall be solely responsible for any costs in excess of the estimated cost of the "**Total Instrument Amount"**.

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

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

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

6. <u>Budget</u>

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

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

Standard Form 425, Federal Financial Report (24 CFR Part 84.52 and/or 85.52), detailing leveraged funds or in-kind contributions shall be submitted on a bi-annual basis. As part of the closeout process a final narrative and a final Standard Form 425 detailing the progress made in achieving the purpose of the grant and adequate documentation of the total federal funds expended in support of the activities to achieve this purpose are due to the GTR 90 days after the end of the period of performance (See clause entitled "Closeout").

The Federal Financial Report (Standard Form 425) shall be submitted on a bi-annual basis and is due 30 days after the reporting period.

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7. Central Contractor Registration (CCR)

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

8. Certifications and Assurances

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

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

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

9. Changes

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

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

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10. Closeout

The Grantee shall provide the Grant Officer with closeout documentation 90 days after to the end of the performance period, consisting of the following five elements:

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

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

Records and materials must be kept in a safe place and be accessible to auditors and other government officials for three years after the grantee and all subgrantees/subcontractors make final payments and all other pending matters are closed. (If the grant is covered by 24 CFR Part 84, see related record retention requirements in 24 CFR 84.85(c)(2).) This requirement also extends to all subcontracts the Grantee has executed.

Accountability for property continues as long as the Grantee holds the property, or for the period of time established by the agreement. Disposal of property must be in accordance with the rules established in the Property Management Standards referred to in the award. Program income, including royalties, must be used to support eligible activities.

Notification to the Grant Officer if, at any time during the three-year period after project completion, the Grantee organization is discontinued or changes location. The Grant Officer should be notified immediately of the new address or the address of the party retaining all records.

11. Collection Of Data

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

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a) The Grantee is conducting the collection of information at the specific request of HUD; or

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

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

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

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

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

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

1) The name of the entity receiving the award;
2) The amount of the award;
3) Information on the award, including the transaction type, funding agency, the North American Industry Classification System (NAICS) code or Catalog of Federal Domestic Assistance (CFDA) number (where applicable), program source, and an award title descriptive of the purpose of each funding action;
4) The location of the entity receiving the award and primary location of performance under the award, including the city, state, congressional district, and country;

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5) A unique identifier of the entity receiving the award and of the parent entity of the recipient (the DUNS number), should the entity be owned by another entity; and
6) Any other relevant information specified by OMB.

13. Conduct of Work

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

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

14. Confidentiality

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

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

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

15. Contact Information Updates

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

16. Copyrights

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HUD reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use for Federal government purposes: (a) the copyright in any work developed under this award, sub-award, or contract awarded under this

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grant; and (b) any rights of copyright to which a Grantee or sub-grantee or a contractor purchases ownership with award funds.

17. Default and Disputes

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

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

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

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

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

During performance of the grant, disagreements may arise between the Grantee and the Grant Officer on various issues. If a dispute concerning a question of fact arises, the Grant Officer shall prepare a final decision, taking into account all facts and documentation presented.

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The decision shall be mailed to the Grantee. The Grantee may appeal the decision in writing within thirty (30) days to the Deputy Secretary of HUD, or his or her designated representative,

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the Director, Office of Sustainable Housing and Communities.

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

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

18. Deliverable Products

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

19. Equipment

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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Should the Grantee demonstrate an unwillingness or inability to establish procedures that will minimize the time elapsing between advances and disbursements, or fail to provide any

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required progress report in a timely manner, the authorization for advance payments may be revoked. The Grantee may then be required to finance the project with its own working capital and payment to the Grantee may be made by Treasury check to reimburse it for actual cash disbursements that are approved by the GTR.

21. Environmental Review

This Environmental Review section applies to grantees that will conduct site control or land acquisition (Category 2- Detailed Execution Plans and Programs), as described in the NOFA.

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

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

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

22. Fair Housing and Civil Rights Laws

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

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

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

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

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

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

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

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

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

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

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

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1.6, 8.55, 107.30, and 121.2.

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23. Flow Down Provisions

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

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

24. HUD's Right to Audit and Disallow and Recover Funds

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

25. HUD's SUBSTANTIAL INVOLVEMENT

HUD's Office of Sustainable Housing and Communities will work in partnership with its grantees to advance the program objectives of the grant program. The Cooperative Agreement allows for substantial involvement of HUD staff to enhance the performance of the grantee in the completion of their deliverables.

Anticipated substantial involvement by HUD staff may include, but will not be limited to:
Studies and Reports

Review potential amendment recommendations to the study design and/or Workplan.
Review and provide recommendations in response to bi-annual progress reports (e.g., amendments to study design based on preliminary results).
Review and provide recommendations on the final report/study, including final interpretation of study results.

Approvals and Reviews

Authority to halt activity if specifications or work statements are not met;
Review and approval of one stage of work before another can begin;
Review and approval of substantive provisions of proposed sub-grants or contracts beyond existing Federal policy;
Approval of workplan adjustments based on changing conditions and needs documented in the cohort targeted for capacity building.
Review and approval of key personnel

Participation and Monitoring

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Monitoring to permit specified kinds of direction or redirection of the work because of interrelationships with other projects;
HUD and recipient collaboration or joint participation; Implementing HUD requirements which limit recipient discretion; Coordination of complementary activities from respective capacity building intermediaries, including determining if workplans require adjustments based on changing conditions;
Where appropriate substantial, direct HUD operational involvement or participation during the assisted activity.

26. Incurrence of Costs

The Grantee is allowed to incur costs for activities beginning the effective date of the award as stated on the HUD-1044 under period of performance. Any costs incurred before the date are not allowable unless specifically authorized in writing by the Grant Officer or GTR.

At a minimum, grantees are required to drawdown funds on a quarterly basis. An e-LOCCS Request Voucher for Grant Payment (HUD form 27053) must be used to be reimbursed for award funds. Any funds requested by the Grantee shall be requested in accordance with the clause entitled, "Estimated Cost and Payment - Line of Credit Control System (LOCCS)."

27. Indirect Costs

For grantees without a federally approved indirect cost rate, a provisional indirect cost rate, pending establishment of a final rate, will be applied to this grant. Reimbursement will be made on the basis of the provisional rate. By accepting this agreement, the Grantee agrees to bill at the provisional indirect cost rate until an approved indirect rate agreement becomes effective. Adjustments will be made from the provisional rate to the final rate. However, such adjustments must be within the total amount of the award as stated in Block #15 of the HUD-1044.

28. Inspection and Acceptance

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

29. Inspector General Referrals

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

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30. Limitation on Consultant Payments

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

31. Limitation on Payments to Influence Certain Federal Transactions

Section 1352 of Title 31 of the U.S. Code provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

32. Lobbying Activities Prohibition

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

33. Management and Work Plan

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

The management and work plan consist of the goals and time-phased objectives and deliverables for each of the major tasks to be undertaken by the program. A revised budget, in accordance with the final negotiation, shall be submitted (if necessary).

34. Monitoring

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

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35. Order of Precedence

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

a) HUD 1044 Cooperative Agreement
b) NOFA
c) Management and Work Plan.
d) Uniform Administrative Requirements.
e) Grantee's Proposal (if incorporated)

36. Patent Rights (Small Business Firms And Nonprofit Organizations)

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

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

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

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

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

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

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38. Personnel

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

39. Profit/Fee

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

40. Program Income

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

41. Prohibited Use of Funds

You may not use funds for the following ineligible activities:

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

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

(c) Developing plans that would assist business or industry to relocate to an area to the detriment of communities where the business or industry is currently located. This funding restriction does not apply to businesses that are displaced as a result of Category 2 projects. The requirements of the Uniform Relocation Assistance and Real

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Property Acquisition Policies Act of 1970 (42 U.S.C. 4601) (codified at 49 CFR Part 24) cover any person who moves permanently from real property or moves personal property from real property as a result of direct acquisition, rehabilitation, or demolition for a program or project receiving HUD assistance (See the General Section).

