

City of Oxford Coronavirus Assistance Program Tenant-Landlord Agreement

This Tenant-Landlord Agreement (the “**Contract**”) is entered into between the “**Program Administrator**”, the “**Owner**”, and the “**Tenant**” as of the “**Contract Start Date**” as such terms are identified in **Exhibit A, Project Specific Information**, attached to and incorporated within this Contract.

SECTION 1 – OVERVIEW

This Contract outlines the roles, responsibilities, and obligations of the Program Administrator, Owner, and Tenant under the City of Oxford Coronavirus Assistance Program (the “**Program**”), as described herein, funded by the City of Oxford, which is administering a Community Development Block Grant (CDBG) provided by the United States Department of Housing and Urban Development (“**HUD**”) pursuant to 24 CFR part 92. This allocation was authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, which was signed on March 27, 2020. The purpose of the Program is to provide emergency housing assistance to assist the Tenant who has experienced financial hardship as a result of the COVID-19 pandemic.

In accordance with the terms of this Contract and Program requirements, the Program Administrator has approved the leasing of the housing unit identified in Exhibit A (the “**Unit**”) and will make a Rental Assistance Payment each month to the Owner for the Unit for a period not exceeding six months. Under the Program, the Tenant will reside in the Unit according to the terms and conditions of the lease, included as **Exhibit B** (the “**Lease**”) and this Contract. The Owner has leased the unit to the Tenant and will continue to lease the Unit to the Tenant for occupancy with assistance under the Program, according to the terms and conditions of the Lease and this Contract.

SECTION 2 – TERM OF THIS CONTRACT

The term of this Contract commences on the Contract Start Date and ends on the earliest of (i) the “**Contract End Date**” identified in Exhibit A, (ii) the date upon which the Lease expires or is terminated, or (iii) the date upon which this Contract is terminated by the Program Administrator as a result of default by the Owner or Tenant. The term of this Contract may not extend beyond six months from the Contract Start Date unless.

SECTION 3 – CDBG ASSISTANCE TO BE PROVIDED

The right of either the Owner or Tenant to receive Program assistance under this Contract is, at all times, subject to each party’s compliance with this Contract’s terms and requirements.

3.1 Rental Assistance Payment

The rent due each month to the Owner under the Lease is identified in Exhibit A (the “**Contract Rent**”). The Owner shall not increase the Contract Rent during the term of this Contract.

The Program Administrator will provide a monthly “**Rental Assistance Payment**” in the amount identified in Exhibit A to the Owner on behalf of the Tenant. The Rental Assistance Payment will be credited against the Contract Rent otherwise due under the Lease. Payments will be paid directly to the Owner.

Owner/Representative Initials:

Tenant Initials:

SECTION 4 – OWNER REQUIREMENTS

4.1 Owner Certification

During the term of this Contract, the Owner certifies that:

- a) The Owner will, at all times, maintain the Unit and premises, including common areas accessible to the Tenant, in decent, safe, and sanitary condition and compliant with applicable state or local codes and rental housing requirements; and
- b) The Owner will comply in all material respects with this Contract; and
- c) The Unit is leased to and, to the best of the Owner’s knowledge, is occupied by the Tenant; and,
- d) Owner has taken no action and will not take any action to terminate the Lease for non-payment of rent and cause the Tenant to vacate the Unit without providing written notice of such action to the Tenant and the Program Administrator; and
- e) Owner agrees not to evict the tenant and end evictions proceedings from non-payment for the remainder of the lease; and
- f) The Owner agrees not to increase the rent for the remainder of the lease; and
- g) The Owner agrees not to impose new service fees, charges, penalties, or legal fees on the tenant for the remainder of the lease; and
- h) The Owner has not received and will not receive any payments or other consideration (from the Tenant, HUD, or any other public or private source) for rental of the Unit during the Term of this Contract except as identified in Exhibit A; and
- i) To the best of the Owner’s knowledge, the Unit is used solely as the Tenant’s principal place of residence; and
- j) The Tenant does not own or have any interest in the Unit; and
- k) The Owner (including a principal or other interested party) is not the parent, child, grandparent, grandchild, sister, or brother of any member of the family of the Tenant, unless the Program Administrator has determined (and has notified the Owner and the Tenant of such determination) that approving rental of the unit, notwithstanding such relationship, would provide reasonable accommodation for a family member who is a person with disabilities.

4.2 Rental Assistance Payments and Overpayment

The right of the Owner to receive payments under this Contract shall be subject to compliance with this Contract’s provisions. The Owner agrees that, absent written notice to the Program Administrator and return of the Rental Assistance Payment, acceptance of the Rental Assistance Payment shall be conclusive evidence that the Owner received the full amount due for the month.

Throughout the term of this Contract, Owner agrees to waive any late fees associated with the Rental Assistance Payment, provided that such payment is issued by the Program Administrator by the _____ day of each month.

If the Program Administrator determines that the Owner was not entitled to any payments received, in addition to other remedies, the Program Administrator may deduct the amount of the overpayment from any subsequent amounts due the Owner or require Owner to refund any overpayment to the Program Administrator.

Owner/Representative Initials:

Tenant Initials:

4.3 Property Standards

Owner must maintain the Unit, and any common areas of the property accessible to the Tenant under the Lease, in decent, safe and sanitary condition and comply with all applicable state or local codes and requirements for rental properties.

Upon notice by the Program Administrator following any inspection (whether conducted in-person or virtually in accordance with the Program guidelines), Owner will promptly correct any violations of Program requirements and this Contract. If the Owner fails to correct such violations, the Program Administrator may terminate this Contract and the Rental Assistance Payment even if the Tenant continues occupancy under the Lease.

4.4 Lead Based Paint

For units occupied by families or households that have one or more children under the age of 6 in properties built prior to 1978 which are not otherwise exempt from LBP rules, in accordance with 24 CFR 92.355, Owner will incorporate ongoing lead-based paint maintenance activities into regular building operations and will maintain all painted surfaces in the Unit and common areas accessible by the Tenant, conduct visual assessment of painted surfaces at least annually, and stabilize deteriorated paint following safe work practices.

4.5 Prohibition of Discrimination

In accordance with applicable equal opportunity statutes, Executive Orders, and regulations:

- a) The Owner must not discriminate against any person because of race, color, religion, sex, national origin, age, familial status, or disability in connection with this Contract. Eligibility for HUD’s programs, including this Program, must be made without regard to actual or perceived sexual orientation, gender identity, or marital status; and
- b) The Owner must cooperate with the Program Administrator and HUD in conducting any equal opportunity compliance reviews and complaint investigations in connection with this Contract; and
- c) The Owner must comply with the Violence Against Women Act, as amended, and HUD’s implementing regulation at 24 CFR part 5, Subpart L, and HOME Program regulations.

4.6 Inspections, Records, and Cooperation

The Owner agrees to provide any information pertinent to this Contract which the Program Administrator, the City, or HUD may reasonably require. Further, upon reasonable notice to the Owner, Owner agrees to provide access to the Program Administrator, the City, HUD, or their representatives to the Unit, the property on which the Unit is located, and the Owner’s records (wherever located) relevant to this Contract and compliance with Program requirements. The Owner further agrees to provide access to such records to the Comptroller General of the United States (commonly known as the Government Accountability Office or “GAO”). The Owner must grant access to relevant computerized or other electronic records and to any computers, equipment, or facilities containing such records, and must provide any information or assistance needed to access the records. Such rights to inspect and review will not expire until five (5) years after the date of expiration or termination of this Contract.

Owner/Representative Initials:

Tenant Initials:

SECTION 5 – TENANT REQUIREMENTS

5.1 Tenant Certification and Representations

During the term of this Contract, Tenant hereby certifies that:

- a) Tenant has truthfully and fully disclosed all information required by the Program Administrator in Tenant’s application for assistance, including but not limited to disclosure of all household income; and
- b) The Unit is the Tenant’s primary place of residence; and
- c) Other than the Rental Assistance Payment, the Tenant has not received and will not receive any payments or other consideration (from a federal agency or any other public or private source) for rental of the Unit during the Term of this Contract other than those disclosed to the Program Administrator in the application for assistance or as otherwise required herein; and
- d) Tenant agrees to abide by all other “non-payment” terms of the lease; and
- e) Tenant agrees that participation in this program will not prevent the Owner from initiating eviction proceedings due to any “non-payment” terms of the lease; and
- f) Tenant has not and will not sublet the Unit, allowed undisclosed persons to occupy the Unit as part of the Tenant’s household; and
- g) The Tenant does not own or have any interest in the Unit; and,
- h) The Tenant (including a principal or interested party) is not the parent, child, grandparent, grandchild, sister, or brother of any member of the Owner’s family, unless the Program Administrator has determined (and has notified the Owner and the Tenant of such determination) that approving assistance to the Tenant, notwithstanding such relationship, would provide reasonable accommodation for a family member who is a person with disabilities; and
- i) As of the date of this Contract, the Tenant’s household occupying the unit includes the following members:

Name (<i>First, M., Last</i>)	Party to Lease	Minor/Under 18
	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>

5.2 Tenant Obligations

During the term of this Contract, Tenant will:

- a) Promptly pay, when due, any portion of the Contract Rent (or other fees due to the Owner under the Lease) not paid by the Rental Assistance Payment; and
- b) Comply with the Lease in all material respects; and
- c) Promptly notify the Program Administrator of (i) any intention to terminate the Lease and/or vacate the Unit or (ii) the presence of any physical deficiencies in the Unit that present an immediate danger to health and safety (e.g. electrical shorts, gas leaks, etc.) that have not been addressed by the Owner; and
- d) Pursuant to the Lease and the Contract, provide access to the Unit to the Program Administrator, the City, HUD, or their authorized representatives for the purpose of conducting inspections; and

Owner/Representative Initials:

Tenant Initials:

- e) Provide such information or documentation required by the Program Administrator, the City, or HUD to determine compliance with this Contract, Program requirements, or other applicable federal laws and regulations; and
- f) Provide prompt notice to the Program Administrator of the anticipated receipt of other rental assistance from any other source whether public or private, including but not limited to the Section 8 Housing Choice Voucher Program, and NC HOPE assistance.

SECTION 6 – PROGRAM ADMINISTRATOR ROLE

The Program Administrator will (i) determine Tenant and Owner’s eligibility for participation in the Program, (ii) monitor Tenant and Owner’s compliance with the terms of this Contract, the Program, and CDBG regulations, and (iii) provide CDBG Assistance to or on behalf of the Tenant as described herein.

The Program Administrator does not assume any responsibility for, or liability to, any person injured as a result of either the Owner or Tenant’s action or failure to act in connection with the implementation of this Contract or as a result of any other action or failure to act by either the Owner or Tenant.

The Owner is not the agent of the Program Administrator and this Contract does not create or affect any relationship between the Program Administrator and any lender to the Owner, or any suppliers, vendors, employees, contractors, or subcontractors used by the Owner in connection with this Contract.

The Program Administrator does not guarantee and is in no way responsible to the Owner for Tenant’s performance under the Lease or for any damages of any sort caused by the Tenant’s action or failure to act under the Lease.

Nothing in this Contract shall be construed as creating any right of:

- a) The Tenant to enforce this Contract against the Owner; or
- b) The Owner to enforce this Contract against the Tenant; or
- c) For either the Owner or Tenant to make any claim against HUD or the City; or
- d) For either Owner or Tenant to make any claim against the Program Administrator other than for the payment of the Rental Assistance Payment due under this Contract.

Other than any rights claimed by HUD to pursue claims, damages, or suits of any sort, nothing in this Contract will be construed to give any third party a right to pursue any claims against HUD, the City, or the Program Administrator under this Contract.

SECTION 7 – MODIFICATIONS TO LEASE

Notwithstanding any other provisions in the Lease, during the term of this Contract Owner and Tenant mutually agree that:

- a) Termination of Tenancy. Any termination of the lease must also comply with all applicable state or local laws, ordinances, regulations, or similar requirements, including as may be applicable emergency orders restricting evictions during declared emergencies or disasters; and
- b) Lease addendum. The protections and requirements outlined in **Exhibit C** below pertaining to the CDBG Program are hereby incorporated into the lease.

Owner/Representative Initials:

Tenant Initials:

SECTION 8 – DEFAULT AND ENFORCEMENT

8.1 Default

Any of the following will be deemed a default under this Contract:

- a) Any violation of this Contract by the Tenant or Owner; or
- b) A determination by the Program Administrator that the Tenant or Owner has committed fraud or made a false or materially incomplete statement in connection with the Program or this Contract, or has committed fraud or made any false statement in connection with any federal housing assistance program; or
- c) Any fraud, bribery, or any other corrupt or criminal act by a party to this Contract in connection with any Federal Housing assistance program; or
- d) Any determination, in the sole and exclusive judgement of the Program Administrator, that either Tenant or Owner has materially violated the terms of the Lease.

8.2 Enforcement

In the event of a default, the Program Administrator will notify the defaulting party in writing, specifying the nature of the default, required corrective actions, and the deadline for correction. In the event the defaulting party does not cure the default within the time period provided, as may be appropriate based on the defaulting party and nature of the default, Program Administrator may:

- a) Terminate the Owner's or Tenant's participation in the Program and cancel future payments to or on behalf of the Tenant; or
- b) Withhold payments to the Owner or Tenant (including Utility Assistance Payments otherwise made on the Tenant's behalf) until the Owner or Tenant has cured the default; or
- c) Require the return of payments related to the default made under this Contract; or
- d) Apply to any appropriate court, state or federal, for specific performance, in whole or in part, of the provisions and requirements contained herein or for an injunction against any violation of such provisions and requirements; or
- e) Apply to any appropriate court, state or federal, for such other relief as may be appropriate and allowed by law, since the injury to the Tenant or Program Administrator arising from a default under any of the terms of this Contract would be irreparable and the amount of damage would be difficult to ascertain.

Any delay by the Program Administrator in exercising any right or remedy provided herein or otherwise afforded by law or equity shall not be a waiver of or preclude the exercise of such right or remedy. All such rights and remedies shall be distinct and cumulative and may be exercised singly, serially (in any order), or concurrently, and as often as the occasion therefore arises.

SECTION 9 – MISCELLANEOUS PROVISIONS

9.1 Conflict of Interest

Per 24 CFR Part 570.489 (h), the following people or their immediate family members shall not have any direct or indirect financial interest in any contract, subcontract or the proceeds thereof for work to be

Owner/Representative Initials:

Tenant Initials:

performed in connection with the grant during their tenure or for one year thereafter: 1) employees or agents of the recipient who exercise any function or responsibility for the CDBG project, and 2) officials of the recipient including members of the governing body, individually known as a “Covered Person.” This provision applies to both Covered Persons and those with whom they have business or immediate family ties, during their tenure with the City or Program Administrator. Immediate family ties include (whether by blood, marriage, or adoption) the spouse, parent (including a stepparent), child (including a stepchild), brother, sister (including a stepbrother or stepsister), grandparent, grandchild, and in-laws of a Covered Person.

Owner hereby certifies that, to the best of its knowledge and belief, it has no Conflict of Interest associated with participation in this Program. Owner, including the underlying individual owners if the Owner is a corporation, partnership, or other such entity, is not a Covered Person or an immediate family member of a Covered Person and has no business relationships with a Covered Person.

Tenant hereby certifies that, to the best of its knowledge and belief, they have no Conflict of Interest associated with participation in this Program. Neither Tenant nor another member of the household is a Covered Person or an immediate family member of a Covered Person and has no business ties with a Covered Person.

9.2 Assignment

Neither the Owner nor the Tenant may transfer or assign this Contract to any other party without the prior written approval of the Program Administrator. Any approval of assignment will be in the sole discretion of the Program Administrator and, if approved, is contingent upon the assignee assuming all obligations of the assigning party in writing.

If the Owner requests the Program Administrator consent to assign this Contract to a new owner, the Owner shall supply any information as required by the Program Administrator pertinent to the proposed assignment.

9.3 Entire Contract, Interpretation, and Amendments

- a) The Contract contains the entire agreement between the Owner and Program Administrator and between the Tenant and Program Administrator.
- b) In the event of a question about the meaning or interpretation of any provision, requirement, or term in this Contract, the Contract shall be interpreted and implemented in accordance with all Program requirements, statutory requirements, and HUD requirements, including the HOME program regulations at 24 CFR part 92 and the April 2020 TBRA Memo. The determination of the Program Administrator, who may seek input from the City and/or HUD as appropriate, will be final.
- c) No changes or amendments may be made to this Contract except those made in writing and signed by all parties hereto.

9.4 Headings and Pronouns

The headings of the paragraphs in this Contract are for convenience only and do not affect the meanings or interpretation of the contents. Where appropriate, all personal pronouns used herein, whether used

Owner/Representative Initials:

Tenant Initials:

in the masculine, feminine or neutral gender, shall include all other genders and singular nouns used herein shall include the plural and vice versa.

9.5 Flood Plain

Per HUD regulations, the City cannot provide assistance for properties located in a floodplain unless any properties assisted in the project will be covered for flood insurance prior to application.

IN WITNESS THEREOF, the Tenant, Owner, and Program Administrator have indicated their acceptance of the terms of this Contract, including the Exhibits hereto, which are incorporated herein by reference, by their signatures below on the dates indicated.

Owner _____		
Owner/Landlord Representative Signature	Print Name	Date (mm/dd/yyyy)

Program Administrator _____		
Authorized Representative Signature	Print Name	Date (mm/dd/yyyy)

Tenant _____		
Signature	Print Name	Date (mm/dd/yyyy)

Tenant _____		
Signature	Print Name	Date (mm/dd/yyyy)

Tenant _____		
Signature	Print Name	Date (mm/dd/yyyy)

EXHIBIT A: PROJECT SPECIFIC INFORMATION

Parties to this Contract			
Program Administrator			
Owner			
Tenant			
Contract Dates			
Contract Start Date:		Contract End Date:	
Unit & Lease Information			
Unit (Address and Unit #):			
Lease Start Date:		Lease End Date:	
Contract Rent (total due under Lease): \$.00 per month			
Rental Assistance			
Tenant Contribution: \$.00 per month		Rental Assistance Payment: \$.00/month	
Rental Assistance from Other Programs			
Is other rental assistance (e.g. Section 8/State/Local funds) received? <input type="checkbox"/> Yes <input type="checkbox"/> No			
If yes, monthly amount of \$ paid to <input type="checkbox"/> Tenant or <input type="checkbox"/> Owner from (source):			
Payment Information			
Rent Payable to:			
Mailing Address:			
Electronic Payment Instructions	Financial Institution:		
	Routing Number:		
	Account Number		
	Account Holder Name:		
Utility Services			
Utility Type	Paid by		Utility Service Provider
	Tenant	Owner	
Electricity	<input type="checkbox"/>	<input type="checkbox"/>	
Fuel (e.g. gas)	<input type="checkbox"/>	<input type="checkbox"/>	
Water/sewer	<input type="checkbox"/>	<input type="checkbox"/>	
Utility Service Assistance			
Program will assist with: (select all that apply)		<input type="checkbox"/> None <input type="checkbox"/> Electricity <input type="checkbox"/> Fuel <input type="checkbox"/> Water/Sewer	
Utility Assistance Payment: (select one)		<input type="checkbox"/> Maximum of \$.00 per month (not to exceed actual payments due) <input type="checkbox"/> Program will pay entire utility bill	
Deposit Assistance			
Program will Assist With: (select all that apply)			
Security Deposit:		<input type="checkbox"/> None/Tenant to Pay <input type="checkbox"/> Security deposit of \$.00 (not to exceed two times Contract Rent)	
Utility Deposit(s):		<input type="checkbox"/> None/Tenant to Pay <input type="checkbox"/> Electricity deposit of \$.00 <input type="checkbox"/> Fuel deposit of \$.00 <input type="checkbox"/> Water/sewer deposit of \$.00	

EXHIBIT B: EXISTING LEASE

Attach copy of the Lease for the CDBG assisted Unit}

EXHIBIT C: ADDITIONAL REQUIRED CDBG CLAUSES

Conflict of Interest (2 CFR Part §200.318 General procurement standards)

Interest of Members, Officers, or Employees of the Recipient, Members of Local Governing Body, or Other Public Officials. No member, officer, or employee of the recipient, or its agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the program during his tenure or for one year thereafter, shall have any financial interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the program assisted under this agreement. Immediate family members of said members, officers, employees, and officials are similarly barred from having any financial interest in the program. The recipient shall incorporate, or cause to be incorporated, in all such contracts or subcontracts, a provision prohibiting such interest pursuant to the purpose of this section.

Nondiscrimination Clause - Section 109, Housing and Community Development Act of 1974

No person in the United States shall on the ground of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds available under this title.

Age Discrimination Act of 1975, as amended - Nondiscrimination on the Basis of Age

No qualified person shall on the basis of age, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity which receives or benefits from Federal financial assistance.

Section 504 of the Rehabilitation Act of 1973, as amended - Nondiscrimination on the Basis of Disability

No qualified disabled person shall on the basis of disability, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity which receives or benefits from federal financial assistance.

Access to Records and Record Retainage Clause

In general, all official project records and documents must be maintained during the operation of this project and for a period of three years following closeout in compliance with 24 CFR §570.490. The North Carolina Department of the Treasurer, U.S. Department of Housing and Urban Development, the Comptroller General of the United States, and the NC Department of Environmental Quality, or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the Administering Agency which are pertinent to the execution of this agreement, for the purpose of making audits, examinations, excerpts and transcriptions in compliance with the above Rule.

Lobbying Clauses

Required by Section 1352, Title 31, U.S. Code

- 1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative, agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

- 2) If any funds other than Federal appropriated funds, have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions. This is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each failure.

Legal Remedies Provision and Termination Provision *[don't just copy and paste the below items, read and do what they say]*

- 1) Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts under Federal Awards Contracts. *other than small purchases shall contain provisions or conditions which will allow for administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate.*

- 2) Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts under Federal Awards. All contracts in excess of \$10,000 shall contain suitable provisions for termination by the grantee including the manner by which it will be effected and the basis for settlement. In addition, such contracts shall describe conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.

Section 3 Clause

All section 3 covered contracts shall include the following clause (referred to as the section 3 clause):

- A. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent

feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

- B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.
- C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- D. The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.
- E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.
- F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
- G. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts Under Federal Awards

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable.

(A) Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

(B) All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.

(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, “Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction”). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland “Anti-Kickback” Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States”). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a

standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of “funding agreement” under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding agency.

(G) Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

(H) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

(I) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

(J) See §200.322 Procurement of recovered materials.
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