

CITY OF BRUNSWICK

601 Gloucester Street * Post Office Box 550 * Brunswick * Georgia * 31520-0550 * (912) 267-5500 * Fax (912) 267-5549

Cosby H. Johnson, Mayor
Felicia M. Harris, Mayor Pro Tem
John A. Cason III, Commissioner
Julie T. Martin, Commissioner
Kendra L. Rolle, Commissioner

City Attorney
Brian D. Corry

City Manager
Regina M. McDuffie

AGENDA

**BRUNSWICK CITY COMMISSION
REGULAR SCHEDULED COMMISSION MEETING
WEDNESDAY, NOVEMBER 2, 2022 AT 6:00 P.M.
1229 NEWCASTLE STREET, 2nd FLOOR
&
STREAMED LIVE AT THE BELOW WEB ADDRESS:**

<https://www.facebook.com/citybwkga>

CALL TO ORDER **INVOCATION **PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

1. Adoption of November 2, 2022 Regular Meeting Agenda.

PUBLIC COMMENT

2.

- I. Johnny Hillary to Address Commission Regarding Flooding Prevention Recommendation.
- II. Jenna Lightfoot to Address Commission Regarding Funding for St. Mark's Tower.
- III. Peter Schmidt to Address Commission Regarding Funding for St. Mark's Tower.

UPDATE(S)

3. Magnolia Park/College Park Neighborhood Planning Assembly (NPA) Chairman Jeffery Muchison to Address Commission Regarding Flooding in Magnolia Park.

ITEM(S) TO BE CONSIDERED FOR APPROVAL

4. Consider Approval of October 19, 2022 Regular Scheduled Meeting Minutes. *(subject to any necessary changes.)* (N. Atkinson) **(Encl. 1)**

5. Consider Approval of Community Development Block Grant-Disaster Relief Subrecipient Agreement for St. Mark's Tower Project. (R. George) **(Encl. 2)**

6. Consider of Twelve (12) Alcohol License Renewals; and One (1) Renewal with Violations. (A. Brown)

7. Consider Approval of Financial Reports as of September 30, 2022. (K. Mills) **(Encl. 3)**

8. Consider Approval of Resolution 2022-11 ~ Authorize Additional Accounts to be Invested in Georgia Fund 1. (K. Mills) **(Encl. 4)**

9. Consider Rescheduling November 16, 2022 Commission Meeting. (Mayor)

EXECUTIVE SESSION

**OFFICIAL MINUTES
BRUNSWICK CITY COMMISSION
REGULAR SCHEDULED MEETING
WEDNESDAY, OCTOBER 19, 2022
AT 5:00 P.M.**

1229 NEWCASTLE STREET, 2nd FLOOR

&

STREAMED LIVE AT THE BELOW WEB ADDRESS:

<https://www.facebook.com/citybwkga>

PRESENT: Honorable Mayor Cosby Johnson, Mayor Pro-Tem Felicia Harris, Commissioner John Cason III, Commissioner Julie Martin and Commissioner Kendra Rolle

CALL TO ORDER: Mayor Johnson - *meeting began at 5:00 p.m.*

INVOCATION: Mayor Johnson

ADDENDUM(S) TO AGENDA

Commissioner Rolle made a motion to defer agenda item number 3 – “Consider Approval of Rezoning Petition No. 22-04; from Hunter, Maclean, Exley & Dunn, PC, Agent, Petitioning to Rezone 50 Faith Avenue to Conservation-Preservation (CP) from R9 One-Family Residential (R9); seconded by Mayor Pro Tem Harris. Motion passed unanimously.

**

Mayor Johnson opened floor to anyone to address the commission regarding agenda item number 3. The following individuals addressed the commission:

- 1) Ben Hartman on behalf of petitioner(s) for the rezoning (i.e. agenda item no. 3) stated that the petitioners are withdrawing the rezoning petition.
- 2) Cornell Harvey thanked commission for their due diligence in regard to the rezoning petition; he also reported that Greater Works Than These Ministries no longer has an interest in the property in question (i.e. 50 Faith Avenue).
- 3) Cedric King opposed the rezoning for the property in question (i.e. 50 Faith Avenue).

**

APPROVAL OF AGENDA

1. Adoption of October 19, 2022 Regular Meeting Agenda.

Mayor Pro Tem Harris made a motion to adopt the above-referenced agenda with the addendum referenced-above; seconded Commissioner Rolle. Motion passed unanimously.

RECOGNITION(S), PRESENTATION(S), & AWARD(S)

2. Proclamation Presentation to Goodwill Southeast Georgia Director of Marketing and Communications Hillary Bradbury, Recognizing the Month of October as National Disability Employment Awareness Month.

Proclamation accepted with gratitude.

PUBLIC HEARING(S) – LAND USE

3. Consider Approval of Rezoning Petition No. 22-04; from Hunter, Maclean, Exley & Dunn, PC, Agent, Petitioning to Rezone 50 Faith Avenue to Conservation-Preservation (CP) from R9 One-Family Residential (R9). (*J. Hunter*)

The above-referenced item was deferred.

UPDATE(S)

4. Zach Puckett, Project Manager, Pond & Company to Provide Update on Lanier-Gloucester Intersection Improvement Intersection Design Update. *(G. Alberson)*
Commission thanked Mr. Puckett and Mr. McArdle for the update.
City Clerk Atkinson was directed to draft a letter to GDOT regarding Commissioner Cason's comments.
5. Jim Ritchey, Whitman, Requardt & Associates, to Provide Update Regarding Transit Program. *(J. Hunter)*
Commission thanked Mr. Ritchey for the update.
6. Urbana Perry Park Neighborhood Planning Assembly (NPA) Chairman Kitts and Vice Chairperson Collins to Update Commission Regarding Issues/Concerns of Urbana Perry Park NPA.
Commission thanked NPA Chair and Vice Chair for their updates/concerns.
7. Update Regarding Tiny House Program, Linda Heagy, Treasurer, Hand in Hand of Glynn.
Commission thanked Ms. Heagy for the update.
8. Update Improvements at Lovers Oak. *(R. McDuffie)*
Miriam Lancaster and Sandra Colhard gave an overview of the history and plans for improvements at Lovers Oak.
Informational only; no action required.
9. Update Goodyear Park Improvement Plan. *(R. McDuffie)*
Informational only; no action required.

ITEM(S) TO BE CONSIDERED FOR APPROVAL

10. Consider Approval of October 5, 2022 Regular Scheduled Meeting Minutes. *(subject to any necessary changes.) (N. Atkinson)*
Commissioner Cason made a motion to approve the above-referenced minutes; seconded by Commissioner Rolle. Motion passed unanimously.
11. Consider Approval of Contract for Construction of a Restroom and Equipment Building at Orange Square. *(G. Alberson)*
Commissioner Martin made a motion to approve the contract with Miken Construction in the amount of \$132,700 for the above-referenced construction; seconded by Commissioner Rolle. Motion passed unanimously.
12. Consider Approval of the Reorganization of the Brunswick Fire Department. *(L. Cargile)*
Commissioner Martin made a motion to approve the above-referenced reorganization as submitted; seconded by Mayor Pro Tem Harris. Motion passed unanimously.
13. Consider Approval of Reorganization of Brunswick Police Department. *(K. Jones)*
Mayor Tem Harris made a motion to approve the above-referenced reorganization as submitted; seconded by Commissioner Martin. Motion passed unanimously.

CITY ATTORNEY'S ITEM(S)

14. Consider Approval of Local Option Sales Tax Intergovernmental Agreement Between Glynn County, Georgia and The City of Brunswick, Georgia.
Commissioner Martin made a motion to approve the above-referenced agreement; seconded by Commissioner Rolle. Motion passed unanimously.
15. Consider for Discussion and Approval Resolution 2022-10 ~ Imposing a Moratorium on the Establishment, Expansion or Development of a Homeless Shelter Where One is not Currently Operated.
Commissioner Martin made a motion to approve the above-referenced resolution, subject to City Attorney Corry revisions; seconded by Commissioner Cason. Motion passed unanimously.

EXECUTIVE SESSION

Commissioner Martin made a motion to adjourn to executive session to discuss litigation; seconded by Mayor Pro Tem Harris. Motion passed unanimously.

RECONVENE FROM EXECUTIVE SESSION

Mayor Johnson announced no action was taken.

Commissioner Cason made a motion to adjourn; seconded by Commissioner Martin. Motion passed unanimously.

MEETING ADJOURNED – *meeting adjourned at 9:05 p.m.*

/s/Cosby H. Johnson
Cosby H. Johnson, Mayor

Attest: /s/ Naomi D. Atkinson
Naomi D. Atkinson
City Clerk



SUBJECT: Approval of CDBG-DR Subrecipient Agreement for St. Mark's Tower Project

COMMISSION ACTION REQUESTED ON: November 02, 2022

PURPOSE: To approve the subrecipient agreement between the Department of Community Affairs and the City of Brunswick for the \$6.0 million rehabilitation project for St. Mark's Tower and provide for full execution of the agreement and any other grant documents and acceptance of the grant award.

HISTORY: St. Mark's Tower sustained damage from Hurricane Irma and was identified as an eligible project for renovation and rehabilitation under the Community Development Block Grant-Disaster Recovery (CDBG-DR) Affordable Multi-Family Rehabilitation Program.

FACTS AND ISSUES: The building exterior sustained damage during the hurricane event and reinforcement of the building including the windows is needed to repair and make the building more resilient to storms. The roofing has been completed by St. Mark's and is not a part of this project.

BUDGET INFORMATION: \$6.0 million, fully grant funded through DCA.

OPTIONS:

1. Approve execution of the agreement and acceptance of the grant award.
 2. Do not approve execution of the agreement and acceptance of the grant award.
 3. Take no action at this time.
-

DEPARTMENT RECOMMENDATION ACTION:

Approve execution of the agreement and acceptance of the grant award.

DEPARTMENT: Economic Development

Prepared by: Regina M. McDuffie, City Manager

ADMINISTRATIVE COMMENTS:

St. Mark's is a non-profit senior living facility that serves low-income seniors. This project provides needed improvements to the buildings and helps safeguard citizens in our senior community.

ADMINISTRATIVE RECOMMENDATION:

Approve execution of the agreement and acceptance of the grant award.

Regina M. McDuffie

10/18/2022

City Manager

Date

**Pages from HUD Approved Action Plan Amendment
Department of Community Affairs**

The full document is available at
<https://www.dca.ga.gov/node/7936>

Table 39: Programs and Allocations							
Housing Program Type	Allocation	% of Allocation	MID Allocation	15-County Allocation	Amount serving LMI	LMI %	National Objective
Affordable Multifamily Rental	\$13,470,664 \$13,534,164	26% 27%	\$13,470,664	\$0	\$13,470,664 \$13,534,164	100%	LMI
Homeowner Rehabilitation & Reconstruction	\$8,000,000 \$8,854,400	16% 17%	\$8,000,000 \$8,679,000	\$0	\$5,600,000 \$6,075,300	70%	LMI/ UN
<u>Affordable Multifamily Rental Rehabilitation</u>	<u>\$6,000,000</u>	<u>12%</u>	<u>\$6,000,000</u>	<u>\$0</u>	<u>\$6,000,000</u>	<u>100%</u>	LMI
Buyout & Acquisition	\$6,854,400	13%	\$6,854,400	\$0	\$3,084,480	45%	LMB/ LMA/ UN
HMGP	\$3,000,000	6%	\$1,000,000	\$2,000,000	\$1,200,000	40%	LMI/ UN
Infrastructure	\$12,364,816 \$16,500,000	25% 32%	\$9,891,853 \$16,500,000	\$2,472,963 \$0	\$7,418,890 \$16,500,000	60% 100%	LMI/ UN
Total Program Budget	\$43,689,880 \$44,713,164	88% 88%	\$39,216,917 \$44,713,164	\$4,472,963 \$0	\$30,774,034 \$42,109,464	70% 94%	
Administration	\$2,547,930	5%	\$0	\$0	\$0	N/A	N/A
Planning	\$4,720,786 \$3,552,102	7% 7%	\$3,776,629 \$2,958,002	\$944,157 \$739,500	\$0	N/A	N/A
Grand Total	\$50,958,596	100%	\$42,993,546 \$47,416,545	\$5,417,120 \$930,620	\$30,774,034 \$37,587,644		

6C: Connection to Unmet Needs

As detailed in the Impact and Unmet Needs Assessment section, Hurricane Irma and the two January tornadoes caused extensive loss. The estimated impact from the 2017 disaster events is approximately \$465,300,736 and, despite funds committed for emergency response and immediate recovery efforts, at least \$356,277,486 in unmet needs remain based on existing data. While the unmet needs far exceed CDBG-DR Action Plan allocations, DCA has developed several programs to serve as a framework for the overall recovery of these communities.

6D: CDBG-DR Program National Objectives

The Georgia Department of Community Affairs has designed this CDBG-DR program in compliance with the National Program objectives and will ensure that assistance is prioritized toward the most

6L: Infrastructure Program

NATIONAL OBJECTIVE: Benefit to low- and moderate-income persons or households and Urgent Need
CDBG-DR ALLOCATION: ~~\$12,364,816~~ \$16,500,000
PROJECTED ACCOMPLISHMENTS: The State estimates it will be able to assist 600 individuals
Proposed Start Date: 2021
Proposed End Date: 2024
Program Maximum: No project maximum ~~for MID Area; \$750,000 for 15-county area~~
Administering Entity: Local Government Subrecipients ~~— MID Areas — Competitive awards based on applications~~

Program Summary

The goal of the CDBG-DR Infrastructure Program is to fund infrastructure projects in the Most Impacted and Distressed communities ~~affected~~ impacted by the 2017 tornadoes and Hurricane Irma. Projects funded under this program may include, but are not limited to, water/sewer/stormwater, streets/bridges, drainage systems, and facilities. DCA will encourage activities related to storm water management in flood-impacted areas. Specifically, DCA will work with the MID areas directly to identify unmet needs and associated costs of needed storm water infrastructure. DCA will also encourage subrecipients to incorporate mitigation measures to reduce future risk to the jurisdiction. Activities funded through this program must have a tie back to the disaster. DCA will rely on professional engineers, procured by the subrecipients, to employ adaptable and reliable technologies to guard against premature obsolescence of infrastructure and ensure that the construction or rehabilitation of storm water management systems in flood areas will mitigate future flood risk. DCA will evaluate each application to ensure alignment with other planned state or local capital improvements and infrastructure development efforts.

Eligibility Requirements:

1. Project must be located within Most Impacted and Distressed Areas ~~or one of the 15 counties eligible for FEMA's Individual and Public Assistance.~~
2. If any choice-limiting actions have occurred, the application would be considered ineligible.
3. Further details regarding eligibility criteria will be detailed in the CDBG-DR Infrastructure Applicant's Manual. This Manual will be provided to eligible local governments prior to the application period.

Ineligible Activities and Applicant Eligibility Criteria

Ineligible activities will be defined in the CDBG-DR Infrastructure Applicant's Manual.

Consideration of Costs and Benefits

DCA will encourage subrecipients to consider the costs and benefits of the project when selecting CDBG-DR eligible projects. This will be completed by encouraging subrecipients to perform a self-assessment of each proposed project and selecting the project(s) that provide(s) the greatest impact within the confines of the allocated ~~budgeted~~ grant amount.

Affirmatively Furthering Fair Housing

Proposed activities will undergo Affirmatively Furthering Fair Housing (AFFH) review before approval. Such review will include an assessment of the proposed project area's demography, socioeconomic characteristics, environmental hazards or concerns and other factors material to the AFFH determination. Activities should lessen area racial, ethnic, and low-income concentrations and/or promote affordable

housing in low- poverty, non-minority areas in response to natural hazard-related impacts, where applicable.

6: Affordable Multifamily Rehabilitation

CDBG-DR Allocation: \$6,000,000

Proposed Start Date: 2021

Proposed End Date: 2022

Program

Because rental units house a high percentage of underserved residents, DCA has allocated 12% of the CDBG-DR budget to serve rental rehabilitation. This program will serve a variety of needs and prevent greater homelessness in the communities most impacted by the disasters. The provision of safe, disaster resistant housing for residents impacted by the 2017 disasters is critical to the long-term recovery strategies of the eligible areas. The program's eligible activities will include rehabilitation of an existing affordable housing complex, which was impacted by Hurricane Irma by 2017.

Income Limits for Tenants

HUD's income limits for 80% AMI will be used in the Affordable Multifamily Rental Rehabilitation Program to determine low- and moderate- income status.

DCA's goal is to promote housing for vulnerable populations. Vulnerable populations are those over 62 years of age, persons with disabilities, families with children (under the age of 18), persons with alcohol or drug addictions, persons with HIV/AIDS and their families and public housing residents. To address the housing need for vulnerable residents, the property chosen for the Affordable Multifamily Rental Program houses 100% LMI individuals, who are also over the age of 62.

DCA will be using a subrecipient model to administer this program.

Awarded Affordable Multifamily Complex

The Georgia Department of Community Affairs will directly allocate funds to Glynn County. The county will implement the program by hiring a contractor to rehabilitate the St. Marks Towers in Brunswick, Georgia. This work will include replacing damaged windows in the buildings with shatter-proof windows which can sustain the force of hurricane winds and rain, replacing the rusted HVAC systems, etc.

Subrecipient Agreement (SRA)

**State of Georgia
DeKalb County**

**COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY
AFFORDABLE MULTIFAMILY REHABILITATION PROGRAM**

**SUBRECIPIENT AGREEMENT BETWEEN THE GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS
(DCA)
AND
CITY OF BRUNSWICK**

THIS AGREEMENT is entered this _____ day of _____, 20 ____ by and between the Georgia Department of Community Affairs (hereinafter referred to as “Grantee” or “DCA”) and City of Brunswick (hereinafter referred to as “Subrecipient”), is for the provision of the Community Development Block Grant- Disaster Recovery Affordable Multifamily Rehabilitation Program, as further defined in the “Exhibit A – Project Description and Deliverables.”

I. RECITALS

WHEREAS, Pursuant to Public Law (P.L.) 115-123 and the Federal Register Notice 83 FR 40314, dated August 14, 2018, the U.S. Department of Housing and Urban Development (“HUD”) has awarded fifty million, nine hundred and fifty-eight thousand, and five hundred and ninety-six dollars (\$50,958,596) in Community Development Block Grant Disaster Recovery (CDBG-DR) funds to the Georgia Department of Community Affairs for activities authorized under Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) and described in the Grantee’s Action Plan (the “Action Plan”).

WHEREAS, the Grantee wishes to engage the Subrecipient to assist the Grantee in utilizing such funds to carry out a part of the Grantee’s Federal award by committing \$6,000,000 of the Grantee’s Federal award, pursuant to this Subrecipient Agreement (the “Agreement”).

WHEREAS, the CDBG-DR funds made available for use by the Subrecipient under this Agreement constitute a subaward of the Grantee’s Federal award and the use of which must be in accordance with requirements imposed by Federal statutes, regulations, and the terms and conditions of the Grantee’s Federal award.

WHEREAS, the Grantee’s estimated total need for housing is nearly three hundred and twenty-nine million dollars (\$329,000,000), this subaward will address the housing damages which were identified as the most critical need in the Action Plan.

WHEREAS, the Subrecipient has legal authority to enter this Agreement, and the Subrecipient’s governing body has duly adopted the [_____] dated [_____], authorizing the Subrecipient to enter this Agreement with the Grantee, and by signing this Agreement, to assure the Grantee that it will comply with all the requirements of the subaward described herein.

NOW, THEREFORE, in consideration of the need for recovery from the FEMA Disaster Declarations DR-4294, DR-4297, and/or DR-4338, and the premises and mutual covenants described herein, the parties mutually agree to the terms described in this Agreement.

II. GENERAL AWARD INFORMATION

The subaward from the Grantee to the Subrecipient, which is described below, is for the purpose of carrying out a portion of a federal award described in Section I of this Agreement and creates a federal assistance relationship with the Subrecipient. This Agreement must be updated to reflect any changes to the federal award and the following award information.

Federal Award Date: June 27, 2019

Is this award for research and development: Yes No

Subrecipient's DUNS Number:

Amount of the Federal Award Committed to the Subrecipient by this Agreement: \$300,000.00

Total amount obligated by this and any other Agreement: \$300,000.00

III. POINTS OF CONTACT

Grantee:	Subrecipient:
<u>Kathleen Tremblay</u> (Name of primary contact)	_____ (Name of primary contact)
Title: <u>CDBG-DR Program Manager</u>	Title: _____
Grantee: <u>Georgia Department of Community Affairs</u>	Subrecipient: _____
Address: <u>60 Executive Park South, NE</u>	Address: _____
City, State, ZIP: <u>Atlanta, GA 30329</u>	City, State, ZIP: _____
Telephone: <u>470-925-1342</u>	Telephone: _____

Federal Award Identification Number: B-18-DP-13-0001

CFDA Number and Name: 14.228

IV. TERM OF THE AGREEMENT AND PERFORMANCE PERIOD

This Agreement begins upon execution by both Parties (the "Effective Date") and ends **36 months (3 years)** after execution by the Grantee, unless otherwise terminated, as provided in this Agreement. If for reasons beyond the Subrecipient's control it appears that a grant extension will be necessary, a written request for a grant period extension should be sent to the Grantee. The grant extension request should be sent to the Grantee thirty (30) days prior to the grant's expiration date. The extension request should outline the reasons for the delay and specify the projected completion date. Grant extension approvals will be made in the form of a grant adjustment notice.

This Agreement and its terms and conditions shall remain in effect during any period that the Subrecipient has control over CDBG-DR funds provided through this agreement, including program income as defined in 24 CFR 570.489(e).

V. SUBRECIPIENT PERFORMANCE

The Subrecipient shall conduct, in a satisfactory manner as determined by the Grantee, CDBG-DR programs for disaster recovery in the most impacted and distressed zip code of 31520. The Subrecipient shall perform all activities in accordance with the terms of Exhibit A – Project Description and Deliverables; the budget, referred to as Exhibit B; General and Special Conditions, referred to as Exhibit C; and the State and Federal Statutes, Regulations, and Policies listed in Exhibit D. The Subrecipient must ensure that the persons to benefit from the activities described in Exhibit A of this Agreement are receiving the service or a benefit from the expenditure of funds under this Agreement. If the persons to benefit from the activities described in Exhibit A are not receiving the service or benefit, the Subrecipient is subject to penalties, including repayment of any associated disallowed costs.

VI. REQUESTS FOR PAYMENTS AND DISBURSEMENT OF FUNDS

The Grantee will issue payments to the Subrecipient for eligible expenses incurred by the Subrecipient. The Grantee shall review the reasonableness of each request for payment. In addition, the Grantee reserves the right to draw from and against funds otherwise available under this Agreement to pay for costs incurred by the Grantee on behalf of the Subrecipient.

DCA will not approve payment for costs incurred that are inconsistent with this Agreement, federal statutes, regulations (including Cost Principles in 2 CFR 200, subpart E), or the terms and conditions of the Grantee's Federal award, or that would otherwise result in the Grantee charging improper, unauthorized, or unallowable costs to the Grantee's Federal award.

a. Cash Depositories

Funds drawn under the CDBG-DR Program must be deposited as follows:

- A separate non-interest-bearing bank account must be established for the grant award. Only CDBG-DR funds should be deposited into this account. However, exceptions may be necessary for accounts with minimum balance requirements.
- The separate bank account must be established in a financial institution with Federal deposit insurance coverage and the balance exceeding the coverage must be collaterally secured.
- Consistent with the national goal of expanding the opportunities for minority and women owned business enterprises, Subrecipients are encouraged to use minority and/or women owned banks.

b. Time period for Subrecipient to Disburse Funds

The Subrecipient must minimize the time elapsing between the receipt of grant funds and their subsequent disbursement. A period of three (3) working days or less is considered acceptable.

VII. TIMELINESS STANDARDS AND CANCELLATION OF GRANT AWARD

The Grantee reserves the right to cancel the Grant Award if sufficient progress is not being made toward completion of the project. If the following timeliness standards are not met, issued funds may be subject to de-obligation by DCA:

- Submission of executed Subrecipient Agreement to DCA within two (2) months of receipt;
- Conduct a mold assessment throughout the building within six (6) months of the Effective Date of the Subrecipient Agreement but prior to the release of the Request for Proposals (RFP) for a contractor;
- Develop and post RFP for contractor to perform rehabilitation within six (6) months of the Effective Date of Subrecipient Agreement;
- Select contractor for rehabilitation within nine (9) months of the Effective Date of Subrecipient Agreement;
- Draw down of all funds within 36 months of Effective Date of Subrecipient Agreement.

In addition, the Grantee may cancel the Grant Award at any time if it becomes apparent to the Grantee that the Subrecipient has not initiated the administrative activities necessary to allow the project to proceed.

VIII. PROGRAM INCOME

Program income, as defined in 24 CFR 570.500(a), must be returned to the Grantee within thirty (30) days of receipt.

IX. PROHIBITED ACTIVITIES

The Subrecipient may only carry out the activities described in this Agreement. The Subrecipient is prohibited from charging to the subaward the costs of CDBG-DR ineligible activities, including those described at 24 CFR 570.207, and from using funds provided herein or personnel employed in the administration of activities under this Agreement for political activities, inherently religious activities, or lobbying.

X. PERFORMANCE MONITORING & REPORTING

A. Reporting

In addition to all deliverables and metrics specifically referenced in Exhibit A, the Subrecipient shall submit quarterly progress and financial reports to the Grantee in the form, content, and frequency required by the Grantee. At a minimum, reports shall be submitted no less frequently than required by the regulations listed as 2 CFR 200.38, 24 CFR 570.507 and the applicable federal register notices.

The Subrecipient shall provide the Grantee with a final project report upon completion of the project.

It is expressly understood and agreed by the parties that if the Subrecipient fails to submit to the Grantee in a timely and satisfactory manner any report required by this Agreement, the Grantee may, at its sole option and in its sole discretion, withhold any or all payments otherwise due or requested by the Subrecipient. If the Grantee withholds such payments, it shall notify the

Subrecipient in writing of its decision and the reasons, therefore. Payments withheld pursuant to this paragraph may be held by the Grantee until such time as the delinquent obligations for which funds are withheld are fulfilled by the Subrecipient. As soon as the deficiency is cured, payments can resume.

The Subrecipient is required to immediately report to the Grantee any incident of criminal misapplication of funds associated with this contract.

B. Monitoring

The Grantee reserves the right to perform periodic on-site monitoring of the Subrecipient's and the compliance of any of the Subrecipient's lower-tier recipients with the terms and conditions and exhibits of this contract, and of the adequacy and timeliness of the Subrecipient's and any lower-tier recipient's performances under this contract. If deficiencies are detected by the Grantee, the Grantee will notify the Subrecipient of corrective action to be undertaken. If action to correct such substandard performance is not taken in the timeframe specified in the notification by the Grantee, the Grantee may impose additional conditions on the Subrecipient and its use of CDBG-DR funds consistent with 2 CFR 200.207, suspend or terminate this agreement, or initiate other remedies for noncompliance as appropriate and permitted under 2 CFR 200.338.

XI. AMENDMENT AND TERMINATION

A. Amendments

The Grantee or Subrecipient may amend this Agreement at any time provided that such amendments make specific reference to this agreement, are approved by the Grantee, and are signed in writing by a duly authorized representative of the Grantee and the Subrecipient. Such amendments shall not invalidate this agreement, nor relieve or release the Grantee or Subrecipient from its obligations under this Agreement. Amendments will generally be required when any of the following are anticipated: i) revision to Exhibit A or C, including purpose or beneficiaries; ii) need to extend the availability of Grant Funds; iii) revision that would result in the need for additional funding; and iv) expenditures on items for which applicable cost principles require prior approval (see 24 CFR 570.200h for pre-award/pre-agreement costs).

The Grantee may, in its discretion, amend this Agreement to conform with federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. The grant requirements may be amended from time to time by future Federal Register Notices. Additional or amended grant requirements published in the Federal Register apply even if this grant agreement is not updated.

B. Suspension or Termination

The Grantee may terminate this agreement, in whole or in part, upon 30 days' notice, whenever it determines that the Subrecipient has failed to comply with any term, condition, requirement, or provision of this agreement. Failure to comply with any terms of this agreement, include (but are not limited to) the following:

- Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;
- Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this agreement;
- Ineffective or improper use of funds provided under this agreement; or
- Submission by the Subrecipient to the Grantee reports that are incorrect or incomplete in any material respect.

The Grantee shall promptly notify the Subrecipient, in writing, of its determination and the reasons for the termination together with the date on which the termination shall take effect. Upon termination, the Grantee retains the right to recover any improper expenditures from the Subrecipient. The Grantee may, at its sole discretion, allow Subrecipient to retain or be reimbursed for costs reasonably incurred prior to termination, that were not made in anticipation of termination and cannot be canceled provided that said costs meet the provisions of this agreement, 2 CFR Part 200, Subpart E, Cost Principles, and any other applicable state or Federal statutes, regulations or requirements. This agreement may also be terminated in whole or in part by either the Grantee or the Subrecipient, or based upon agreement by both the Grantee and the Subrecipient in accordance with the requirements in 2 CFR part 200, subpart D.

XII. MISCELLANEOUS

- a. Communications and correspondence under this Agreement may be conducted via email, facsimile, post, meetings and/or teleconferences. Communications preferences include email, post, meetings and/or teleconferences.
- b. This Agreement sets forth the entire agreement and understanding between the parties as to the subject matter hereof and merges all prior discussions between them; and neither party shall be bound by any conditions, definitions, warranties, understandings or representations with respect to such subject matter other than as expressly provided herein.
- c. This Agreement may not be modified or altered except in writing by an instrument duly executed by authorized officers of the parties. No other terms and conditions, oral or written, be they consistent, inconsistent, or additional to those contained herein, shall be binding upon the parties, unless and until such terms and conditions shall have been specifically accepted in writing by the parties.
- d. This Agreement does not create a partnership, joint venture, or in any other way classify the Grantee as a party to the Subrecipient's activities/projects.
- e. In the event of legal dispute of the terms contained herein, this Agreement shall be governed by, construed and applied in accordance with the laws of the state of Georgia.
- f. The Subrecipient may not delegate or contract to any other party any inherently governmental responsibilities related to management of the funds, such as, but not limited to, auditing and oversight of consulting services and contractors, policy development, and financial management.
- g. If any provision of this Agreement, or any portion thereof, should be ruled void, invalid, unenforceable or contrary to public policy by any court of competent jurisdiction, any remaining provisions of this Agreement shall survive and be applied, and together with the

invalid or unenforceable portion shall be construed or reformed to preserve as much of the original words, terms, purpose and intent as shall be permitted by law.

- h. The section and paragraph headings contained in the Agreement are for reference purposes only and shall not affect the meaning of interpretation of this Agreement.

[THE REMAINDER OF THIS PAGE WAS INTENTIONALLY LEFT BLANK;
SIGNATURE PAGE FOLLOWS]

Signature Page

IN WITNESS WHEREOF, and in consideration of the mutual covenants set forth above and, in the attachments, and exhibits hereto, the Parties have caused this Agreement to be executed by their duly authorized undersigned officials on the day, month, and year last written below.

GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS

By: 
(Signature)

Name: G. Christopher Nunn

Title: Commissioner

Date: 10/17/2022

City of Brunswick

By: _____
(Signature)

Name: _____

Title: _____
(Chief Elected Official)

Date: _____

Attest: _____
(Clerk)

Countersigned: _____
(Finance Officer or Contract Compliance Officer)

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

(City Attorney)

Exhibit A – Project Description and Deliverables

Project Description

The U.S. Department of Housing and Urban Development (HUD) allocated Community Development Block Grant Disaster Recovery (CDBG-DR) funds to the State of Georgia to be distributed in the Most Impacted and Distressed (MID) zip codes and counties declared eligible for Federal Emergency Management Agency (FEMA) Individual and Public Assistance. These funds are to be used for activities authorized under Title I of the Housing and Community Development Act of 1974 (42 United States Code (U.S.C.) 5301 et seq) and described in the State of Georgia Action Plan for Disaster Recovery. Funds will be used to contribute to the long-term recovery and restoration of housing and to fulfil unmet housing needs resulting from DR-4338 occurring on September 11, 2017.

City of Brunswick will use CDBG-DR funds to principally benefit low- and moderate-income persons in a manner that ensures that 100 percent of the grant amount awarded under this Agreement is expended for activities that benefit such persons.

The City of Brunswick will administer this program, which will rehabilitate St. Marks Towers, an affordable rental housing facility for low income individuals aged 62 and older. The rehabilitation will begin with a mold assessment which will be conducted throughout both buildings. Once this is complete, the Subrecipient may release a Request for Proposals (RFP) for a construction contractor to complete the repairs, which include installment of impact resistant windows, replacement of PTAC HVAC systems, curtainwall replacement, and any general requirements that may apply.

The Subrecipient must follow all policies and procedures developed by the Grantee.

Subrecipient Responsibilities

A. CDBG-DR Implementation

1. Complete Capacity Analysis for the City of Brunswick CDBG-DR Program that includes:
 - a. Organizational Chart including the number of years the staff has been in this position with the organization
 - b. Job Descriptions for City of Brunswick staff and/or contracted staff and vendors
 - c. Subgrantee experience with the same or similar grants
 - d. Evaluation of previous audits including the extent to which the same or similar grant has been audited as a major program
 - e. The extent and results of HUD monitoring, if the subrecipient also received Federal awards directly from HUD
2. The Subrecipient must send a representative to each training or technical assistance session provided by the Grantee.
3. The Subrecipient is required to attend fraud-related training provided by HUD or the Office of the Inspector General (OIG) when offered. The purpose of this training is to assist in the proper management of CDBG-DR funds.
4. The Subrecipient must establish and administer a quality assurance and quality control system in a manner that complies with all applicable HUD CDBG-DR and DCA rules.

B. Program Responsibilities

1. Conduct mold assessment throughout buildings.
2. Complete procurement and selection of contractor(s) that will be responsible for the rehabilitation of the property.

Performance Goals and Timelines

The Subrecipient shall complete the activities required under this agreement in accordance with the following timeframes and performance goals associated with each of the activities:

Conduct mold assessment throughout the buildings – within six (6) months of the Effective Date of this Agreement but prior to the posting of the RFP for a contractor

Post RFP for contractor – within six (6) months of the Effective Date of this Agreement

Select construction management contractor and execute contract – within nine (9) months of the Effective Date of this Agreement

Closeout of the Affordable Multifamily Rehabilitation Program – three years after the execution of the Subrecipient Agreement.

National Objectives

The Subrecipient must ensure all activities funded with CDBG-DR funds meet the criteria for one of the CDBG-DR program's National Objectives, as defined in 24 CFR 570.208.

Affordable Multifamily Rehabilitation Program National Objectives:

Benefit to low- and moderate-income persons or households (24 CFR 570.208(a) - The subrecipient must ensure 70% of persons served under the Program are low to moderate income.

Exhibit B – Project Budget

Georgia Department of Community Affairs (DCA)
Community Development Block Grant- Disaster Recovery Program
Affordable Multifamily Rehabilitation Program

BUDGET SUMMARY

Recipient: City of Brunswick

Grant Number: 17-DRMF-2-001

CDBG-DR BUDGET

Activity Code	Description	Activity Budget
	Rehabilitation Costs	\$6,000,000.00
		\$ ---
		\$ ---
Total CDBG-DR Budget: \$ 6,000,000*		

*The final award budget will be available on the Grants Management System and will include itemized costs.

Exhibit C – General and Special Conditions

- 01.** The Subrecipient agrees and certifies that for all activities and endeavors carried out in concert with CDBG-DR monies, the Code of Ethics for Government Service as established within Title 45, Chapter 10 and Section 1 of the Official Code of Georgia Annotated will be strictly adhered to and followed.
- 02.** The Subrecipient agrees that should any new or additional requirements become applicable as a result of directives by the Department of Housing and Urban Development (HUD), that it will take all steps necessary to comply.
- 03.** Environmental Review Requirement: No project expenditures may be incurred, or any CDBG-DR funds drawn down for any activity (other than for grant administration, design activities and other exempt activities) prior to receipt of an environmental clearance letter releasing funds.
- 04.** By acceptance of this Grant Award the Subrecipient agrees to consult with the State Historic Preservation Office in accordance with Section 106 of the National Historic Preservation Act and the regulations of the Advisory Council (36 CFR Part 800) for those projects and activities covered by the Agreement, including the rehabilitation, construction, demolition or reconstruction of housing.
- 05.** For all housing rehabilitation and reconstruction activities, prior approval from the Grantee is required if the actual costs (including change orders) will exceed 20% of the amount budgeted in the grant application for each unit. The Subrecipient will be responsible for any cost exceeding 20%, where prior approval has not been obtained.
- 06.** The maximum award amounts per household allowed by the CDBG-DR Program are outlined in the Grantee's Action Plan.
- 07.** The Grantee reserves the right to cancel a Subrecipient Grant Award if sufficient progress is not being made toward completion of the project. CDBG-DR representatives will conduct an on-site monitoring visit at least once a quarter with each Subrecipient. The Grantee will also monitor the financial progress as the draw requests are sent to the Grantee. If sufficient progress is not being made, CDBG-DR program staff will notify the Subrecipient in writing detailing the lack of progress, possible corrective actions, possible conditions (if necessary), and the date which the Grantee will re-evaluate the progress. If the Subrecipient is unable to get back on track, the funds will be reprogrammed. Actions will be consistent with 2 CFR 200.338 and 2 CFR 200.207. In addition, the Subrecipient Grant Award may be canceled at any time if it becomes apparent to the Grantee that the Subrecipient has not initiated the administrative activities necessary to allow the project to proceed.
- 08.** The Subrecipient certifies that it will comply with all requirements of the Georgia State Minimum Standard Codes for Construction.

09. The Subrecipient certifies that it will provide the balance of funding needed to cover all non-eligible CDBG-DR project costs incurred.

10. The Subrecipient, by signing these Conditions, is certifying that it will comply with the requirements of O.C.G.A. 50-36-1 entitled “Verification of Lawful Presence Within United States” and verify the lawful presence in the United States of any natural person 18 years of age who has applied for state or local public benefits, as defined in 8 U.S.C. Section 1621, or for federal public benefits, defined in U.S.C. Section 1611, that is administered by an agency or a political subdivision of this state.

11. The Subrecipient, by signing these conditions, is certifying that it will comply with the requirements of O.C.G.A. 13-10-90 entitled “Security and Immigration Compliance”. This requires, among other things, that every public employer, including, but not limited to, every municipality and county, will register and participate in the federal work authorization program to verify employment eligibility of all newly hired employees.

12. In addition to meeting Section 3 requirements as required by law and regulation (see Housing and Urban Development (HUD) Act of 1968 and implementing regulations at 24 CFR 135), the Subrecipient agrees to meet all requirements as stated in the Grantee’s Section 3 Policy.

13. If program income, as defined in 24 CFR 570.500(a), is produced, the Subrecipient must transfer all PI back to the Grantee. The Subrecipient will be required to submit an annual report detailing program income received. If this certification is not submitted, the Grantee reserves the right to hold draw requests submitted by the Subrecipient until the certification is completed and PI is returned to the Grantee. The Grantee’s CDBG-DR Program Income Policy is detailed in the CDBG-DR Standard Operating Procedures.

Exhibit D – State and Federal Statutes, Regulations, and Policies

The CDBG-DR funds available to the Subrecipient through this agreement constitute a subaward of the Grantee's Federal award under the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR part 200. This agreement includes terms and conditions of the Grantee's Federal award that are imposed on the Subrecipient, and the Subrecipient agrees to carry out its obligations in compliance with all of the obligations described in this agreement.

A. General Compliance

The Subrecipient shall comply with all applicable provisions of the Housing and Community Development Act of 1974, as amended, and the regulations at 24 CFR part 570, as modified by the Federal Register notices that govern the use of CDBG-DR funds available under this agreement. These Federal Register notices include, but are not limited to, 83 FR 5844 and 83 FR 40314. Notwithstanding the foregoing, (1) the Subrecipient does not assume any of the Grantee's responsibilities for environmental review, decision-making, and action, described in 24 CFR part 58 and (2) the Subrecipient does not assume any of the Grantee's responsibilities for initiating the review process under the provisions of 24 CFR Part 52. The Subrecipient shall also comply with all other applicable federal, state and local laws, regulations, and policies that govern the use of the CDBG-DR funds in complying with its obligations under this agreement, regardless of whether CDBG-DR funds are made available to the Subrecipient on an advance or reimbursement basis.

B. Duplication of Benefits

The Subrecipient shall not carry out any of the activities under this agreement in a manner that results in a prohibited duplication of benefits as defined by Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 USC 5155) and described in Appropriations Act. The Subrecipient must comply with HUD's requirements for duplication of benefits, imposed by Federal Register notice on the Grantee, which are: 84 FR 28836, 83 FR 40314 and 83 FR 5844. The Subrecipient shall carry out the activities under this agreement in compliance with the Grantee's procedures to prevent duplication of benefits.

C. Drug-Free Workplace

Subrecipients must comply with drug-free workplace requirements in Subpart B of part 2429, which adopts the government wide implementation (2 CFR part 182) of sections 5152-5158 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701-707).

D. Insurance & Bonding

In the State of Georgia, general contractors performing work over *\$2,500 and all residential contractors* need to obtain a license at the state level. The contractors are required to obtain a contractor license bond when they apply for the license. Similar to most surety bonds, this bond

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is required as a form of protection to both the public and the state. Contractor license bonds are underwritten by bonding companies who back an agreement between them, the contractor and the state. Should the contractor fail to abide by the terms of the license and a third party suffers losses, said party can ask for compensation from the bonding company. Keep in mind, however, that it's ultimately the responsibility of the contractor to cover all costs incurred. Annual bond costs are based on credit scores.

For rehabilitation projects, no performance or payment bond is required. For reconstruction projects, a performance and payment bond in the total amount of the contract is required.

E. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

The Subrecipient shall comply with the applicable provisions in 2 CFR part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR part 200. These provisions include:

1. Financial Management - The Subrecipient shall expend and account for all CDBG-DR funds received under this agreement in accordance with 2 CFR Part 200, Subpart F.
2. Cost Principles - Costs incurred, whether charged on a direct or an indirect basis, must be in conformance with 2 CFR part 200, subpart E. All items of cost listed in 2 CFR part 200, subpart E, that require prior federal agency approval are allowable without prior approval of HUD to the extent they comply with the general policies and principles stated in 2 CFR part 200, subpart E and are otherwise eligible under this agreement, except for the following:
 - Depreciation methods for fixed assets shall not be changed without the approval of the Federal cognizant agency
 - Fines penalties, damages, and other settlements are unallowable costs to the CDBG program
 - Costs of housing (e.g., depreciation, maintenance, utilities, furnishings, rent), housing allowances and personal living expenses (goods or services for personal use) regardless of whether reported as taxable income to the employees (2 CFR 200.445)
 - Organization costs (2 CFR 200.455)
 - Pre-Award Costs, as allowable under the Grantee's Action Plan and limited by this agreement

F. Documentation and Record Keeping

1. Record Keeping and Access to Records

The Subrecipient shall establish and maintain records sufficient to enable the Grantee to (1) determine whether the Subrecipient and its' subrecipients, contractors, and consultants complied with this agreement, applicable Federal statutes and regulations,

and the terms and conditions of the Grantee's Federal award and (2) satisfy recordkeeping requirements applicable to the Grantee. The Subrecipient agrees that all books, records and accounts relating to this award shall be separate from any general accounting records which the Subrecipient may maintain in connection with the Subrecipient's general business activities.

Such records may include: records providing a full description of each activity undertaken; records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG-DR program; records required to determine the eligibility of activities; records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG-DR assistance; records documenting compliance with the fair housing and equal opportunity requirements of the CDBG-DR program regulations; financial records as required by 24 CFR 570.502, and 2 CFR part 200, including records necessary to demonstrate compliance with all applicable procurement requirements, labor standards, and other records necessary to document compliance with this agreement, any other applicable federal statutes and regulations, and the terms and conditions of Grantee's Federal award.

Subrecipient agrees that the Grantee, the State of Georgia Inspector General, HUD, the HUD Inspector General, the Comptroller General of the United States, or any of their authorized representatives, shall have access to any and all said books, records and accounts of the Subrecipient for any purpose authorized under law or regulation. Such rights to access shall continue as long as the records are retained by the Subrecipient. The Subrecipient agrees to maintain such records in an accessible location and to provide citizens reasonable access to such records consistent with the Georgia Open Records Act (excluding information identified as PII see 50-18-72).

Public disclosure shall not be required for records that are specifically required by federal statute or regulation to be kept confidential. The Subrecipient shall include the substance of this section in all subcontracts.

2. Record Retention and Transmission of Records to the Grantee

Prior to close-out of this agreement, the Subrecipient must transmit to the Grantee records sufficient for the Grantee to demonstrate that all costs under this agreement met the requirements of the federal award.

The Subrecipient must maintain financial records, supporting documents, statistical records and all other records pertinent to the CDBG-DR award for a period of three (3) years following the submission of the Grantee's final quarterly report. Upon submission of the last quarterly report, the Grantee will inform the subrecipient of the submission and remind them of the three-year record retention requirement. Exceptions to this requirement are listed in 2 CFR 200.333.

3. Client Data and Other Sensitive Information

The Subrecipient is required to maintain data demonstrating client eligibility for activities provided under this agreement. Such data may include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of activities provided. The Subrecipient must comply with the Grantee's Procedures to Protect Personally Identifiable Information (PII) for the CDBG-DR Program (Exhibit F).

G. Close-out

The Subrecipient shall closeout its use of the CDBG-DR funds and its obligations under this agreement by complying with the closeout procedures in 2 CFR § 200.343. Activities during this close-out period may include, but are not limited to making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the Grantee), and determining the custodianship of records.

Notwithstanding the terms of 2 CFR 200.343, upon the expiration of this agreement, the Subrecipient shall transfer to the recipient any CDBG-DR funds on hand at the time of expiration and any accounts receivable attributable to the use of CDBG-DR funds, further, any real property under the Subrecipient's control that was acquired or improved in whole or in part with CDBG-DR funds shall be treated in accordance with 24 CFR 570.503(b)(7).

H. Audits

1. Subrecipients must contract for annual independent audits of their financial operations, including compliance with Federal and State law and regulations. The contracts for independent audit must be done in accordance with 2 CFR Part 200, Subpart F, if the following circumstances occur:
 - If the Subrecipient expends \$750,000 or more in a year in total federal funds (CDBG-DR plus any other federal funds), they must submit an annual audit that should be made in accordance with 2 CFR Part 200, Subpart F. This audit should also include a Project Cost Schedule and a Source and Application of Funds Schedule.
 - A copy of all audit reports shall be provided by the Subrecipient to the Grantee no later than 30 days after issuance of the reports and no later than one year plus 30 days after the end of the audit period.
2. Subrecipients that expend less than \$750,000 in a year in total federal (CDBG-DR plus any other federal funds) awards are exempt from Federal (but not State of Georgia) audit requirements for that year. CDBG-DR funds may be used for paying for these financial schedules.

3. O.C.G.A. §36-81-7 requires that local governments forward a copy of their annual audit report to the State Auditor for review.
4. Small business concerns and business concerns owned and controlled by socially and economically disadvantaged individuals shall have the maximum practicable opportunity to participate in the performance of contracts for audit services awarded with CDBG-DR funds. Subrecipients shall take the following affirmative action to further their goal:
 - Assure that audit firms owned and controlled by socially and economically disadvantaged individuals as defined in PL 95-507 are used to the fullest extent practicable.
 - Make information on forthcoming opportunities available and arrange timeframes for the audit so as to encourage and facilitate participation by small or economically disadvantaged firms.
 - Consider in the contract process whether firms competing for larger audits intend to subcontract with small or economically disadvantaged firms.
 - Encourage contracting with small or economically disadvantaged audit firms which have traditionally audited government programs, and in such cases where this is not possible, assure that these firms are given consideration for audit subcontracting opportunities.
 - Encourage contracting with consortiums of small or economically disadvantaged audit firms when a contract is too large for an individual small or economically disadvantaged firm.
 - Use the services and assistance, as appropriate, of the Small Business Administration, the Minority Business Development Agency of the Department of Commerce, and the Community Services Administration in the solicitation and utilization of small or economically disadvantaged audit firms.
5. Audits must include an examination of internal control systems established to ensure compliance with laws and regulations affecting the expenditure of CDBG-DR funds, financial transactions, and accounts and financial statements, and reports of Subrecipient organizations. These examinations are to determine whether:
 - There is effective control over and proper accounting for revenues, expenditures, assets and liabilities.
 - The financial statements are presented fairly in accordance with generally accepted governmental accounting principles.
 - The quarterly reports to the Grantee and claims for advances contain accurate and reliable financial data and are presented in accordance with the terms of applicable agreements.

- CDBG-DR funds are being expended in accordance with the terms of the grant award and those provisions of Federal and State law or the Grantee's regulations that could have a material effect on the financial statements.
6. In order to accomplish the purposes set forth above, a representative number of charges to the CDBG-DR award shall be tested. The test shall be representative of all cost categories that materially affect the award. The test is to determine whether the charges:
 - Are necessary and reasonable for the proper administration of the program.
 - Conform to any limitations or exclusions of the CDBG-DR award itself.
 - Were given consistent accounting treatment and applied uniformly to both CDBG-DR assisted and other activities of the Subrecipient.
 - Were net of applicable credits.
 - Did not include costs properly chargeable to other programs.
 - Were properly recorded (i.e., correct amount and date) and supported by source documentation.
 - Were approved in advance if subject to prior approval.
 - Were allocated equitably to benefiting activities, including non-CDBG-DR activities.
 7. Audits should be conducted annually. If an acceptable annual audit is completed within a short period of time prior to close-out of a CDBG-DR program, the Grantee will request payment documentation of the unaudited funds and then formally close the grant.
 8. If the auditor becomes aware of irregularities in the subrecipient organization, the auditor shall promptly notify the Grantee and Subrecipient management officials above the level of involvement. Irregularities include such matters as conflicts of interest, falsification of records and reports, and misappropriation of funds or other assets.
 9. The annual audited financial statements shall include:
 - A statement that the audit was conducted in accordance with 2 CFR Part 200, Subpart F.
 - Financial statements, including the schedule of expenditures of Federal awards, including footnotes, of the Subrecipient organization.
 - The auditor's report on the financial statement which should:
 - Identify the statements examined and the period covered.
 - State that the audit was done in accordance with the Generally Accepted Government Auditing Standards.
 - Express an opinion as to whether the financial Statements of the Federal program is presented fairly in all material respects.in conformity with the stated accounting policies.
 - Report on internal controls related to the Federal program, which shall describe the scope of testing of internal control and the results of the test.

- Report on compliance which includes an opinion as to whether the audit is in compliance with laws, regulations, and the provisions of contracts or grant agreements which could have a direct and material effect on the Federal program.
- Include a schedule of findings and questioned costs for the Federal Program.
- Identify the major programs.
- State the dollar threshold used to distinguish between programs.
- Determine whether the audit qualifies as a low-risk audit.

10. The auditor's reports on compliance and internal control should:

- Include comments on weaknesses or noncompliance with the systems of internal control, separately identifying material weaknesses.
- Report the scope of testing of internal control and the results of the tests, and where applicable, a separate schedule of findings and questioned cost.
- Include statement that the audit is in compliance with laws, regulations, and the provisions of contracts or grant agreement that could have a direct and material effect on each major program according to the Federal and State law and where applicable, a separate schedule of findings and questioned cost.
- Provide a Summary Schedule of prior audit findings that report the status of all audit findings included in the prior audit's schedule of findings and questioned costs relative to Federal awards. The Summary Schedule shall also include audit findings reported in the prior audit's schedule of prior audit findings except audit findings listed as corrected.
- When audit findings were fully corrected, the summary schedule need only list the audit findings and state which corrective action was taken or provide a statement of planned actions taken by Subrecipient.
- A Source and Application of Funds schedule and a Project Cost schedule for all CDBG-DR funds. The appropriate grant numbers should also be shown. Please note that if the city/county's total federal expenditures meet or exceed the guidelines of 2 CFR Part 200, Subpart F, (\$750,000), the Federal Schedule of Financial Assistance can be substituted for the Source and Application Schedule.
- Comments on the accuracy and completeness of financial reports and claims for advances or reimbursement to the Grantee.
- Comments on corrective action taken or planned by the Subrecipient.

11. Work papers and reports must be retained for a minimum of three years from the date of the audit report, unless the auditor is notified in writing by the Grantee of the need to extend the retention period. The audit work papers must be made available upon request of the Grantee or its designees and the General Accounting Office or its designees.

12. When an audit discloses significant findings, the Subrecipient will be called upon by the Grantee to take corrective action. Depending upon the nature of the inadequacies, Drawdown of Funds, Final Close-Out or subsequent award of the CDBG-DR program may be delayed or denied until corrective action has been taken.

I. Inspections and Monitoring

Subrecipients must constantly monitor performance to ensure that time schedules are being met, projected milestones are being accomplished, federal and state requirements are being followed, and other performance goals are being achieved. Problems, delays, or adverse conditions affecting the Subrecipient's ability to meet grant objectives or time schedules should be reported to the Grantee. The Subrecipient may report these matters via the Quarterly Report form or may contact the Grantee, as appropriate, at any other time.

The Grantee will conduct monitoring visits, as necessary, to provide technical assistance and to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of this agreement. In addition to providing technical assistance, the Grantee will, at appropriate times during program activities, review Subrecipients' records to ensure that all applicable state and federal requirements are being met. The Grantee's emphasis will be on preventing and correcting problems before they develop into serious obstacles to program implementation. These reviews include: (1) reviewing financial and performance reports required by the Grantee; (2) following-up and ensuring that the Subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the Subrecipient from the Grantee detected through audits, on-site reviews, and other means; and (3) issuing a management decision for audit findings pertaining to this Federal award provided to the Subrecipient from the Grantee as required by 2 CFR §200.521.

The Subrecipient shall permit the Grantee and auditors to have access to the Subrecipient's records and financial statements.

J. Corrective Actions

The Grantee may issue management decisions and may consider taking enforcement actions if noncompliance is detected during audits. The Grantee may require the Subrecipient to take timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews, and other means. In response to audit deficiencies or other findings of noncompliance with this agreement, the Grantee may impose additional conditions on the use of the CDBG-DR funds to ensure future compliance or provide training and technical assistance as needed to correct noncompliance. The Subrecipient shall be subject to reviews and audits by the Grantee, including onsite reviews of the Subrecipient as may be necessary or appropriate to meet the requirements of 42 U.S.C. 5304(e)(2).

K. Procurement and Contractor Oversight

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In accordance with 24 CFR 570.489(g), the Grantee has chosen to follow its own procurement policies and procedures for procurement of goods and services procured directly by the Grantee that is paid for in whole or in part with CDBG-DR funds. The Subrecipient and its contractors must follow the Grantee's CDBG-DR Procurement Policies.

The Subrecipient shall impose the Subrecipient's obligations under this agreement on its contractors, specifically or by reference, so that such obligations will be binding upon each of its contractors.

The Subrecipient must comply with CDBG-DR regulations regarding debarred or suspended entities at 24 CFR 570.609. CDBG-DR funds may not be provided to excluded or disqualified persons.

The Subrecipient shall maintain oversight of all activities under this agreement and shall ensure that for any procured contract or agreement, its contractors perform according to the terms and conditions of the procured contracts or agreements, and the terms and conditions of this agreement.

The Subrecipient must inform the Grantee of all contracts procured for the CDBG-DR program. The Grantee is required to post a summary of all contracts procured on its public website.

L. Property Standards

Real property acquired by the Subrecipient under this agreement shall be subject to 24 CFR 570.505.

The Subrecipient shall also comply with the Property Standards in 2 CFR 200.310 through 2 CFR 200.316, except to the extent they are inconsistent with 24 CFR 570.200(j) and 24 CFR 570.489(j), in which case Subrecipient shall comply with 24 CFR 570.200(j) and 24 CFR 570.489(j), and except to the extent that proceeds from the sale of equipment are program income and subject to the program income requirements under this agreement, pursuant to 24 CFR 570.489(e)(1)(ii).

M. Federal Funding Accountability and Transparency Act (FFATA)

The Subrecipient shall comply with the requirements of 2 CFR part 25 Universal Identifier and System for Award Management (SAM). The grantee must have an active registration in SAM in accordance with 2 CFR part 25, appendix A, and must have a Data Universal Numbering System (DUNS) number. The grantee must also comply with provisions of the Federal Funding Accountability and Transparency Act, which includes requirements on executive compensation, and 2 CFR part 170 Reporting Subaward and Executive Compensation Information.

N. Relocation, Real Property Acquisition, and One-for-one Housing Replacement

The Subrecipient shall comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), 42 USC 4601 – 4655, 49 CFR part 24, 24 CFR part 42, and 24 CFR 570.606.

In addition to other URA requirements, these regulations (49 CFR § 24.403(d)) implement Section 414 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 USC § 5181, which provides that "Notwithstanding any other provision of law, no person otherwise eligible for any kind of replacement housing payment under the [URA] shall be denied such eligibility as a result of his being unable, because of a major disaster as determined by the President, to meet the occupancy requirements set by such Act".

The Department of Housing and Urban Development has provided waivers to various sections of the Uniform Relocation Act, Section 104(d) of the Housing and Community Development Act, and Section 414 of the Stafford Act. These waivers can be found in the Federal Register Notice 83 FR 5844.

O. Nondiscrimination

1. 24 CFR part 6

The Subrecipient will comply with 24 CFR part 6, which implements the provisions of section 109 of title I of the Housing and Community Development Act of 1974 (Title I) (42 U.S.C. 5309). Section 109 and the Georgia Fair Housing Act. Both Acts provides that no person in the United States shall, on the ground of race, color, national origin, age, religion, disability, sex, or familial status 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 Federal financial assistance.

The Subrecipient will adhere to the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101-6107) (Age Discrimination Act) and the prohibitions against discrimination on the basis of disability under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) (Section 504). Section 109 of the HCDA makes these requirements applicable to programs or activities funded in whole or in part with CDBG-DR funds. Thus, the Subrecipient shall comply with regulations of 24 CFR part 8, which implement Section 504 for HUD programs, and the regulations of 24 CFR part 146, which implement the Age Discrimination Act for HUD programs.

2. Architectural Barriers Act and the Americans with Disabilities Act

The Subrecipient shall ensure that its activities are consistent with requirements of Architectural Barriers Act and the Americans with Disabilities Act.

The Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) requires certain Federal and Federally funded buildings and other facilities to be designed, constructed, or altered in accordance with standards that ensure accessibility to, and use by, physically handicapped people. A building or facility designed, constructed, or altered with funds allocated or reallocated under this part after December 11, 1995, and that meets the definition of "residential structure" as defined in 24 CFR 40.2 or the definition of

“building” as defined in 41 CFR 101-19.602(a) is subject to the requirements of the Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) and shall comply with the Uniform Federal Accessibility Standards (appendix A to 24 CFR part 40 for residential structures, and appendix A to 41 CFR part 101-19, subpart 101-19.6, for general type buildings).

The Americans with Disabilities Act (42 U.S.C. 12131; 47 U.S.C. 155, 201, 218 and 225) (ADA) provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, State and local government services, and telecommunications. It further provides that discrimination includes a failure to design and construct facilities for first occupancy no later than January 26, 1993, that are readily accessible to and usable by individuals with disabilities. Further, the ADA requires the removal of architectural barriers and communication barriers that are structural in nature in existing facilities, where such removal is readily achievable—that is, easily accomplishable and able to be carried out without much difficulty or expense.

3. State and Local Nondiscrimination Provisions: Georgia Handicap Accessibility Law (OCGA, Title 30, Chapter 3) intends to eliminate, insofar as possible, unnecessary physical barriers encountered by persons with disabilities or elderly persons whose ability to participate in the social and economic life of this state is needlessly restricted when such persons cannot readily use government buildings, public buildings, and facilities used by the public.
4. Title VI of the Civil Rights Act of 1964 (24 CFR part 1)

- General Compliance:

The Subrecipient shall comply with the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352), as amended and 24 CFR 570.601 and 570.602. No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity funded by this agreement. The specific nondiscrimination provisions at 24 CFR 1.4 apply to the use of these funds. The Subrecipient shall not intimidate, threaten, coerce, or discriminate against any person for the purpose of interfering with any right or privilege secured by title VI of the Civil Rights Act of 1964 or 24 CFR part 1, or because he has made a complaint, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under 24 CFR part 1. The identity of complainants shall be kept confidential except to the extent necessary to carry out the purposes of 24 CFR part 1, including the conduct of any investigation, hearing, or judicial proceeding arising thereunder.

- Assurances and Real Property Covenants:

As a condition to the approval of this Agreement and the extension of any Federal financial assistance, the Subrecipient assures that the program or activities described in this Agreement will be conducted and the housing, accommodations, facilities, services, financial aid, or other benefits to be provided will be operated and administered in compliance with all requirements imposed by or pursuant to 2 CFR part 1.

If the Federal financial assistance under this agreement is to provide or is in the form of personal property or real property or interest therein or structures thereon, the Subrecipient's assurance herein shall obligate the Subrecipient or, in the case of a subsequent transfer, the transferee, for the period during which the property is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits, or for as long as the subrecipient retains ownership or possession of the property, whichever is longer. In all other cases the assurance shall obligate the Subrecipient for the period during which Federal financial assistance is extended pursuant to the contract or application.

This assurance gives the Grantee and the United States a right to seek judicial enforcement of the assurance and the requirements on real property.

In the case of real property, structures or improvements thereon, or interests therein, acquired with Federal financial assistance under this Agreement or acquired with CDBG-DR funds and provided to the Subrecipient under this Agreement, the instrument affecting any disposition by the Subrecipient of such real property, structures or improvements thereon, or interests therein, shall contain a covenant running with the land assuring nondiscrimination for the period during which the real property is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits.

If the Subrecipient receives real property interests or funds or for the acquisition of real property interests under this Agreement, to the extent that rights to space on, over, or under any such property are included as part of the program receiving such assistance, the nondiscrimination requirements of this part 1 shall extend to any facility located wholly or in part in such space.

5. Affirmative Action

- Executive Order 11246

The Subrecipient agrees that it shall carry out non-discriminatory practices in hiring and employment on the part of U.S. government contractors to maintain

compliance with the President's Executive Order 11246 of September 24, 1965, as amended, and implementing regulations at 41 CFR part 60, as required.

Women- and Minority-Owned Businesses (W/MBE)

The Subrecipient shall take the affirmative steps listed in 2 CFR 200.321(b)(1) through (5) to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible when the Subrecipient procures property or services under this agreement.

- Notifications

The Subrecipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the Subrecipient's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

- Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

The Subrecipient shall, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

P. Labor and Employment

1. Labor Standards

The Subrecipient shall comply with the labor standards in Section 110 of the Housing and Community Development Act of 1974, as amended and ensure that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with assistance received under this agreement shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis Bacon Act, as amended (40 U.S.C. 3141, et seq.), and 29 CFR part 1, 3, 5, 6, and 7, provided, that this requirement shall apply to the rehabilitation of residential property only if such property contains not less than 8 units.

The Subrecipient agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874) and its implementing regulations of the U.S. Department of Labor at 29 CFR part 3 and part 5. The Subrecipient shall maintain documentation that demonstrates compliance with applicable hour and wage requirements. Such documentation shall be made available to the Grantee for review upon request.

Q. Section 3 of the Housing and Urban Development Act of 1968

CDBG-DR SUBRECIPIENT AGREEMENT 09.22

1. Compliance

The Subrecipient shall comply with the provisions of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 USC 1701u, and implementing its implementing regulations at 24 CFR part 135.

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

- 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.
- 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.
- 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.
- 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.

- 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.
- 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.

R. Conduct

1. Hatch Act

The Subrecipient shall comply with the Hatch Act, 5 USC 1501 – 1508, and shall ensure that no funds provided, nor personnel employed under this agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.

2. Conflict of Interest

In the procurement of supplies, equipment, construction, and services pursuant to this agreement, the Subrecipient shall comply with the conflict of interest provisions in the Grantee's procurement policies and procedures. In all cases not governed by the conflict of interest provisions in the Grantee's procurement policies and procedures, the Subrecipient shall comply with the conflict of interest provisions in 24 CFR 570.489(h). DCA's Conflict of Interest Policy and Procedures are attached as Exhibit E.

3. Lobbying Certification

The Subrecipient hereby certifies that:

- No Federal appropriated funds have been paid or will be paid, by or on behalf of it, 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;
- 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, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;

- It shall require that the language of paragraph (a) through (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly; and
- This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is required by section 1352, title 31, U.S.C. 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 such failure.

4. Whistleblower Act Certification

The Subrecipient hereby certifies that:

- Subrecipient has notified its employees and subcontractors of the protections under the Whistleblower Act 41 U.S.C. § 4172 and O.C.G.A. § 45-1-4 by:
 - Providing a written copy of the Whistleblower Acts
 - Communicating the methods employees/subcontractors may use to disclose information that an employee reasonably believes is evidence of:
 - Gross mismanagement or waste of a federal contract or grant;
 - An abuse of authority relating to a federal contract or grant (defined as an arbitrary and capricious exercise of authority that is inconsistent with the mission of the federal awarding agency concerned or the successful performance of a contract or grant of such agency);
 - A substantial and specific danger to public health or safety; or
 - A violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant.
- Subrecipient affirms it has not and will not discharge, demote or otherwise discriminate against an employee/subrecipient for disclosing information outlined in the preceding bulleted list.

S. Religious Activities

The Subrecipient agrees that funds provided under this agreement shall not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

T. Environmental Conditions

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1. Prohibition on Choice Limiting Activities Prior to Environmental Review

The Subrecipient must comply with the limitations in 24 CFR 58.22 even though the Subrecipient is not delegated the requirement under Section 104(g) of the HCD Act for environmental review, decision making, and action (see 24 CFR part 58) and is not delegated the Grantee's responsibilities for initiating the review process under the provisions of 24 CFR Part 52. 24 CFR 58.22 imposes limitations on activities pending clearance, and specifically limits commitments of HUD funds or non-HUD funds by any participant in the development process before completion of the environmental review. A violation of this requirement may result in a prohibition on the use of Federal funds for the activity.

2. Air and Water

The Subrecipient shall comply with the following requirements insofar as they apply to the performance of this agreement:

- Air quality. (1) The Clean Air Act (42 U.S.C. 7401 et. seq.) as amended; particularly section 176(c) and (d) (42 U.S.C. 7506(c) and (d)); and (2) Determining Conformity of Federal Actions to State or Federal Implementation Plans (Environmental Protection Agency—40 CFR parts 6, 51, and 93).
- Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251, et seq., as amended, including the requirements specified in Section 114 and Section 308 of the Federal Water Pollution Control Act, as amended, and all regulations and guidelines issued thereunder.

3. Flood Disaster Protection

The Subrecipient shall comply with the mandatory flood insurance purchase requirements of Section 102 of the Flood Disaster Protection Act of 1973, as amended by the National Flood Insurance Reform Act of 1994, 42 USC 4012a. The Subrecipient will be responsible for implementing procedures and mechanisms to ensure that assisted property owners comply with all flood insurance requirements. Additionally, the Subrecipient shall comply with Section 582 of the National Flood Insurance Reform Act of 1994, as amended, (42 U.S.C. 5154a), which includes a prohibition on the provision of flood disaster assistance, including loan assistance, to a person for repair, replacement, or restoration for damage to any personal, residential, or commercial property if that person at any time has received Federal flood disaster assistance that was conditioned on the person first having obtained flood insurance under applicable Federal law and the person has subsequently failed to obtain and maintain flood insurance as required under applicable Federal law on such property. Section 582 also includes a responsibility to notify property owners of their responsibility to notify transferees about mandatory flood

purchase requirements. More information about these requirements is available in the Federal Register notices governing the CDBG-DR award.

4. Lead-Based Paint

The Subrecipient shall follow the Grantee's procedures with respect to CDBG-DR assistance that fulfill the objectives and requirements of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at part 35, subparts A, B, J, K, and R of this title.

5. Historic Preservation

The Subrecipient shall comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended, codified in title 54 of the United States Code, and the procedures set forth in 36 CFR part 800 insofar as they apply to the performance of this agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

U. Change of Use of Real Property Rule

The Grantee and Subrecipient are subject to the waiver and alternative requirement applicable to the use of real property rule as defined by 24 CFR 570.489(j).

V. OTHER REQUIREMENTS IMPOSED BY GRANTEE

1. The Subrecipient shall comply with the Grantee's procurement policy. The Subrecipient must comply with CDBG-DR regulations regarding debarred or suspended entities (24 CFR 570.489(l)), pursuant to which CDBG-DR funds must not be provided to excluded or disqualified persons and provisions addressing bid, and performance bonds, if applicable, and liquidated damages. All Subrecipients shall be monitored for compliance.
2. In accordance with Federal, State, and local laws, regulations, HUD Notices, program guidelines, and the policies and procedures to be issued by the Grantee, the Subrecipient will monitor any and all sub-subrecipient efforts on a regular basis to assure compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to address areas of noncompliance. Information detailing credible evidence of fraud, waste, or abuse shall be immediately reported to the Grantee, followed by a written report within ten (10) calendar days.
3. The Subrecipient shall include language in any subcontract that provides the Department the ability to directly review, monitor, or audit the operational and financial performance or records of work performed under this contract.

4. The Subrecipient shall comply with State of Georgia Action Plan for CDBG Disaster Recovery, this contract, and all applicable federal, state and local laws, regulations, and ordinances for making procurements under this contract.
5. The Subrecipient shall maintain a retainage in the amount of ten percent (10%) of each construction or rehabilitation subcontract entered into by the Subrecipient until the Grantee determines that the requirements applicable to each such subcontract have been satisfied.
6. The Subrecipient shall include in any subcontracts that failure to adequately perform under this contract may result in penalties up to and including debarment from performing additional work for the Grantee.

VI. MISCELLANEOUS AGREEMENT PROVISIONS

1. **Binding Effect.** This Agreement and all of its terms, including recitals, shall inure to the benefit of, and shall be binding upon, the parties hereto and their respective permitted successors and assigns subject, however, to the limitations contained in this Agreement. See section VI.13 regarding assignability.
2. **Authority Liability.** All covenants, agreements, and obligations (collectively hereinafter referred to as "Covenants") of the Grantee contained in this Agreement shall be effective to the extent authorized and permitted by applicable law as it exists on the date hereof. No such Covenant shall be deemed to be a Covenant of any present or future director, officer, agent, or employee of DCA, the State of Georgia, or any agency or political subdivision thereof in other than his/her official capacity, and neither the directors of DCA nor any official executing this Agreement, nor any official, employee, or agent of DCA, the State of Georgia, or any agency or political subdivision thereof, shall be liable personally on this Agreement or be subject to any personal liability or accountability by reason of the Covenants of DCA contained in this Agreement.
3. **Notices.** All notices, requests, or other communications hereunder shall be in writing and shall be deemed to be sufficiently given when emailed and/or to mailed by registered or certified mail, postage prepaid or sent by a nationally recognized next day delivery service, fees prepaid, to:

If to DCA: Georgia Department of Community Affairs
Attn: CDBG-DR Program
60 Executive Park South, NE
Atlanta, GA 30329

4. If to the Subrecipient : NAME: City of Brunswick
 ATTN: City Manager Regina McDuffie
 ADDRESS: 601 Gloucester St.
 CITY, STATE ZIP Brunswick, GA 31520
5. The Grantee or the Subrecipient, by appropriate notice, may designate any further or different addresses to which subsequent notices, requests, or communications shall be sent. Notices sent by mail shall be effective three days after posting and notices sent by a nationally recognized next business day delivery service shall be effective one business day after being sent.
6. Severability. In case any section or provision of this Agreement, or any covenant, agreement, stipulation, obligation, act or action, or part thereof, made, assumed, entered, or taken under this Agreement, or any application thereof, is held to be illegal or invalid for any reason, or is inoperable at any time, that illegality, invalidity, or inoperability shall not affect the remainder thereof or any other section or provision of this Agreement or any other covenant, agreement, stipulation, obligation, act or action, or part thereof, made, assumed, entered, or taken under this Agreement, all of which shall be construed and enforced at the time as if the illegal, invalid, or inoperable portion were not contained thereof.
7. Any illegality, invalidity, or inoperability shall not affect any legal, valid, and operable section, provision, covenant, agreement, stipulation, obligation, act or action, or application, all of which shall be deemed to be effective, operative, made, assumed, entered, or taken in the manner and to the full extent permitted by law from time to time.
8. Headings and Sections. The section and paragraph headings contained in the Agreement are for reference purposes only and shall not affect the meaning of interpretation of this Agreement.
9. Entire Agreement. This Agreement constitutes the entire agreement among the parties and no other writings or communications (oral or otherwise) shall have any legal effect unless made pursuant to the terms of this Agreement.
10. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

11. No Agency, Partnership or Joint Venture. The Grantee is not a partner, joint venture, or in any other way a party to the Project.
12. Assignability. With the express written consent of the other party, either party may assign in part, some of its rights and obligations here under to another party, including its affiliates or successors, as may be provided by state and federal law program requirement, provided however, that notwithstanding any such agreement assignor retains primary responsibility for ensuring all obligations of this Agreement are accomplished by an appropriate governmental entity. Subrecipients may utilize consulting services for administrative support but may not delegate or contract to any other party any inherently governmental responsibilities related to management of the funds, such as oversight, policy development, internal audit functions and financial management.
13. No Waiver. No failure by the Grantee to insist upon the strict performance by the Subrecipient of any provision hereof shall constitute a waiver of the Grantee's right to strict performance, and no express waiver shall be deemed to apply to any other existing or subsequent right of the Grantee to require the Subrecipient to remedy any and all failures by the Subrecipient to observe or comply with any provision hereof.
14. Indemnification.
 - a. The Subrecipient releases the Grantee and the State of Georgia, holds the Grantee and the State of Georgia harmless against, and agrees that the Grantee and the State of Georgia shall not be liable for, and fully indemnifies the Grantee and the State of Georgia, against any and all losses, liabilities, claims, actions, proceedings, costs, and expenses imposed upon, incurred by, asserted against, or with respect to the Grantee and the State of Georgia on account of: (i) any loss or damage to property or injury to or death of, or loss by, any person that may be occasioned by any cause whatsoever pertaining to the maintenance, operation, and use of the Project; (ii) any loss or damage alleged by any third-party related to O.C.G.A. § 48-8-270 et. seq. (or successor statutes) and the Project; (iii) any breach or default on the part of the Subrecipient in the performance or non-performance of any Covenant arising from any act or failure to act by the Subrecipient or its agents, contractors, servants, employees, licensees, successors, or assigns; and (iv) any action taken or omitted to be taken by Grantee and the State of Georgia in accordance with the terms of this Agreement (except acts of willful misconduct).
 - b. In the event that the Grantee seeks indemnity hereunder with respect to any action or proceeding brought against the Grantee, the Grantee shall give notice of such action or proceeding to the Subrecipient, and the Subrecipient upon receipt of that notice shall have the obligation to assume the defense of the Grantee in

such action or proceeding provided, however, that failure of the Grantee to give such notice shall not relieve the Subrecipient from any of its obligations under this Section to assume the expenses of the defense. In such action or proceeding, the Grantee shall be represented by the Attorney General or his designee and the Subrecipient consents to such representation.

- c. The indemnification set forth above and all references to the Grantee in this Section are intended to and shall include all officials, directors, officers, employees, agents, and representatives of the Grantee.

15. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Georgia.

16. **Public Records.** The laws of the State of Georgia, including the Georgia Open Records Act, as provided in O.C.G.A. Section 50-18-70 et seq., require records maintained by the Grantee and any other state entity to be made public unless otherwise provided by law.

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Exhibit E – Conflict of Interest Prohibition

The following prohibited Conflicts of Interest (COI) should be avoided:

1. When a CDBG-DR Subrecipient contracts for the procurement of goods and services, the Conflict of Interest provision in the “Common Rule” (24 CFR 85.36) are applicable. These rules prohibit local officials and staff from being a party to any contract assisted with CDBG funds.

Such a conflict would arise when:

- i. The employee, officer or agent,
 - ii. Any member of his immediate family,
 - iii. His or her partner, or
 - iv. An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award. The grantee's or subgrantee's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to sub-agreements. Sub-grantees may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. To the extent permitted by State or Local Law or regulations, such standards or conduct will provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the grantee's and sub-grantee's officers, employees, or agents, or by contractors or their agents.
2. In addition, the Conflict of Interest prohibition at 24 CFR Part 570.489(h) is applicable to all CDBG-DR grants and activities. This rule, generally, prohibits elected officials, and staff who are in a position to influence decisions, from receiving any benefit in a CDBG-DR assisted project. This includes the benefit from living or owning property that is assisted by the program.

The following summarizes this regulation:

- a. Conflicts prohibited. No persons described in paragraph b (below) who exercise or have exercised any functions or responsibilities with respect to activities assisted with CDBG-DR funds or who are in a position to participate in a decision making process or gain inside information with regard to these activities, may obtain a financial interest or benefit from a CDBG-DR assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto, or in the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.
- b. Persons Covered. The conflict of interest provisions of paragraph A (above) apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the state, or of a unit of general local government, or of any designated public agencies, or subrecipients which are receiving or administering CDBG-DR funds.
- c. Definition of Family or Business Ties. DCA defines the meaning of the term "family or business ties" as follows:
 - Family: "A group of people related by ancestry or marriage; relatives."

- Business: "The buying and selling of commodities and services; commerce, trade."
 - Ties: "Something that connects, binds or joins; bond; link."
- d. Exceptions: Upon written request, the Grantee may grant an exception to the provisions of paragraph A (above), on a case-by-case basis, before federal funds are expended. Exceptions can only be granted when the Grantee determines that the exception will serve to further the purposes of the CDBG-DR Program and the effective and efficient administration of the CDBG-DR program or project. To seek an exception, a written request for an exception must be submitted by the Subrecipient to DCA which:
- Fully discloses the conflict or potential conflict of interest, prior to the unit of government undertaking any action which results or may result in a conflict of interest, real or apparent;
 - Describes how the conflict of interest was publicly disclosed;
 - Includes a map showing the location of any target area property owned by the covered official;
 - Includes a written opinion of the local government's attorney that the conflict of interest for which the exception is sought would not violate state or local law; and.
 - Includes a written statement signed by the Chief Elected Official, Authorized Representative, city or county attorney, or by the official designated by the governing body to sign such statement addressing the factors the Grantee must consider when allowing a prohibited conflict of interest. See item G below for more information on the factors the Grantee must take into account.
- e. Public Disclosure: The request for an exception must include a description of how the conflict of interest was publicly disclosed. The Grantee requires, at a minimum, that the recipient include a complete description of the COI on the agenda for the public meeting where the COI will be disclosed, that the agenda be posted/advertised as required by law, that the COI be fully disclosed at a public meeting, and that the discussion of the COI be included in the minutes of the meeting. Note that state law requires the agenda to be posted prior to public meetings. The description of the method of disclosure, the public meeting announcement and the minutes of the public meeting must be included with the request for an exception.
- f. Non-Involvement: One factor included in the Grantee's decision to grant a COI exception is whether or not the involved officials have abstained from involvement with the grant. The request for an exception must include an explanation of the extent of involvement of covered persons with any votes or discussion of the grant. Officials should abstain from any involvement as soon as any COI is foreseen.
- g. Potential factors to be considered for exceptions: In determining whether to grant a requested exception after the Subrecipient has satisfactorily met the requirements of paragraph D (above), the Grantee will consider the cumulative effect of the following factors, where applicable:
1. Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available;
 2. Whether the person affected is a member of a group or class of low-income persons intended to be the beneficiaries of the assisted activity, 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;

3. Whether the affected person has withdrawn from his or her function or responsibilities, or the decision-making process with respect to the specific assisted activity in question;
 4. Whether the interest or benefit was present before the affected person was in a position as described in paragraph b (above);
 5. Whether undue hardship will result either to the participating jurisdiction or to the person affected when weighed against the public interest served by avoiding the prohibited conflict; and
 6. Any other relevant considerations presented to the Grantee.
- h. Owners and Developers of Housing: No owner, developer or sponsor of a project assisted with CDBG-DR funds (or officer, employee, agent or consultant of the owner, developer or sponsor) whether private, for profit or non-profit, may occupy a CDBG-DR assisted affordable housing unit in a project. Any exceptions must be approved in advance by the Grantee and then only when the local government CDBG-DR Subrecipient can demonstrate to the Grantee that the exception will serve to further the purposes of the CDBG-DR program.

This provision does not preclude an income-eligible, volunteer/owner participating in the construction of a single-family dwelling unit as part of a self-help homeownership program (e.g. Habitat for Humanity) when the individual is not an official, employee, agent, or consultant of the developer.

NOTE: If you have any questions regarding who may or may not be covered under the conflict of interest provisions above, please call the Grantee immediately to discuss such matters prior to entering into contracts or disbursing money.

Exhibit F – DCA SUB-RECIPIENT PROCEDURES TO PROTECT PERSONALLY IDENTIFIABLE INFORMATION (PII) FOR CDBG-DR PROGRAMS

In order to carry out CDBG-DR programs, the Department of Community Affairs (DCA) must ensure that sub-recipients have adequate procedures in place to collect and process applicant provided information while providing assurances that any Personally Identifiable Information (PII) will be handled properly and sufficiently protected.

This policy has been created in order to communicate DCA's requirements related to the proper handling and securing of Personally Identifiable Information (PII) for sub-recipient administered CDBG-DR programs. The purpose of this policy is to ensure the confidentiality and integrity of PII information provided in a hard copy format and/or electronically stored or transmitted over DCA, sub-recipient, contractor, and/or vendor computer networks and telephone systems.

This policy outlines the methods to collect, document, and properly dispose of applicant hard copy paperwork that contains PII as well establishing acceptable uses and methods of transmission of PII data. All program staff, to include sub-recipient, contractor, and vendor staff, will be provided a copy of the DCA's Sub-Recipient PII policies and will be required to sign an acknowledgement of understanding of these policies. Basic components of this policy are to establish proper protocols to:

- Ensure proper handling of hard copy documentation and files.
- Secure hard copy PII in applicant files or documents that are being actively reviewed or worked.
- Establish parameters related to the use of applicant data transmitted and maintained in electronic media.
- Outline potential disciplinary actions for violations of the DCA Sub-Recipient Procedures to Protect Personally Identifiable Information (PII) for CDBG-DR Programs policy.
- Establish protocols should a breach of data occur during the administration of the Sub-Recipient's CDBG-DR Programs

Definition of PII

For the purposes of this policy, Personally identifiable information (PII) refers to information which can be used to distinguish or trace an individual's identity, such as their full name, social security number (including only the last-4 digits), biometric data, policy numbers, award amounts, income, bank account information etc.

Types of PII

In determining what PII is sensitive, the context in which the PII is used must be considered. For example, a list of people subscribing to a newsletter is not sensitive PII; a list of people receiving treatment for substance abuse is sensitive PII. As well as context, the association of two or more non-sensitive PII elements may result in sensitive PII. For instance, the name of an individual would be sensitive when grouped with place and date of birth and/or mother's maiden name, but each of these elements would not be sensitive independent of one another. Therefore files/data may be sensitive as a whole, but individual two data points or documents may not be considered sensitive. This means the file/data must be handled as sensitive PII.

For the purpose of determining which PII may be electronically transmitted, the following types of PII are considered sensitive when they are associated with an individual. Secure methods must be employed in transmitting this data when associated with an individual:

- Place of birth
- Date of birth
- Full Name
- Mother's maiden name
- Biometric information and personal characteristics including; photographic images, fingerprints, handwriting, retina scan, voice signature, and facial geometry
- Medical information, except brief references to absences from work
- Personal financial information (account numbers, award amounts, income, etc.)
- Credit card or purchase card account numbers
- Passport numbers, driver's license number and taxpayer ID
- Potentially sensitive CDBG-DR information related to grant or loan awards (applicant identification number, grant/loan amounts, etc.)
- Criminal history
- Any information that may stigmatize or adversely affect an individual
- SSN and partial SSN do NOT need to be associated with an individual to be considered PII. A SSN or the last 4 digits of a SSN alone, with no other information are considered PII
- In rare cases something like age has been found by the court to be PII. A case where a 99-year-old female's patient information was viewed publicly resulted in a court finding that her age was PII. She was the only 99-year-old female in community. If in doubt, it is necessary to err on the side of caution; treat files, data and information as if it is sensitive PII.

This list is not exhaustive, and other data may be sensitive depending on specific circumstances. In no case shall an applicant's PII be released to another party without written consent of the applicant. In addition, no CDBG-DR staff will be permitted access to any file where there could be a potential or perceived conflict of interest. Access to all CDBG-DR files should be subject to the Sub-Recipient's administrative "Need to Know" policy.

Non-PII

The following additional types of PII may be transmitted electronically without protection because they are not considered sufficiently sensitive to require protection.

- Work phone numbers
- Work addresses
- Work e-mail addresses
- Documents that do not include an SSN or where the SSN is removed
- General background information about individuals found in their application for assistance

The determination that certain PII is non-sensitive does not mean it is publicly releasable. The determination to publicly release any information can only be made by the sub-recipient official authorized to make such determinations.

Procedures for Intake and Processing of Applicant Provided Documentation

Sub-recipients will ensure that all PII discussed with and received from program applicants will be protected. During intake with applicants, case managers must ensure that only required PII be retained by the CBDG-DR program. Only required program documents shall be scanned/filed into the DCA's system of record with original documentation returned to the applicant during the intake meeting. In the event hard copies of the documents are retained for review and use of in the sub-recipient's program, hard copy documents must be labeled confidential and appropriately stored or filed in a secure location until they can be disposed of appropriately. A secure location means that they are locked in the case manager's desk or stored in a locked file cabinet when not in use. In addition, this policy requires that all mail or written correspondence to the applicant must be uploaded into the system of record and/or hard copy file within 24 hours of any notification by regular mail. In addition, all case managers granted access to PII must acknowledge and follow the policies regarding the physical, verbal, and electronic security of PII as outlined below.

Physical Security of PII

Physical security applies to all paper documents or files, as well as CDs, USB drives, tapes, and backups containing PII. DCA requires the following for all items that should be physically secured.

- Access to documents containing PII is limited based on a legitimate business need for the information and document. Only CBDG-DR designated staff shall have access to PII. Sensitive documents shall not be left out when CBDG-DR staff is away from their desk.
- CBDG-DR staff must log off their computers and lock their desks and file cabinets at the end of the day.
- Access to PII shall be limited or not granted for any CBDG-DR staff with an actual or perceived conflict of interest.
- Documents containing PII must be disposed of appropriately when no longer required for the CBDG-DR purpose for which they were collected. Further details on disposal of records can be found below under Document Disposal.
- Documents containing PII should be stored in locked drawer or program file cabinets when not in use.
- Access-control to spaces containing CBDG-DR documents with keyed or electronic locks will be used if locked file cabinets are not in use. Access control may also be used in conjunction with locked file cabinets.
- Files are only to be removed from locked cabinets when in use.
- Keys to secure spaces are controlled and logged/assigned.
- Access Controls given out to staff are logged.
- Management is to review access controls, such as changing locks and combinations upon staff changes.
- CBDG-DR staff should notify sub-recipient management immediately if they see an unfamiliar person on or around any premises that store applicant PII.

Verbal Security

Sub-Recipient, contractor and vendor staff granted access to PII must exercise precautions when discussing PII.

- PII should not be shared with coworkers unless it is required for them to complete their job duties.
- Limit information when leaving voicemail to name of case manager and return phone number.
- No PII should be discussed in public places, such as waiting rooms, hallways, elevators, etc.

Electronic Transmission of PII

Examples of electronic transmission of PII, include, but are not limited to:

- E-mail, text, and instant messages
- Document(s) attached to an e-mail message
- File Transfer Protocol (FTP)
- General Web Services
- File Sharing Services
- Electronic Data Interchange (EDI)

If there is any question concerning the sensitive or non-sensitive nature of the PII, staff should contact the CDBG-DR Program Manager or other authorized sub-recipient official.

Methods of Safe Transmission of PII

Although the transmission of PII is strongly discouraged, there may instances when this type of information must be shared among program staff. If this situation arises during the administration of a CDBG-DR program, there are several methods considered acceptable when transmitting PII:

- Using encryption software to encrypt the sensitive PII before sending it electronically, e.g., as an e-mail attachment. The password key should be forwarded to the recipient in a separate e-mail from the attached file or mailed. (PKZip is not considered a valid solution due to the ability to “break” the encryption).
- Using an application designed to protect the transmission of sensitive PII, e.g., Web- based applications that use TLS1.0, secure file share, or secure file transfer applications such as Secure Shell File Transport Protocol (SFTP).
- Sending documents with sensitive PII by facsimile is permissible if the sender alerts the designated recipient that sensitive PII is being sent. The recipient must then verify by phone or e-mail that the information has been received.
- Transfer of information via secure web applications.
- Transfer of information via Virtual Private Network (VPN).
- FTP in conjunction with encryption unless secure/encrypted FTP protocols have been put into place.

In addition to the above listed protocols, anti-virus and anti-spyware programs on individual computers and on servers on the CDBG-DR network should be regularly run by agency.

Password Management

This policy also requires that CDBR-DR sub-recipient, contractors and/or vendor staff control access to sensitive information by requiring the use of “strong” passwords, i.e. a mix of letters, numbers, and characters.

Passwords to sub-recipient’s CDBG-DR system(s) should be frequently changed.

In addition, this policy requires the following in the execution of CDBG-DR activities:

- Sharing passwords or posting them near CDBG-DR workstations is not permitted.
- Password-activated screen savers must be used to lock staff computers after a short period of inactivity.
- Users who don’t enter the correct password within a designated number of logon attempts should be locked out of the CDBG-DR system.

Acceptable Methods for Disposal of CDBG-DR PII

This policy requires all CDBG-DR sub-recipient, contractor, and vendor staff to properly dispose of sensitive information so that it cannot be read or reconstructed. Acceptable disposal methods are as follows:

- Paper Shredding / shred boxes
- Burning
- Pulverizing
- Electronic Media- If the media cannot be physically destroyed like a CD or DVD, data wiping software that permanently removes the PII data from the storage device must be used
- CDs and DVDs can be shredded or burned

In order to effectively carry out these procedures the following must occur:

- Document shredders and/or shred boxes should be made available throughout the workplace, including near the photocopier.
- Disposal of computers and portable storage devices must include the use of software for securely erasing data and hard drive so that the files are no longer recoverable.

PII Security Practices of Program Contractors and Sub-recipients

All CDBG-DR contracts or grant agreements with DCA will require that all sub-recipients, contractors and vendors adopt and properly administer DCA’s Sub-Recipient Procedures to Protect Personally Identifiable Information (PII) for CDBG-DR Programs policy. Failure to effectively carry out these policies or any breach of information may cause DCA to terminate the sub-recipient’s contract or grant agreement. In addition, DCA requires that all sub-recipients, program contractors, and vendors maintain files and procedures regarding:

- Reference or background checks conducted prior to onboarding CDBG-DR staff who will have access to sensitive data.
- Staff review and acknowledgement of DCA’s PII policy.

- Restricting access to CDBG-DR PII to a limited number of staff.
- Identification of staff with an actual or perceived conflict of interest. Identified staff shall not be granted access to information or PII that is the source of the conflict of interest.
- Zero tolerance policy related to the release of any applicant provided information without written consent of the applicant.
- PII Training provided to CDBG-DR sub-recipient, contractor, and vendor staff.
- Procedures in place for ensuring that CDBG-DR sub-recipient, contractor, or vendor staff who leave the project or employment no longer have access to sensitive information, i.e. timely termination of passwords, and collection of keys and identification cards as part of the out-processing routine.

DCA's Community Finance Division will conduct an initial monitoring of all CDBG-DR sub-recipients for compliance with these policies and procedures. In addition, PII security will be regularly monitored by DCA.

CDBG-DR PII Training

The DCA Community Finance Division will conduct broad level initial PII training for all CDBG-DR sub-recipient management staff. Sub-recipients will then be responsible for conducting PII training with all staff, including contractor and vendor staff, as necessary.

In addition to PII training, DCA requires:

- All CDBG-DR sub-recipient, contractors, and vendor staff must read this policy and acknowledge understanding of this document by affixing signature to [Exhibit A: Protection of Personally Identifiable Information \(PII\) Policy Agreement](#).
- Any suspicious activity shall be immediately reported to sub-recipient management.

Compromises of PII Security

All compromises or potential compromises of PII security shall immediately be reported, by sub-recipient management staff, to the Director of the Community Finance Division in order to assess the situation and determine the appropriate action to be taken.

Kimberly N. Carter
 Division Director, Community Finance Division
 404-679-0604
kim.carter@dca.ga.gov

In addition, the following steps should be taken:

- Immediate investigation of the security incident and termination of any existing vulnerabilities or threats to personal information.
- Any compromised computer should be immediately disconnected from any CDBG-DR network.
- Suspension of access to physical or electronic information for any staff suspected of creating a breach of PII security.

The Director of the Community Finance Division will be responsible for notifying all appropriate DCA departments, affected applicants, and law enforcement agencies, as applicable. In addition, the Director will be responsible for the termination of any contracts or grant agreements as determined necessary.

Responsible Agency

The Sub-Recipient will be responsible for the administration and enforcement of DCA's Sub-Recipient Procedures to Protect Personally Identifiable Information (PII) for CDBG-DR Programs to ensure that all CDBG-DR sub-recipient, contractor, and vendor staff understand, acknowledge, and comply with the policy in order to adequately protect applicant PII. The Community Finance Division will be responsible for ensuring that all sub-recipient contracts and grant agreements contain references and strict adherence to these policies. In addition, the Community Finance Division will monitor all sub-recipients for compliance with PII requirements and provide training and technical assistance as necessary.

Protection of Personally Identifiable Information (PII) Policy Agreement

Certification Statement

I, _____, acknowledge that I have received, fully read, had the opportunity to ask questions, and fully understand DCA SUB-RECIPIENT PROCEDURES TO PROTECT PERSONALLY IDENTIFIABLE INFORMATION (PII) FOR CDBG-DR PROGRAMS POLICY concerning the protection of applicant PII for all CDBR-DR Programs. I agree to abide by the terms and conditions of the policies stated within. I also understand that the intentional or inadvertent release of applicant PII, without written permission by the applicant, may result in reassignment or termination of my employment.

Printed Name: _____

Signature: _____

Date: _____



INTEROFFICE MEMORANDUM

DATE: September 21, 2022

TO: Honorable Mayor and Commissioners
City of Brunswick
Brunswick, GA

FROM: Kathy D. Mills, CPA, Finance Director

SUBJECT: Financial Reports as of September 30, 2022 25.00%

**General Fund
30-Sep-22
Cash Basis**

	Monthly	Year to Date	% of Budget	Amended Budget	% (over)under Budget
Revenues	6,051,730 **	7,913,288	42.16%	18,770,080	-17.16%
Expenditures	1,250,391	3,905,246	20.81%	18,770,080	4.19%
Net Revenues & Expenditures	4,801,339	4,008,042			
<hr/>					
Cash Balance as of 09/30/2022	5,549,461	Prime South \$1,059,732 Perry Park (included in total)		GA Fund One \$4,489,729	

	LOST	LOST YTD	TAVT*	TAVT* YTD
Sep-22	760,033	2,452,677	32,413	90,614
Sep-21	662,519	2,224,001	32,167	106,218
Increase (Decrease)	97,514	228,676	246	(15,604)
	14.72%	10.28%	0.76%	-14.69%

*Title Ad Valorem Tax

** Includes \$5,119,931 billed for 2022
\$224,269 received as of 09/30/2022

Capital Projects - SPLOST VI
As of September 30, 2022
(04/01/2017-09/30/2020)

	Total Expended as of 09/30/2022	Reimbursements Received	City Expended as of 09/30/2022	Original Budget Amount	Amended Budget Amount	Remainder (Overage)
Highways and Streets	7,205,004	3,380,766	3,824,238	4,627,750	4,627,750	803,512
Sidewalk Replacement/Upgrades	565,785	50,000	515,785	432,500	482,500	(33,285)
Storm Drainage Improvements	3,324,770	241,182	3,083,588	3,243,750	4,551,750	1,468,162
Mary Ross Park Development	570,736	0	570,736	821,750	821,750	251,014
Highway 17 Infrastructure	388,613	193,450	195,163	215,107	215,107	19,944
Wayfindings & Gateways	77,500	0	77,500	259,500	259,500	182,000
Trails	535,240	107,971	427,269	346,000	346,000	(81,269)
Cemetery Restoration/Renovation	109,632	0	109,632	259,500	259,500	149,868
Brunswick Police Department Vehicles (15)	466,021	0	466,021	540,625	540,625	74,604
Brunswick Fire Department Fire/Rescue	65,222	347	64,875	64,875	64,875	0
Subscriber Radios for E911	469,009	0	469,009	431,357	431,357	(37,652)
Fire Department Pumper Trucks (2)	849,778	287,595	562,183	562,183	562,183	0
Fire Station 1 Improvements	413,971	0	413,971	346,000	346,000	(67,971)
Historic Squares	134,979	25,000	109,979	86,500	86,500	(23,479)
Park Rehabilitation (Palmetto, Orange, etal)	367,520	2,700	364,820	389,225	389,225	24,405
Sidney Lanier Park Improvements	351,166	0	351,166	519,000	519,000	167,834
Overlook Park Improvements	139,104	0	139,104	103,800	103,800	(35,304)
Howard Coffin Park Improvements	483,774	103,000	380,774	431,357	431,357	50,583
Roosevelt Harris Center Improvements	191,668	40,293	151,375	151,375	151,375	0
	16,709,492	4,432,304	12,277,188	13,832,154	15,190,154	2,912,966

a \$636,772 from DOT & \$2,543,994 from JWSC

b \$241,182 from Glynn County

c \$74,971 from DNR Trail Grant & \$33,000 from GCRC

d \$50,000 from DOT

e \$3,000 Contribution from Golden Isles Track Club & \$100,000 from DNR

f \$129,680 from GADOT Highway 17

g \$328,234 paid back to General Fund

h \$25,000 from Signature Squares

i \$1,000 Ameris Bank & \$1,700 Golden Isles Track Club for Goodyear Park

Total Cash on Hand **\$3,096,294**

Overage in Collections
 GA DCA Aviation Fuel Tax
 Interest Earned

212,210	(1)
16,227	
260,294	
488,731	

(1) Original budgeted tax collection \$13,832,154

Actual collections through 08/31/2022 15,730,598

Collections in excess of budgeted \$1,898,444

Paid back to GF (328,234)

Allocated to Stormwater Improvements (1,308,000)

Allocated to Sidewalk Replacement & Upgrades (50,000)

Unallocated overage in Collections 212,210 (1)

SPLOST V

Cash Primesouth @ 09/30/2022

1,370,019

(Funds reallocated for purchase of Fire Department Ladder Truck)

Norwich Street Commons Fund

Original Balance (Sale of Property 05/13/13)

Demolition Fees

Interest Income

Revenues**Expenditures**

Demolition Projects

Infrastructure

Police Substation

Expenditures

Net as of 09/30/22

Cash Primesouth @ 09/30/2022

Roosevelt Harris - Multipurpose Center**Total Budget:**

Revenue FYTD

Grants

Transfer from General Fund

Program Income

Contributions

Interest Income

Total Inflows

Expenditures FYTD

Net

Cash Balance @ 09/30/2022

	YTD	Total since inception
Original Balance (Sale of Property 05/13/13)	0	487,500
Demolition Fees	0	8,049
Interest Income	1,158	20,657
Revenues	1,158	516,206

	YTD 6/30/2023	Total since inception
Demolition Projects	0	40,012
Infrastructure	0	130,546
Police Substation	0	6,750
Expenditures	0	177,308
Net as of 09/30/22	1,158	338,898

\$ 338,898

\$ YTD
f/y/e 6/30/2023**Cash Basis****452,654**

Grants	23,762	
Transfer from General Fund	95,000	
Program Income	7,158	
Contributions	1,000	
Interest Income	25	Percent of Budget
Total Inflows	\$ 126,945	28.04%
Expenditures FYTD	103,256	22.81%
Net	\$ 23,689	
Cash Balance @ 09/30/2022	\$ 3,150	

ARPA Fund:

Initial Deposit received 06/07/2021

4,606,131

2nd Deposit received 06/21/2022

4,606,131

Interest Earned from inception

62,060

Total funds received as of 09/30/2022

9,274,322**Disbursements:**

Back to Business Brunswick--DDA

163,265

Back to Business Brunswick-non DDA

95,000

Wifi Upgrades

9,007

Total funds disbursed as of 09/30/2022

267,272

Cash Balance as of 09/30/2022

\$9,007,050**Allocations:**

Revenue Recovery

1,162,000

Storm Drainage Improvements

1,750,000

Housing Relief

2,170,000

Business Support/Relief

941,735

Coastal Community Health Services

330,000

Road Improvements

1,250,000

Total funds allocated as of 09/30/2022

7,603,735**Total Disbursed and Allocated Funds @ 09/30/2022**

7,871,007

Unallocated Funds

1,341,255

Interest Earned

62,060

9,274,322

Sanitation Fund:

Year Ending 06/30/2023

	Year to Date
Sanitation Billing	386,907
Franchise Fees	6,916
Bad Debt - recovery	-
Interest Earned (Funds)	1,091
Penalties & Interest Earned	105
DNR Reimbursements	-
Transfer in for T Street Landfill	-
Total Revenue (YTD)	395,019
Operating Exp. YTD:	300,534
Depreciation YTD	-
Bad Debt - write off	-
Other Landfill Expenses	12,307
Payment to T Street Landfill Site Cleanup	-
Total Expense (YTD)	312,841
Operating Income (Loss)	<u>82,178</u>
Total Cash on Hand @ 09/30/2022	<u>51,213</u>
Primesouth Restricted for Landfill	194,795

Sanitation Bills		
	September 2022	YTD
Trash Pickup	127,982	383,457
Illegal Refuse Clean Up	1,411	5,312
Street Sweeping	2,114	5,884
	<u>131,507</u>	<u>394,653</u>

STORMWATER UTILITY FUND:	6/30/2023 (YEAR TO DATE)
Stormwater Utility Fees	36,424
DNR Grant	6,200
Interest Earned	1,394
Penalties & Interest	41
GMA Capital Lease Proceeds	0
GTIB Note Proceeds	283,691
Total Inflows	<u>327,750</u>
Expenditures:	
Operating	220,949
Infrastructure (pd with GTIB note)	283,691
GMA Lease Payments	4,851
Total Outflows	<u>509,491</u>
Balance	(181,741)
Cash Balance @ 09/30/2022	<u>\$357,727</u>

ADDITIONAL INFORMATION-FOR THE MONTH OF SEPTEMBER 2022

	September 2022	YTD
Animal Control Expenses	0	0
Traffic Control Expenses	3,530 *	3,530
Recreation Dept. Expenses (facilities managed by County)		
Building	0	1,475
Aquatics	9,532 **	13,048
Equipment	10,279 **	12,845
Subsidized Fees	0	0

*replaced controller box L & MLK (lightning storm)

**Katom refrigerator



Roosevelt Lawrence Center

Account	Account Description	Current Month Transactions	YTD Transactions
Function 6130 - Neighborhood & Community Service			
51			
51-1100	Salaries & Wages	5,850.95	21,102.94
51-1300	Overtime	18.59	2,021.99
51-2100	Group Insurance	1,604.25	4,812.75
51-2200	FICA	441.55	1,746.64
51-2400	Pension	.00	.00
51 - Totals		\$7,915.34	\$29,684.32
52			
52-1300	Technical Services	79.00	158.00
52-2300	Rentals	44.00	88.00
52-3201	Cable	149.16	446.48
52-3600	Dues and Fees	29.50	277.34
52 - Totals		\$301.66	\$969.82
53			
53-1210	Water/Sewerage	173.28	346.56
53-1230	Electricity	1,716.70	1,716.70
53-1300	Food/Misc	.00	250.49
53 - Totals		\$1,889.98	\$2,313.75
Function 6130 - Neighborhood & Community Service Totals		\$10,106.98	\$32,967.89
Reporting Category 6100 - Recreation Totals		\$30,020.69	\$60,541.76
EXPENSE TOTALS		\$30,020.69	\$60,541.76



SUBJECT: Resolution #2022-11 to Authorize Additional Accounts to be Invested in Georgia Fund 1

COMMISSION ACTION REQUESTED ON November 2, 2022

PURPOSE:

To request the Commission to approve a resolution allowing excess City funds to be invested in Georgia Fund 1, a local government investment pool, through the Office of the State Treasurer per GA Code Ann. 36-83-1 to 36-83-83.

HISTORY:

The Commission approved investing excess City funds in Georgia Fund 1 in March of 2018 to take advantage of higher yields offered. The City currently has 18 accounts that are authorized to invest in Georgia Fund 1. To add accounts to the current resolution, a new resolution must be authorized.

FACTS AND ISSUES:

The City has opened additional checking accounts since the original resolution, one of which is the ARPA account. We are requesting a new resolution be executed to allow these new accounts to be added to the resolution to take advantage of higher rates of return.

The resolution is now done electronically. If this resolution is passed it will be done online with the Mayor's electronic signature.

BUDGET INFORMATION:

This action will increase budgeted revenues for the current fiscal year.

OPTIONS: Approve or Disapprove the new resolution

DEPARTMENT RECOMMENDATION ACTION:


Department recommends approval of the addition of City accounts to allow investment in GA Fund 1.

DEPARTMENT: Finance Department

Prepared by: ^{KDM} Kathy D. Mills, Finance Director

ADMINISTRATIVE COMMENTS:

ADMINISTRATIVE RECOMMENDATION:



City Manager

10/25/22

Date