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

42. Publications and News Releases and Social Media

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

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

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

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

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

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

The use of Social Media, such as web feeds, wikis, blogs, photo and video-sharing, podcasts, and microblogs is acceptable under OSHC grant programs. Information to be released

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through Social Media must be provided to the GTR for review and comment at least 2 business days before the planned release.

43. Reporting

a) Deliverables

The Grantee shall include a schedule listing all significant project milestones, and dates for submission of all project deliverables including biannual project reports, interim reports where appropriate, the final report, and financial reports utilizing Standard Form 425, the Federal Financial Report. Upon approval of the Work Plan, the Grantee should ensure all deliverables identified in the Work Plan are delivered on time.

b) Bi-Annual Progress Reports

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

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

Grantees are advised that failure to submit timely biannual progress reports will result in not having their "eLOCCS Request Voucher for Grant Payment" processed and also may result in a low performance rating, which could result in grant termination. Reports are due 30 days after the reporting period.

c) Required Reports

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

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

Federal Financial Report (Standard Form 425)

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d) Final Report

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

44. Reproduction of Reports

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

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

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

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

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

45. Review of Deliverables

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

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

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4) In-kind and leverage commitments, if applicable.

b) General

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1) The GTR shall have the sole responsibility for HUD review, correction, and acceptance of the deliverables of this grant. Such review(s) shall be carried out promptly by the GTR, so as not to impede the work of the Grantee.
2) The Grantee shall carry out the required corrections, if any, provided by the GTR and shall promptly return a revised copy of the product to the GTR.
3) The basis for acceptance shall be the Grantee's good faith efforts to complete the deliverables of this grant.
4) The GTR's review, correction, and acceptance of deliverables shall be limited to: (i) corrections of omissions or errors of fact, methodology, or analysis; ii) deletion of irrelevant materials; and (iii) improvements in style readability.
5) In the review and acceptance of deliverables, the GTR may not require any change in the Grantee's stated views, opinions, or conclusions.
6) Should there be any disagreement between the Grantee and the GTR as to any correction, or the methodology or analysis on which any conclusion is based, the GTR may require the Grantee to insert a Government dissent(s) in the appropriate place(s). The inclusion of such dissent(s) in an Official Product of Work, otherwise found acceptable by GTR, and the return to the GTR of a revised copy containing the dissent(s), shall satisfy the requirements for acceptance of the Official Product of Work under this clause. Such dissent(s) shall not apply to any independent publication by the Grantee of Independent Products that may arise from the work or findings of this grant.

46. Scope of Services

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

47. Section 508 Compliance

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

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

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

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

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

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

49. Special Conditions

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

50. Sub-recipient Monitoring and Management

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

51. Whistleblower Protection

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

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

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Ryan Curren
OH Community Challenge Planning Grant FISC
January 23, 2012
Version # 6

Form revised December 6, 2011

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Office of Housing	Dan Baer, 233-0066	Amanda Allen, 684-8894

Legislation Title:
AN ORDINANCE relating to a grant from the Department of Housing and Urban Development (HUD) for the purpose of implementing the Neighborhood Equitable Transit Oriented Development (NET) Initiative, a three year effort to implement priorities identified in the Rainier Valley and Beacon Hill neighborhood plans; authorizing acceptance of the grant funds; authorizing related agreements and actions; amending the 2012 Adopted Budget by creating a new Budget Control Level (BCL) for the purposes of the NET Initiative and providing an appropriation for the new BCL; and ratifying and confirming prior acts; all by a three-fourths vote of the City Council.

- **Summary of the Legislation:** This legislation authorizes the acceptance of grant funds made available through the HUD Community Challenge Planning Grant Program, increases the 2012 Adopted Budget for the Office of Housing to authorize new expenditures, and creates a new Budget Control Level out of which the funds can be spent.

- **Background:** As part of a competitive application process, the City of Seattle Office of Housing was awarded a $2,999,234 from HUD's Community Challenge Planning Grant Program. The Office of Housing will assume financial responsibility for the agreement made with HUD. Grant funds are being matched by $5.9 million in public and private funds and in-kind contributions. The Office of Housing and its grant partners will manage the approximately $3 million grant allocated to implement priorities identified in the Rainier Valley and Beacon Hill neighborhood plans.

  The amount awarded to the City will fund the Neighborhood Equitable Transit Oriented Development (NET) Initiative, to implement priorities identified in the Rainier Valley and Beacon Hill neighborhood plans. The NET Initiative consists of three major activities:

  - **Provision of Transit Oriented Development Acquisition Loans** – The Office of Housing will lead an effort to improve the vitality of the community by helping housing developers acquire 3-4 vacant parcels near light rail stations for mixed-use projects. Developments will provide approximately 200 units of affordable housing and commercial space. Specific sites have not yet been identified.

  - **Development and Implementation of a Commercial Stability Strategy** – The Office of Economic Development will lead an effort to help stabilize commercial businesses of the multicultural business district around the Othello Station by providing an array of technical assistance such as product marketing, lease negotiations, or bookkeeping.

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Developers could also receive technical assistance to create affordable commercial space. The goal is to serve 30 businesses each year.

- **Planning for a Shared Cultural Center** – Through the City's neighborhood planning process, many of the immigrant and refugee communities voiced an interest in having a private multi-cultural community center, much like the Filipino Community Center. They acknowledged that a shared center would have a greater likelihood to succeed, given the financial implications of private operations. This grant provides the resources to the Department of Planning & Development to support the preliminary work necessary for the planning of a Shared Cultural Center. Upon the grant's completion, the goal is that a coalition of diverse community groups will have the potential to be poised and ready to lead a fund-raising campaign to develop a privately owned, operated and maintained facility to serve a variety of communities across cultural boundaries. Specifically this grant funds the following activities:
  1. **Community Outreach** for the identification of strong and stable community infrastructure and leadership to result in a committed group of community leaders ready to move forward on the development of a Center.
     - Engage communities interested in the shared multi-cultural community center;
     - Develop key thresholds for the long term costs and responsibilities of the project that individual communities and the group must achieve in order to move forward; and
     - Develop the organizational structure needed for successful capital campaign.
  2. **Development of project program/pre-development studies** to result in a recommendation for a shared space that could be leased or owned for the Center, as well as preliminary cost estimates.
     - Create a realistic building program and inform site/location selection, cost estimates for site/building acquisition/lease and for long term operations and management. There will likely be a number of iterations of this. The costs and long-term responsibilities will inform each group's decision to move forward in the project or not.
     - Determine key thresholds to be achieved in order to move forward.

- The NET Initiative Budget is summarized below:

Net Initiative Activity	HUD Grant Amount	Local Match	Partner Agency(ies)
Grant Management	$247,891	$71,506	Office of Housing
TOD Acquisition Loan	$1,305,600	$5,500,000	Office of Housing, Enterprise Community Partners, Impact Capital
Commercial Stability Strategy	$699,152	$284,700	Office of Economic Development
Cultural Center Planning	$193,294	$47,273	Department of Planning and Development

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Public Participation Plan	$326,297	$34,243	Department of Neighborhoods
Project Evaluation	$227,000	-0-	University of Washington
Total	**$2,999,234**	**$5,937,722**	

Notes: The City of Seattle match consists of $1.5 million from the City of Seattle Housing Levy, $284,700 in CDBG funds from the Office of Economic Development, and, approximately $153,000 in in-kind labor across all involved departments. Impact Capital and Enterprise Community Partners have each committed $2 million in cash.

X This legislation has financial implications.

Appropriations:

Fund Name and Number	Department	Budget Control Level*	2012 Appropriation
Office of Housing Operating Fund 16600	Executive	XZ601	$2,999,234
TOTAL			$2,999,234

Notes: Spending the appropriation in this section is contingent on HUD funds being granted to, and received by, the City. OED, DON, and DPD are sub-recipients of this grant and will receive funds for staffing and programs related to the NET Initiative. Departments will submit reimbursements for expenses incurred on a quarterly basis to the OH Finance Manager.

Total Regular Positions Modified Through This Legislation, Including FTE Impact:

Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact:
(This table should only reflect the actual number of positions affected by this legislation. In the event that positions have been, or will be, created as a result of other legislation, please provide details in the Notes section below the table.)

Position Title and Department	Position # for Existing Positions	Fund Name & #	PT/FT	2012 Positions	2012 FTE	2013 Positions*	2013 FTE*
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
TOTAL							

** 2013 positions and FTE are total 2013 position changes resulting from this legislation, not incremental changes. Therefore, under 2013, please be sure to include any continuing positions from 2012.*

Position Notes: No new positions are being created as a result of this grant acceptance; however existing City staff within OH, OED, DON, and DPD will work to accomplish the grant's stated outcomes.

- Do positions sunset in the future? Not applicable

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Spending/Cash Flow: *This table should be completed only in those cases where part or all of the funds authorized by this legislation will be spent in a different year than when they were appropriated (e.g., as in the case of certain grants and capital projects). Details surrounding spending that will occur in future years should be provided in the Notes section below the table.*

Fund Name and Number	Department	Budget Control Level*	2012 Estimated Expenditure	2013 Estimated Expenditure	2014 Estimated Expenditure
Office of Housing Operating Fund 16600	Executive	XZ601	$1,000,000	$1,300,000	$700,000
TOTAL			**$1,000,000**	**$1,300,000**	**$700,000**

Notes: These spending amounts are estimates only - all grant funds are to be spent over a 36 month period with no pre-determined amount spent in any one fiscal year. The grant funds will be provided on a reimbursement basis, not in one allotment from HUD. The bulk of funds will be drawn down in 2012 and 2013 as the NET Initiative programs ramp up and begin implementation.

- **What is the financial cost of not implementing the legislation?** Without this legislation, the City will not receive $2,999,234 in HUD funds to implement priorities identified in the Rainier Valley and Beacon Hill neighborhood plans.

- **Does this legislation affect any departments besides the originating department?** Yes, OED, DON, and DPD are all sub-recipients of this grant and have been involved in the development of this legislation.

- **What are the possible alternatives to the legislation that could achieve the same or similar objectives?** Acceptance of the grant award is a prerequisite for the receipt of these federal funds. There are no alternatives that could achieve the same or similar objectives.

- **Is the legislation subject to public hearing requirements:** No

- **Other Issues**: None

- **List attachments to the fiscal note below:** N/A

CITY CLERK

City of Seattle
Office of the Mayor

January 31, 2012

Honorable Sally Clark
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Clark:

I am pleased to transmit the attached proposed Council Bill, which accepts $2,999,234 in funds for the City from a grant awarded last November to the Office of Housing from the U.S. Department of Housing and Urban Development. This Council Bill also increases the Department's appropriation and creates a new Budget Control Level to accommodate the expenditure of these funds.

This legislation will authorize the Director of the Office of Housing to accept the award to cover the costs of implementing the Neighborhood Equitable Transit Oriented Development (NET) Initiative. Grant funds are being matched by $5.9 million in public and private funds and in-kind contributions. The NET Initiative is a three year effort to implement priorities identified in the recently completed neighborhood plans for the Rainier Valley and Beacon Hill. Specifically, the NET Initiative will promote equitable development through three integrated community development strategies: 1) Transit-Oriented Development Site Acquisition for mixed-use projects developing affordable residential and small business and community space; 2) Development and implementation of a Commercial Stability Strategy to support an established multicultural business district at Othello station; and 3) Planning for a Shared Cultural Center to fund a development feasibility analysis and engage community members to plan for a privately owned multicultural center.

Thank you for your consideration of this legislation. Should you have questions, please contact Rick Hooper, Director, Office of Housing, 684-0338.

Sincerely,

Michael McGinn
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

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