



Huntsville, Alabama

305 Fountain Circle
Huntsville, AL 35801

Cover Memo

Meeting Type: City Council Regular Meeting **Meeting Date:** 4/23/2026

File ID: TMP-6877

Department: Community Development

Subject:

Type of Action: Approval/Action

Resolution authorizing the Mayor to enter into an Agreement between the City of Huntsville and Community Action Partnership of Huntsville/Madison and Limestone Counties, Inc. for the use of ADECA FY25 Emergency Solutions Grant funding.

Resolution No.

Finance Information:

Account Number: 515520

City Cost Amount: \$0

Total Cost: \$0

Special Circumstances:

Grant Funded: \$25,000.00

Grant Title - CFDA or granting Agency: HESG-ADECA

Resolution #: N/A

Location: (list below)

Address: Citywide

District: District 1 District 2 District 3 District 4 District 5

Additional Comments: Agreement with Community Action Partnership of Huntsville/Madison and Limestone Counties to use Program Year 2025 ESG funding for Homelessness Prevention.

RESOLUTION NO. 26 - ____

WHEREAS, the Alabama Department of Economic and Community Affairs (ADECA) notified the City of Huntsville, Alabama of a grant award for Emergency Solutions Grant (ESG) funds known as HESG-25-018; and,

WHEREAS, The City is therefore required to enter into a contract agreement with a non-profit agency, which provides services to the homeless to assure ADECA that all conditions of the grant agreement between ADECA and the City are satisfied.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the Mayor of the City of Huntsville is hereby authorized, requested and directed to enter into an agreement with Community Action Partnership of Huntsville/Madison and Limestone Counties, Inc., said contact being substantially similar in words and figures to the document identified as "Agreement between the City of Huntsville, Alabama and Community Action Partnership of Huntsville/Madison and Limestone Counties, Inc.," consisting of nineteen (19) pages, and the date of April 23, 2026 appearing on the margin of the first page, together with the signature of the President or President Pro Tem of the City Council, an executed copy of said document being permanently kept on file in the Office of the City Clerk of the City of Huntsville.

ADOPTED this the 23rd day of April, 2026.

President of the City Council of
the City of Huntsville, Alabama

APPROVED this the 23rd day of April, 2026.

Mayor of the City of Huntsville,
Alabama

**“AGREEMENT BETWEEN THE CITY OF HUNTSVILLE, ALABAMA AND
COMMUNITY ACTION PARTNERSHIP OF HUNTSVILLE/MADISON AND
LIMESTONE COUNTIES, INC.”**

THIS AGREEMENT, entered into this the 23rd day of April, 2026 by and between the City of Huntsville, Alabama, and hereinafter referred to as the City, and Community Action Partnership of Huntsville/Madison and Limestone Counties, Inc., hereinafter referred to as the Agency.

WHEREAS, the City received a grant under the Emergency Solutions Grant (ESG) from the Alabama Department of Economic and Community Affairs (ADECA), known as Grant No. HESG-25-018; and

WHEREAS, the City desires to engage the Agency to render certain services in connection therewith;

NOW, THEREFORE, it is agreed between the parties hereto that;

I. PROGRAM DESCRIPTION

The Agency shall provide operation, outreach, referrals, and basic services to homeless or at-risk homeless persons to insure a comprehensive case management approach to homeless issues. The City shall provide **\$25,000.00** in ESG funds to the Agency for the operation of the Homeless Assistance- Homelessness Prevention Program. Funds shall be expended as described in Part V of this Agreement. The Agency will provide the administration of the program for the term of this Agreement.

II. PROJECT LOCATION

The Agency's administrative office and project site are located in Huntsville, Alabama. All records related to the program shall be maintained at the Agency's office. The mailing address of the Agency is Post Office Box 3975 Huntsville, AL 35810.

III. SERVICES TO BE PROVIDED

The Agency shall, in a satisfactory and proper manner, as determined by the City, perform the following services:

**President of the City Council
City of Huntsville, Alabama
Date: April 23, 2026**

A. OPERATIONS

The Agency shall operate a program which will provide Homelessness Prevention to approximately 10-20 individuals/families. ESG activities include housing relocation and stabilization services (including rental application fees, security deposits, utility deposits or payments, last month's rent and housing search and placement activities). Funds may also be used for short- or medium- term rental assistance for those who are at-risk of becoming homeless or transitioning to stable housing.

B. HOMELESS ASSISTANCE

Homeless Prevention services may be provided to those "At Risk of Homelessness" or "Homeless" meeting the following conditions:

- 1) An individual or family who:
 - i. Has an annual income below 30% of median family income for the area, as determined by HUD at initial eligibility determination or at or below 30% at reassessment;
 - ii. Does not have sufficient resources or support networks, e.g., family, friends, faith-based or other social networks, immediately available to prevent them from moving to an emergency shelter or another place described in paragraph (1) of the "homeless" definition in this section;
 - iii. The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;
 - iv. No subsequent residence has been identified; and
 - v. The individual or family lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, needed to obtain other permanent housing;
 - vi. Meets one of the following conditions:
 - a) Has moved because of economic reasons two or more times during the 60 days immediately preceding the application for homelessness prevention assistance;
 - b) