

INTRODUCED: January 10, 2022

AN ORDINANCE No. 2022-009

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a FY 2021 Choice Neighborhoods Planning Grant Agreement between the City of Richmond, the Richmond Redevelopment and Housing Authority, and the U.S. Department of Housing and Urban Development for the purpose of developing a transformation plan that includes the Gilpin Court public housing project located at 102 West Charity Street and the Jackson Ward neighborhood in the city of Richmond.

Patrons – Mayor Stoney and Ms. Lambert

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: JAN 24 2022 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That the Chief Administrative Officer, for and on behalf of the City of Richmond, be and is hereby authorized to execute a FY 2021 Choice Neighborhoods Planning Grant Agreement between the City of Richmond, the Richmond Redevelopment and Housing Authority, and the United States Department of Housing and Urban Development for the purpose of developing a transformation plan that includes the Gilpin Court public housing project located at 102 West Charity Street and the Jackson Ward neighborhood in the city of Richmond. The FY

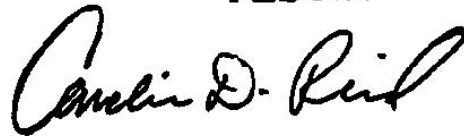
AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: JAN 24 2022 REJECTED: _____ STRICKEN: _____

2021 Choice Neighborhoods Planning Grant Agreement shall be approved as to form by the City Attorney and shall be substantially in the form of the document attached to this ordinance.

§ 2. This ordinance shall be in force and effect upon adoption.

**A TRUE COPY:
TESTE:**

A handwritten signature in black ink, appearing to read "Carolin D. Reed". The signature is written in a cursive style with a large initial 'C'.

City Clerk



CITY OF RICHMOND

INTRACITY CORRESPONDENCE

O & R Request

DATE: 5 January 2022 **EDITION:** 1

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor

THROUGH: J.E. Lincoln Saunders, Chief Administrative Officer

THROUGH: Sharon L. Ebert, Deputy Chief Administrative Officer for Economic Development and Planning

FROM: Kevin J. Vonck, Director, Department of Planning and Development Review

RE: Planning Grant Agreement between the City of Richmond, the Richmond Redevelopment & Housing Authority, and the U.S. Department of Housing and Urban Development

ORD. OR RES. No. **TBD**

PURPOSE: To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute the Choice Neighborhood Planning Grant Agreement Between the City of Richmond, the Richmond Redevelopment & Housing Authority (RRHA), and the U.S. Department of Housing and Urban Development (HUD) for the purpose of conducting activities to develop and deliver a Transformation Plan for Gilpin Court and Jackson Ward as specified in the Grant Agreement.

REASON: RRHA is the Lead Applicant on the Choice Neighborhood Planning Grant Application and the City is the Co-lead Applicant. Ordinance 2021-164 authorized the CAO to execute a Memorandum of Understanding with RRHA to develop the Planning Grant Application. RRHA contracted Looney Ricks Kiss (LRK) to develop the Planning Grant Application. On November 22, 2021, HUD notified the City and RRHA that their Joint Application for a Choice Neighborhood Planning Grant had been selected for funding in the amount of \$450,000.

RRHA, as the Lead Grantee, shall have access to draw down funds in HUD's line of Credit Control System (LOCCS), subject to the terms of the Grant Agreement.

As the Co-Grantee, the City will co-sign the HUD Planning Grant Agreement with RRHA, be jointly responsible with RRHA for implementing the activities outlined in the approved application, and provide planning resources and other support as may be necessary and agreed to by the parties.

RECOMMENDATION: Approval is recommended.

BACKGROUND: HUD provides Choice Neighborhood Planning Grants as multi-year grants to assist communities with severely distressed public or HUD-assisted housing to develop neighborhood transformation plans and build the support necessary for their successful implementation. The City and RRHA are committed to reimagining the public housing complexes located in the City and to provide safe and healthy housing for City residents whose income is 80% or less of the City's area median income. The idea and programmatic approach to deconcentrating poverty is the emphasis of this undertaking. The Choice Neighborhood Planning Grant will facilitate the redevelopment of the Gilpin Court Public Housing Complex, which contains 781 unites, into a vibrant, mixed-income community based upon ongoing input from residents, advocates, neighborhood groups, and other stakeholders.

The City is supporting the effort by leading the community engagement and neighborhood components, as well as collaborating on the housing and people components of the plan. The City has also formed a "town-gown" relationship with the president, faculty, and students of Virginia Union University (VUU), a historically black institution, to provide a mentoring program for youth under 18 years old who live at the Gilpin Court Complex. The mentoring program will also lend support to the families of the participating youth to assist in building self-sufficiency.

This Planning Grant will help the City implement the citywide Master Plan, Richmond 300: A Guide for Growth, which calls for creating a Small Area Plan to redevelop Gilpin Court and under developed land in the community.

FISCAL IMPACT / COST: None.

FISCAL IMPLICATIONS: None.

BUDGET AMENDMENT NECESSARY: No

REVENUE TO CITY: N/A

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: January 10, 2022

CITY COUNCIL PUBLIC HEARING DATE: January 18, 2022

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: Land Use, Housing, and Transportation Committee

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: None

AFFECTED AGENCIES: Dept. of Planning and Development Review; Dept. of Housing and Community Development; Office of Children and Families; Dept. of Public Works, Dept. of Parks, Recreation, and Community Facilities

RELATIONSHIP TO EXISTING ORD. OR RES.: Ord. 2021-164

ATTACHMENTS: Draft Ordinance
Choice Neighborhood Planning Grant Agreement

STAFF: Maritza Mercado Pechin, Deputy Director, Dept. of Planning and Development Review (p) 804.646.6348 (e) maritza.pechin@rva.gov

FY 2021 Choice Neighborhoods Planning Grant Agreement

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FY 2021 Choice Neighborhoods Planning Grant Agreement

This grant agreement (“Grant Agreement”) is made by and between the United States Department of Housing and Urban Development (“HUD”) and the Lead and Co-Applicant(s) (“Grantee”). The Grantee received a Choice Neighborhoods Planning Grant award as a result of an application submitted in response to the fiscal year (FY) 2021 Notice of Funding Opportunity (NOFO), for the creation of a Transformation Plan that is the subject of this Grant Agreement (“Transformation Plan”) and that is identified on the fund obligation document (Form HUD-1044).

While the Planning Grant is awarded to the Grantee, only the Lead Applicant identified in the Grantee’s Choice Neighborhoods Application (“Lead Grantee”) will have access to draw down funds in LOCCS. HUD agrees, subject to the terms of this Grant Agreement, to provide grant funds to the Lead Grantee, in the total amount listed on the Assistance Award/Amendment form (HUD-1044), for the activities described in the Transformation Plan as defined in Article IV.

The assistance that is the subject of this Grant Agreement is authorized by, and required to be used in accordance with, Section 24 of the U.S. Housing Act of 1937 and the Consolidated Appropriations Act, 2021 (Public Law 116-260, enacted December 27, 2020)) (“FY 2021 Appropriations”), (collectively the “Choice Neighborhoods Authorization”).

The form HUD-1044 and the Exhibits are incorporated into and subject to the terms of this Grant Agreement.

HUD and the Grantee hereby agree to be bound by the following terms and conditions of this Grant Agreement:

ARTICLE I. Grant Award Date and Period of Performance

The Grant Award Date is November 22, 2021. The deliverables identified in Article V of this Grant Agreement are based on the Grant Award Date. The Period of Performance Start Date is November 23, 2021. The Period of Performance End Date is December 31, 2023.

ARTICLE II. Choice Neighborhoods Requirements

The Grantee agrees to conduct all activities to be assisted with funds provided under this Grant Agreement in accordance with the following requirements, as such requirements now exist or as they may hereafter be amended (hereafter collectively referred to as the “Choice Neighborhoods Requirements”):

- A. the U.S. Housing Act of 1937, as amended (the “1937 Act”), including Section 24 of the 1937 Act, and all implementing regulations, as applicable;
- B. the Consolidated Appropriations Act, 2021 (Public Law 116-260), enacted December 27, 2020);
- C. the FY 2021 NOFO for the Choice Neighborhoods Initiative Planning Grants published via Grants.gov on May 12, 2021 (the “NOFO”);
- D. 31 U.S.C. § 1552. In accordance with this statute, all FY 2021 Choice Neighborhoods funds must be expended by September 30, 2028. Any funds that are not expended by that date will be cancelled and recaptured by the Treasury, and thereafter will not be available for obligation or expenditure for any purpose. **However, in accordance with the Choice Neighborhoods NOFO, the term of this Planning Grant is two years from the date of the Grant Agreement execution and all funds should be expended shortly after the end of the Planning Grant term.**
- E. In accordance with section 24(e)(2)(D) of the 1937 Act, Grantees must involve affected residents of the targeted public and/or assisted housing at the beginning and during the planning process. Grantees are required to involve the affected public and/or assisted housing residents in the planning process and implementation of your Transformation Plan. This involvement must be continuous from the beginning of the planning process through the implementation and management of the grant. In addition to the statutory requirement Grantees will be expected to undertake resident and community involvement in a manner and method at least as comprehensive as that described in your grant application.
- F. all executive orders applicable to the activities being conducted with funds provided under this Grant Agreement;
- G. the terms and requirements of this Grant Agreement, and any amendments or addenda thereto;

- H. all other applicable Federal requirements, including, without limitation, those set forth in Appendix A; and
- I. all regulations, handbooks, notices, and policies applicable to the activities being conducted with funds provided under this Grant Agreement;

ARTICLE III. Program Overview

- A. Choice Neighborhoods is designed to address struggling neighborhoods with distressed public housing or HUD-assisted housing through a comprehensive approach to neighborhood transformation. Local leaders, residents, and other stakeholders, such as public housing authorities, cities, schools, police, business owners, nonprofits, and private developers, come together to create a plan that transforms distressed HUD housing and addresses the challenges in the surrounding neighborhood. The program helps communities transform neighborhoods by revitalizing severely distressed public and/or assisted housing and investing and leveraging investments in well-functioning services, high quality public schools and education programs, high quality early learning programs and services, crime prevention strategies, public assets, public transportation, and improved access to jobs. Choice Neighborhoods is focused on three core goals:
 - 1. **Housing:** Replace severely distressed public and assisted housing with high-quality mixed-income housing that is well-managed and responsive to the needs of the surrounding neighborhood;
 - 2. **People:** Improve outcomes of households living in the target housing related to employment and income, health, and children’s education; and
 - 3. **Neighborhood:** Create the conditions necessary for public and private reinvestment in distressed neighborhoods to offer the kinds of amenities and assets, including safety, good schools, and commercial activity, that are important to families’ choices about their community.

ARTICLE IV. Choice Neighborhoods Transformation Plan and Requirements

- A. General. The end product of this grant award is the submission to and acceptance by HUD of a Transformation Plan. The Transformation Plan should identify specific, integrated, and effective strategies to implement public and/or assisted housing revitalization, the coordination and design of supportive services, including educational opportunities for children, and neighborhood-level planning to improve a range of neighborhood assets. The Transformation Plan should be created as part of a collaborative planning process that involves neighborhood stakeholders and local governmental entities.

The Transformation Plan should translate the three core goals of Choice Neighborhoods – Housing, People and Neighborhood – into a strategy that will direct investments, demonstrate the commitment among a range of public and private partners to address interdependent neighborhood challenges, utilize data to set and monitor progress toward implementation

goals, and engage community stakeholders and residents in meaningful decision-making roles. HUD's acceptance of this plan will be based on the demonstration of a comprehensive and inclusive locally driven planning process. It is neither an approval nor an endorsement of any of the activities identified in the plan.

- B. Program Activities. Activities under this Grant Agreement include tasks necessary to develop a Transformation Plan, align investments with this plan, and develop the relevant planning and evaluation capacity of the Grantee and its partners. Refer to section III.F of the NOFO for a detailed description of program activities. As stated in section III.F.1.a, required activities are:
1. Within the first 12 months of the Choice Neighborhoods grant, conduct a household-level needs assessment of the public and/or assisted housing residents in the target development(s) to better design solutions for challenges facing the children and families of HUD housing. In addition, evaluate existing data (such as the census [including the American Community Survey (ACS)], police reports, healthcare agencies/providers, school reports, research surveys, etc.) to determine whether an assessment of households is required at the neighborhood level.
 2. Devise a relocation strategy for residents that need to be displaced during the rehabilitation or reconstruction of the public and/or assisted housing.
 3. If not already completed, have a market assessment of the target neighborhood conducted by an independent, third-party professional during the grant period. The conclusions drawn from this study must inform the development of the Transformation Plan.
 4. If not already identified, select the master developer/housing developer that will implement the housing component of the Transformation Plan before the end of the grant term.
 5. Complete a Phase I Environmental Site Assessment based on ASTM standards of the target redevelopment site(s) to determine the potential for and extent of any needed environmental remediation, in order for a grantee to determine a feasible timeline and budget for the realization of redevelopment efforts.
 6. Contact the State Historic Preservation Officer (SHPO) to determine the potential for negative effects of demolition on historic properties if the target housing contains buildings 45 years of age or older.
- C. Other eligible activities should be included in the Transformation Plan consistent with section III.F.1.b of the NOFO.
- D. Program Requirements. In developing the Transformation Plan, Grantees should evaluate and incorporate the general requirements contained in section III.F.2 of the NOFO as they are applicable to their Transformation Plan.

ARTICLE V. Deliverables

- A. Schedule and Budget. In preparation for creating a Transformation Plan, Grantees must submit the following to HUD within 90 calendar days from the Grant Award Date for HUD's review and approval. HUD reserves the right to require Grantee to make edits to these items to put them in a form and substance acceptable to HUD.
1. A Program Schedule identifying tasks and milestones by date, in accordance with the Choice Neighborhoods NOFO;
 2. A Choice Neighborhoods Planning Grant Budget, as described in Article VII; and
 3. Any other information or documentation that is not otherwise required under the NOFO or this Grant Agreement but that is requested by HUD to supplement or refine information provided in the Choice Neighborhoods Application or to meet any terms or conditions of the Grant Agreement.
- B. The Grantee must submit documents that assist in the development of the Transformation Plan to HUD during the term of the Planning Grant. HUD may provide comments and guidance on these draft documents, which the Grantee should use in drafting the Transformation Plan. The documents that are required are:
1. Outline with Content. The Grantee must submit showing at a minimum the outline with some of the content that will be in the Transformation Plan no later than 12 months after the Grant Award Date.
 2. Draft Transformation Plan. The Grantee must submit a draft Transformation Plan to HUD no later than 18 months after the Grant Award Date.
 3. Transformation Plan. The Grantee must submit a final Transformation Plan no later than 24 months after the Grant Award Date.
- C. All other required information or submissions as requested by HUD pursuant to paragraph (A)(3) of this Article must be submitted in accordance with the Reporting Requirements as described in Article XIII, in a form and substance acceptable to HUD.
- D. Time Extensions. All requests for extensions of the time periods for the deliverables listed above should be requested by the Grantee in advance of the deadline date. All requests for extensions must be made in writing and will be reviewed and approved or disapproved by the Deputy Assistant Secretary for the Office of Public Housing Investments or her designee.

ARTICLE VI. Changes to the Grantee's Plan

- A. Changes Requiring Prior HUD Approval. If the following activities in the application are to be modified or amended, the Grantee must request and obtain prior written HUD approval:
1. Program Schedule. The Grantee must inform HUD immediately, in writing, of any problems, delays or adverse conditions that will impair materially the Grantee's ability to comply with the Program Schedule, and include a statement of action taken, or proposed to be taken, and any assistance needed to resolve the situation. HUD must approve any proposed changes to the Program Schedule that would significantly modify a date or time period.
 2. Changes in an activity within any Budget Line Item (BLI) in LOCCS that are greater than 10 percent of the approved Choice Neighborhoods Budget;
 3. An extension of the period of availability of the Choice Neighborhoods Grant funds provided under this Grant Agreement, not to go beyond the statutory timeframes;
 4. Any material changes to the contract between the Grantee and the Planning Coordinator, if applicable; and
 5. Any loss or replacement of committed funds which were identified for purposes of rating and ranking the leverage section of the grant.

ARTICLE VII. Choice Neighborhoods Budget and Funding Requests

- A. Budget. The Grantee must ensure that funds provided under this Grant Agreement are expended in accordance with the Choice Neighborhoods Requirements and a Choice Neighborhoods Budget. The Choice Neighborhoods Budget allocates all Choice Neighborhoods Grant funds into Budget Line Items (BLI). The Choice Neighborhoods Budget will serve as the primary budget and may be subject to revision. Grantees should consult the "Planning Grant Budget Guidance" posted to the Choice Neighborhoods website (www.hud.gov/cn) for detailed description of eligible activities and which BLI each cost is categorized.
- B. Budget Form. Each budget submitted in accordance with paragraph (A) of this Article must be submitted on the Choice Neighborhoods Planning Grant budget form (HUD-53421), Parts I, II, and III. Part I must be signed and dated by the executive officer of the Lead Grantee and Part II must include a detailed description of the uses of the grant funds. Part III shows the match and leverage funds committed to the planning process. Grantees must track their leveraged fund expenditures and will report this information in the quarterly report.
- C. Pre-Grant Agreement Execution Costs. After the execution of this Grant Agreement, the Grantee may include in its Choice Neighborhoods Budget, and the Lead Grantee may draw down funds for costs that were incurred prior to execution of this Grant Agreement, provided

that such costs were incurred after the Grant Award Date, are directly associated with the activities to be funded under this Choice Neighborhoods Grant, and are approved as reasonable and eligible by HUD. Choice Neighborhoods Grant funds cannot be used to pay for any activities carried out on or before the Period of Performance Start Date.

- D. Early Action Activities. The Grantee may request up to \$150,000 of Choice Neighborhoods Grant funds for Early Action Activities (as defined in Section I.A.4 of the NOFO) costs in conjunction with submitting the Choice Neighborhoods Budget form to HUD. Funds may be drawn down for eligible costs (as defined in the NOFO), subject to receiving HUD approval and, as applicable, subject to conducting an environmental review in accordance with 24 CFR part 58.
- E. Administration, Fees and Costs.
1. Cost Controls. The Grantee will comply with HUD guidance and policies that establish reasonable costs for administration, management improvements/capacity building, planning, technical assistance, and fees and costs.
 2. Lobbying. The Grantee hereby certifies that no funds provided under this Grant Agreement will be expended for lobbying activities, as prohibited by Section 319 of Public Law 101-121 (which prohibits recipients of Federal contracts, grants, and loans from using appropriated funds for lobbying the Executive or Legislative Branches of the Federal Government), and implemented for HUD at 24 CFR part 87, as the same may be amended from time to time. The Grantee will disclose promptly any commitment or expenditure of non-appropriated funds for lobbying activities if those activities would be prohibited if paid with appropriated funds.
- F. Program Income. Program Income is defined in 2 CFR § 200.1, or successor regulation. If the Grantee receives program income from the Early Action Activities (e.g., from the sale of acquired land):
1. prior to grant closeout program income must be reinvested in the development or neighborhood and used for Choice Neighborhoods eligible purposes, unless otherwise approved by HUD.
 2. after grant closeout, program income must be reinvested in the development or neighborhood and used for Choice Neighborhoods eligible purposes, unless otherwise approved by HUD. Before the grant is closed out, Grantee must submit a plan for how program income will be reinvested, in a form and substance that is acceptable to HUD for HUD's review and approval. HUD will determine with the Grantee what the sources of program income are. The language of this provision shall survive grant closeout and termination of this Grant Agreement.

ARTICLE VIII. Project Drawdowns

- A. LOCCS Payment System. Consistent with 2 CFR Part 200, the Lead Grantee will request all drawdowns of Choice Neighborhoods Grant funds under the Line of Credit Control System (LOCCS), unless and until another payment system is designated by HUD. The Lead Grantee will comply with all rules, guidelines, and notices established for Choice Neighborhoods under LOCCS, or any substitute system, in connection with any drawdown of Choice Neighborhoods Grant funds. If HUD designates a different payment system, it will be based upon the provisions of 2 CFR § 200.305.

- B. Drawdowns.
 - 1. The Grantee may draw down Choice Neighborhoods Grant funds for a BLI in an amount up to the amount of that BLI that HUD has approved and made available for drawdown.
 - 2. Any request for funds in excess of 10 percent of the entire grant amount in any month must be manually reviewed and approved by HUD. The Grantee must submit copies of the invoices supporting the drawdown amount to the Team Coordinator.

- C. Drawdown Consequences of Default.
 - 1. Withholding of Payments. HUD may withhold payments in accordance with 2 CFR § 200.339.
 - 2. Grantee Representations. Each drawdown request by the Grantee will constitute, and be deemed to be, a representation that the Grantee is not in default under this Grant Agreement (except as the Grantee previously may have disclosed to HUD in writing).
 - 3. Overdue Reports. HUD may elect to suspend draws under this Grant Agreement during any period in which the Grantee has failed to file with HUD any quarterly report.

ARTICLE IX. Matching and Leveraged Funds

- A. Match Requirements. In accordance with section 24(c) of the 1937 Act (42 U.S.C. 1437v(c)), Grantee must have secured a match in the amount of five percent of the grant amount in cash or in-kind donations.

- B. Match Donations and Leverage Resources. Grantee shall keep documentation on matching and leveraged funds during the term of this Grant Agreement and shall provide this documentation in a format acceptable to HUD upon request by HUD, until the closeout of this grant. The documentation should show that the funds are secured and the Grantee should keep records showing how those funds have been expended over time.

ARTICLE X. Grantees, Subrecipients and Contractors

A. General Grantee Responsibilities.

1. **Planning Team.** The Grantee agrees to promptly assemble a competent planning team, if the Grantee has not already, to assist in working with the Grantee's partners and collaborators and coordinating all phases of the planning process. In the event of a default under the terms of this Grant Agreement, HUD reserves the right to require a Grantee to procure a planning coordinator in order for the Grantee to meet the performance standards detailed in this agreement.
2. **Choice Neighborhoods Requirements.** The Grantee shall ensure that any entity to which it makes grant funds available will comply with the Choice Neighborhoods Requirements.
3. **Required Certifications.**
 - a. The Grantee must ensure that all subrecipients and contractors execute an original document in the form of Exhibit A, as appropriate, to this Grant Agreement at the time the Grantee executes any contract with any subrecipient or contractor to provide goods or services under this Grant Agreement. The Grantee will retain the executed original certification together with the executed contract documents.
 - b. Grantees that are public housing authorities (PHA Grantee) must ensure that the requirements contained in the General Conditions for Non-Construction Form (Form 5370-C) are included in any solicitation in connection with non-construction contracts that will be made by the PHA Grantee and paid for with assistance under this Grant Agreement. Such conditions must also be included in any non-construction contract entered into by the PHA Grantee.
 - c. Certifications required by 2 CFR 200.415.

B. Administrative Requirements for Grantees.

1. Public housing authority, local government, Indian tribe, and non-profit entity grantees are subject to 2 CFR Part 200. Where any previous or future amendments to 2 CFR part 200 replace or renumber sections of part 200 that are cited specifically in the NOFO and this Agreement, activities carried out under the grant after the effective date of the part 200 amendments will be governed by the part 200 requirements as replaced or renumbered by the part 200 amendments.

C. Administrative Requirements for Subrecipients and Related Agreements.

1. Public housing authority, local government, Indian tribe, and non-profit subrecipients are subject to the requirements of 2 CFR Part 200. Where any previous or future amendments to 2 CFR part 200 replace or renumber sections of part 200 that are cited specifically in the NOFO and this Agreement, activities carried out under the grant after the effective date of the part 200 amendments will be governed by the part 200 requirements as replaced or renumbered by the part 200 amendments.

2. For-profit subrecipients are subject to the requirements of 2 CFR Part 200, Subparts A-E. The Grantee is responsible for establishing audit requirements consistent with 2 CFR 200.501(h). Where any previous or future amendments to 2 CFR part 200 replace or renumber sections of part 200 that are cited specifically in the NOFO and this Agreement, activities carried out under the grant after the effective date of the part 200 amendments will be governed by the part 200 requirements as replaced or renumbered by the part 200 amendments.
3. Suspension and Debarment. Grantees are subject to the requirements of 2 CFR 200.214.
4. Grantee Responsibilities Regarding Subrecipients. Grantees will be responsible for:
 - a. ensuring that subrecipients are aware of the requirements imposed upon them by Federal statutes, regulations, and this Grant Agreement;
 - b. ensuring that all subrecipient agreements include any clauses required by Federal statutes and their implementing regulations and executive orders; and
 - c. monitoring subrecipients' performance to ensure compliance with this Grant Agreement.

D. Administrative Requirements for Contractors and Subcontractors and Related Contracts.

1. Grantee's procurement of contractors or subcontractors. Consultant and Professional Services. Grantees that obtain professional or consultant services from persons who are not officers or employees of the Grantee (i.e., independent contractors) are subject to 2 CFR Part 200.459. However, if the Grantee can demonstrate to HUD that the services to be provided by the contractor or subcontractor only from that one source, the Grantee may request HUD approval to select the entity under a non-competitive procurement pursuant to 2 CFR 200.320(c).
2. Trigger for the Submission of Contracts. Contracts must be submitted to HUD for prior approval if required by 2 CFR Part 200, Subpart D, or if requested by HUD. Any modification of a contract that must be submitted to HUD for prior approval if required or requested is also subject HUD's written approval before the execution of the modification.
3. Suspension and Debarment. Grantees must comply with 2 CFR 200.214.

ARTICLE XI. No Third-Party Rights

The Grantee and HUD are the sole parties to this Grant Agreement and do not intend to create any third-party beneficiaries to this Grant Agreement. Notwithstanding the provisions set forth in this Grant Agreement concerning consultations with residents and dissemination of information to residents, nothing in this Grant Agreement may be construed as conferring the status of third-party beneficiary upon the residents; and in no event shall any entity other than the

Grantee have direct rights to the Choice Neighborhoods funds provided for under this Grant Agreement.

ARTICLE XII. Conflict of Interest

- A. Prohibition. The Grantee shall comply with the conflict of interest requirements in 2 CFR 200.318. No person who is an employee, agent, officer of the Grantee or member of his or immediate family, or his or her partner, or an organization which employs or is about to employ any of the parties indicated herein and who exercises any functions or responsibilities with respect to activities assisted under this Choice Neighborhoods Grant may have a direct interest in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder.
- B. HUD-Approved Exception.
1. Standard. HUD may grant an exception to the exclusion in paragraph (A) of this Article on a case-by-case basis when it determines that such an exception will serve to further the purposes of Choice Neighborhoods and its effective and efficient administration.
 2. Procedure. HUD will consider granting an exception only after the Grantee has provided a disclosure of the nature of the conflict, accompanied by:
 - a. an assurance that there has been public disclosure of the conflict;
 - b. a description of how the public disclosure was made; and
 - c. an opinion of the Grantee's attorney that the interest for which the exception is sought does not violate State or local laws.
 3. Consideration of Relevant Factors. In determining whether to grant a requested exception under paragraph (B) of this Article, HUD will consider the cumulative effect of the following factors, where applicable:
 - a. whether the exception would provide a significant cost benefit or an essential degree of expertise to the Transformation Plan that would otherwise not be available;
 - b. whether an opportunity was provided for open competitive bidding or negotiation;
 - c. whether the person affected is a member of a group or class intended to be the beneficiaries of the Transformation Plan and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;
 - d. whether the affected person has withdrawn from his or her functions or responsibilities, or the decision-making process, with respect to the specific activity in question;
 - e. whether the interest or benefit was present before the affected person was in a position as described in paragraph (A) of this Article;
 - f. whether undue hardship will result either to the Grantee or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and
 - g. any other relevant considerations.

ARTICLE XIII. Reporting Requirements

A. Quarterly Report.

1. The Grantee will submit to HUD a Quarterly Report on the 15th day of the month after the calendar quarter. The first report will be due in April 2021. If the due date falls on a Saturday, Sunday, or Federal Holiday, the report is due the next business day. In the Quarterly Report the Grantee will report the progress of their grant for the previous quarter, including but not limited to progress against their schedule and budget, expenditures to date, and a narrative statement on their progress, progress on financing leverage secured to date for the planning grant and leverage for the implementation of the plan. The Grantee should also include, as appropriate, best practices and lessons learned from the date of the prior Quarterly Report.
2. Failure to submit to HUD a timely Quarterly Report may result in a suspension of Choice Neighborhoods Grant funds in LOCCS until such time as the report is received and approved by HUD, and/or any other default remedy authorized by Article XV.

B. Obligations and Expenditures. The Grantee must enter cumulative obligation and expenditure data into LOCCS by the due dates established by HUD, whether or not there has been any change in the cumulative amounts since the end of the last quarter.

C. Additional Information Requests. Subject to paragraph (D) of this Article, the Grantee will comply with all other reporting requirements from time to time established by HUD, in its sole discretion, in connection with the Choice Neighborhoods Program. The Grantee will:

1. fully cooperate with all reasonable information gathering requests made by HUD or contractors of HUD in the course of authorized evaluations of the Choice Neighborhoods Program; and
2. if requested, submit any post-closeout reports, in the forms prescribed by HUD, for a reasonable period of years as designated by HUD.

D. Additional Requirements. The Grantee agrees to comply with all other terms and conditions HUD may establish to administer, monitor, or evaluate the Choice Neighborhoods Program in an effective and efficient manner. Notwithstanding the foregoing, however, except as provided in Article XV, HUD hereafter will not establish any additional terms and conditions without:

1. consideration of the burden imposed on the Grantee by such conditions or requirements;
2. consideration of the availability of less burdensome conditions or requirements; and
3. in the case of a term or condition applicable solely to the Grantee, consulting in advance with the Grantee.

ARTICLE XIV. Technical Assistance

- A. **Site Visits.** The Grantee acknowledges and agrees that HUD, or its designees, may conduct site visits and inspections as deemed necessary by HUD based upon the Grantee's needs in creating the Transformation Plan or the needs of the Choice Neighborhoods Program. Technical assistance site visits may be provided by HUD or its designees:
1. in response to requests from the Grantee; or
 2. based upon demonstrated needs of the Choice Neighborhoods Program; or
 3. as provided in paragraph (B) of this Article.
- B. **HUD Assessment.** HUD representatives will visit the site and make an assessment of any technical assistance and/or training that the Grantee may require for the creation of the Transformation Plan. HUD will consult with the Grantee in determining the Grantee's specific technical assistance and training needs and will carry out subsequent on-site assessments, as necessary.
- C. **Technical Assistance Provider.** If HUD determines, in its discretion, that technical assistance and/or training is necessary for the creation of the Transformation Plan, it will assign a technical assistance provider to work with the Grantee for this purpose.
- D. **Grantee Training/Technical Assistance.** The Grantee agrees to use its best efforts to attend any training and to accept any technical assistance provided or sponsored by HUD.

ARTICLE XV. Unsatisfactory Performance/Default

- A. In accordance with Section 24(i) of the 1937 Act, if the Grantee defaults under this grant agreement, HUD may withdraw any unobligated grant amounts and may pursue other actions as described in this Article. HUD shall redistribute any withdrawn amounts to one or more other applicants eligible for Choice Neighborhoods assistance or to one or more other entities capable of proceeding expeditiously in the same locality in carrying out the planning process of the original Grantee. This section applies to all Grantees regardless of their status as a local government, PHA, for-profit, or other entity.
- B. **Default.** Each of the following events or occurrences, to the extent it constitutes a material breach or occurrence, may constitute a default by the Grantee under this Grant Agreement, as determined by HUD in its sole discretion:
1. use of funds provided under this Grant Agreement for any purpose, in any manner or at any time, other than as authorized by this Grant Agreement;

2. failure to comply with the Choice Neighborhoods Requirements or any other Federal, State, or local laws, regulations, or requirements applicable in creating the Transformation Plan;
3. failure to make any submission under Article V, perform any obligation, or otherwise fail to proceed in a manner consistent with the Transformation Plan, (including, without limitation, failure to accomplish an activity by the date specified in the Program Schedule);
4. any material misrepresentation in any of the required submissions, including, without limit, any misrepresentations in any of the submissions required by Article V; or
5. failure to comply with, or any material breach of, any other requirements, conditions, or terms of this Grant Agreement.

C. Notice of Default and Action(s) to Cure.

1. General. HUD will give the Grantee written notice of any default. The notice will give the Grantee the opportunity to cure such default within 30 days of the date of the notice, or to demonstrate within this time period, by submitting substantial evidence satisfactory to HUD, that it is not in default. If the default is not able to be cured within the 30-day period, the Grantee will demonstrate, to HUD's satisfaction, that the Grantee has taken actions necessary to cure the default and that the default is curable within 90 days from the date of the default notice. Additionally, the Grantee must agree to carry out such cure diligently and to complete the cure within the 90-day period.
2. Immediate Default. Notwithstanding the provisions of paragraph (C)(1) of this Article, HUD in its sole discretion may place the Grantee into immediate default for not being in compliance with its Program Schedule or for non-compliance with Choice Neighborhoods Requirements once written notification of default has been provided to the Grantee. At that time, HUD may immediately begin imposing consequences of default, including specifically the suspension of draws of the Choice Neighborhoods grant.
3. Imminent Threat. Notwithstanding the provisions of subparagraph (C)(1) of this Article concerning the opportunity to cure defaults, if HUD reasonably determines that there is an imminent threat that the Grantee will expend additional Choice Neighborhoods Grant funds in violation of the provisions of this Grant Agreement, HUD may implement the remedial action provided for under subparagraph (C)(4) of this Article to prevent any such unauthorized expenditure until such time as the Grantee has complied with the cure provisions set forth above. HUD will implement such remedial action by written notice set forth either in the notice of default given under paragraph (C)(1) of this Article or by subsequent written notice to the Grantee. An imminent threat is not an immediate default.

4. Consequences of Default. If the Grantee fails to cure all defaults specified in the notice of default within the time periods set forth in paragraph (C)(1) of this Article, or fails to diligently pursue or complete any cure as provided in paragraph (C)(1), HUD may take any of the following remedial actions, upon written notice to the Grantee:
 - a. requiring a Grantee in default to provide evidence to HUD of acceptable performance over such period of time as specified by HUD and to obtain written approval from HUD to proceed to the next phase of activities;
 - b. requiring additional, more detailed financial reports;
 - c. requiring additional project monitoring;
 - d. requiring the Grantee (or subrecipient) to obtain technical or management assistance;
 - e. establishing additional prior approvals;
 - f. require the Grantee, within a time period established by HUD, to prepare a revised Program Schedule, obtain HUD's approval thereto, and follow such revised Program Schedule to complete the activities under the Grant Agreement;
 - g. require the Grantee, within a time period established by HUD, to revise any activity under the Grant Agreement in order to successfully complete the activities under the Grant Agreement in a manner satisfactory to HUD, including, without limitation, exclusion or revision of affected activities, revision of the Choice Neighborhoods Budget as necessary, and substitution of other eligible activities;
 - h. require submission of additional documentation before any additional request for funds will be approved;
 - i. temporarily suspend the Grantee's authority to draw down Choice Neighborhoods Grant funds for affected activities, or at HUD's sole discretion for all activities, pending action to cure the defaults;
 - j. disallow use of Choice Neighborhoods Grant funds for all or part of the cost of the activity or action not in compliance;
 - k. recover amounts determined by HUD to have been improperly expended, including any property obtained by the Grantee with such grant funds;
 - l. require reimbursement by the Grantee for Choice Neighborhoods Grant funds determined by HUD to have been improperly expended;
 - m. make arrangements satisfactory to HUD, in its sole discretion, for use of an entity other than the Grantee to carry out activities assisted under the Grant Agreement, including requiring the Grantee to assign any outstanding contracts obligating grant funds to another entity.

5. Additional Enforcement Actions. If HUD determines that the remedial actions taken by HUD under paragraph (C)(4) of this Article have not been effective in curing the default, or if the Grantee has not complied with the requirements imposed by HUD under paragraph (C)(4) and has not otherwise cured the default, or if HUD exercises its discretion under subparagraph (C)(2) of this Article to institute any of the following actions, HUD may take any of the following remedial or enforcement actions (in addition to any of the remedies permitted under paragraph (C) of this Article upon written notice to the Grantee):
 - a. reduce the Choice Neighborhoods Grant in the amount affected by the default;
 - b. terminate the Choice Neighborhoods Grant as to all further activities and initiate closeout procedures;

- c. recapture any Choice Neighborhoods Grant funds not obligated by the Grantee.
 - i. If the basis for the Grantee’s default is its failure to comply with the reasonable time periods established by HUD under Article V, HUD shall, in accordance with section 24(i) of the 1937 Act, and unless otherwise approved by HUD under paragraph (C)(3) of this Article, recapture any Choice Neighborhoods Grant funds not obligated by the Grantee.
 - ii. If the Grantee fails to comply with the reasonable time periods established in Article V, HUD may take into account whether factors beyond the Grantee’s control are the cause of the delay.
 - d. take action against the Grantee under 24 CFR part 24 and Executive Order 12549 with respect to future HUD or Federal grant awards; and
 - e. take any other available legal or equitable remedial action, including, but not limited to, any remedial actions available under a PHA’s ACC and/or premised on HUD’s interest in the housing development established in the relevant Declaration of Trust or Declaration of Restrictive Covenants or housing assistance contract, as applicable.
6. Delinquent Federal Debts. Consistent with the purposes and intent of 31 U.S.C. 3720B and 28 U.S.C. 3201(e), Grantees with an outstanding federal debt must provide to HUD a negotiated repayment schedule which is not delinquent or have made other arrangements satisfactory to HUD. If arrangements satisfactory to HUD cannot be completed within 90 days of notification of selection, HUD will not make an award of funds to the Grantee, but offer the award to the next eligible Grantee. Applicants selected for funding, or awarded funds, must report to HUD changes in status of current agreements covering federal debt. If a previously agreed-upon payment schedule has not been adhered to or a new agreement with the federal agency to which the debt is owed has not been signed, the Grantee will be considered to be in default under this Agreement.

ARTICLE XVI. Funding Obligation Date, Date of Funding Availability and Effective Date

The date of obligation by HUD of the funding to the Grantee under this Grant Agreement is the date HUD signed the form HUD-1044. The date of fund availability for this Grant Agreement is the date that the Lead Grantee signs the HUD-1044. The effective date of the Grant Agreement is the date that HUD signs the signature page of the Grant Agreement.

ARTICLE XVII. Project Closeout

- A. Grants will be closed out in accordance with 2 CFR 200.344, or successor regulation, and as detailed in the Choice Neighborhoods closeout guidance. The program specific guidance is posted to the Choice Neighborhoods website. The closeout process generally includes the following steps:
 - 1. Submission of closeout materials. Within 120 days after the Period of Performance End Date, Grantee must submit closeout materials, including a termination of disbursements

letter, the final Choice Neighborhoods budget, and the Actual Choice Neighborhoods Cost Certificate (ACNCC) (form HUD-50163).

2. HUD Review of Preliminary Closeout Materials. HUD will review Preliminary Closeout Materials to confirm that:

- a. The amounts on the final Choice Neighborhoods Budget and ACNCC agree as to funds approved, obligated, and expended.
- b. The amount of funds approved and disbursed on the ACNCC agrees with HUD records in LOCCS.
- c. If HUD disbursed more funds than the Grantee expended, the Grantee will immediately remit to HUD the excess funds, without waiting for completion of the final audit.

3. Final Audit. Following HUD approval of the Preliminary Closeout Materials, the Grantee must conduct a final audit of the Planning Grant in accordance with the requirements of 2 CFR Part 200, Subpart F. and forward the audit to HUD for approval.

4. Final Closeout. Upon receipt of the final audit, the designated HUD official will execute the ACNCC. Any funds remaining in the Planning Grant will be recaptured by HUD. A Post-Audit Date will be entered into LOCCS and the grant will be closed.

ARTICLE XVIII. Money Damages

This grant agreement does not contemplate money damages for breach of the agreement by HUD. The Grantee is entitled to any relief against HUD for breach of the agreement that is provided by the Administrative Procedure Act.

ARTICLE XIX. Points of Contact

Any correspondence related to this Grant Agreement should be directed to the following points of contact for HUD, the Lead Grantee, and any other Grantees:

For the U.S. Department of Housing and Urban Development:

Ms. Luci Blackburn

Choice Neighborhoods Director, Office of Public Housing Investments

U.S. Department of Housing and Urban Development

451 7th Street, SW Room 4130

Washington, DC 20410

For the Lead Grantee:

Ms. Stacey Daniels-Fayson

Interim Chief Executive Officer

Richmond Redevelopment and Housing Authority

901 Chamberlayne Pkwy

Richmond, VA 23220-2309

For the Co-Grantee:

Mr. Lincoln Saunders

Acting Chief Administrative Officer

City of Richmond

900 E. Broad Street

Richmond, VA 23219-1907

ARTICLE XX. Signature Page.

DocuSigned by:
Stacey Daniels-Fayson
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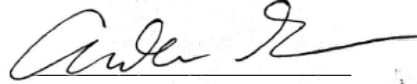
Stacey Daniels-Fayson
Interim Chief Executive Officer
Richmond Redevelopment and Housing Authority

01-04-2022 | 3:12 PM PST

Date

Lincoln Saunders
Chief Administrative Officer
City of Richmond

Approved as to Form:



Andrew A. Gore
Assistant City Attorney

Date

Dominique Blom
General Deputy Assistant Secretary
Office of Public and Indian Housing
U.S. Department of Housing and Urban Development

Date

Appendix A

Additional statutory, regulatory, and other requirements with which Grantee must comply as applicable include:

1. Fair Housing Certifications, as the same maybe amended from time to time, and any additional Fair Housing requirements that may become applicable:
 - A. the Fair Housing Act (42 U.S.C. §§ 3601-19) and regulations pursuant thereto 24 CFR part 100;
 - B. Executive Order 11063 (Equal Opportunity in Housing) and regulations pursuant thereto (24 CFR part 107);
 - C. the fair housing poster regulations (24 CFR part 110) and advertising guidelines (24 CFR part 108);
 - D. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d) and regulations pursuant thereto (24 CFR part 1) relating to nondiscrimination in housing;
 - E. the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. §§ 6101-07) and regulations issued pursuant thereto (24 CFR part 146);
 - F. the prohibitions against discrimination on the basis of disability, including requirements that the Grantee make reasonable modifications and accommodations and make units accessible, under Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794) and regulations issued pursuant thereto (24 CFR part 8) or the 2010 ADA Standards for Accessible Design;
 - G. the Americans with Disabilities Act (42 U.S.C. § 12101 et seq.) and its implementing regulation at 28 CFR part 35; and
 - H. the Architectural Barriers Act of 1968, as amended (42 U.S.C. § 4151) and regulations issued pursuant thereto (24 CFR part 40).
 - I. Accessible Technology. Section 508 of the Rehabilitation Act of 1973, as amended (Section 508) requires HUD to ensure, when developing, procuring, maintaining, or using electronic and information technology (EIT), that the EIT allows persons with disabilities to access and use information and data comparably to those without disabilities unless an undue burden would result to the Federal agency. HUD encourages its recipients to adopt the goals and objectives of Section 508 by ensuring comparable access whenever EIT is used. Recipients must also comply with Section 504 of the Rehabilitation Act and, where applicable, the ADA. These statutes also require effective communication with individuals with disabilities and prohibit EIT-imposed barriers to access information, programs, and activities for persons with disabilities.
2. Finance and Accounting
 - A. Commingling of Grant Funds. The Grantee agrees that, in its recordkeeping, it will not commingle Choice Neighborhoods Grant funds with funds from any other sources including, but not limited to, other HUD program funds or funds from other Federal, State, or local government agencies. (Such other funds may be used to carry out the Transformation Plan, so long as they are not commingled in the Grantee's recordkeeping.)

B. Duplication of Funding. The Grantee will ensure that Choice Neighborhoods Grant funds are not used to duplicate work that is funded with any other HUD funds, funds from any other Federal program, or from any other funding source identified under the Transformation Plan, and will establish controls to assure non-duplication of funding.

3. Record Retention

A. Record Retention Authorities. The Grantee must comply with and be subject to all Federal recordkeeping requirements, including, but not limited to 2 CFR 200.334.

B. Record Retention Requirements. Grantees must retain records in accordance with the requirements of paragraph (A) above, including, but not limited to:

1. the amount and disbursement of funds received under this Choice Neighborhoods Grant, including sufficient records that document the reasonableness and necessity of each expenditure;
2. the amount and nature of any other assistance, including cash, services, or other items contributed to assist in the development of the Transformation Plan or contributed as a condition of receiving this Choice Neighborhoods Grant;
3. any other proceeds received for, or otherwise used in connection with, the Transformation Plan; and

C. Access to Records. For the purpose of audit, examination, monitoring, and evaluation, the Grantee will give HUD (including any duly authorized representatives and the Inspector General) access, and will ensure that any participating party will give HUD such access, to any books, documents, papers, and records of the Grantee, or such participating party, that are pertinent to assistance received under this Choice Neighborhoods Grant or under the Transformation Plan, including all records required to be kept by paragraph (B) above.

4. Reporting. Compliance with the Federal Funding Accountability and Transparency Act of 2006 (31 USC 6101 note), (Public Law 109-282) (Transparency Act), as amended. Please refer to www.fsrs.gov for complete information on requirements under the Transparency Act and OMB guidance.

5. Eminent Domain. Section 407 of Div. H, Title IV of the Further Consolidated Appropriations Act, 2020, prohibits the use of funds to support any federal, state, or local project that seeks to use the power of eminent domain, unless eminent domain is employed only for a public use.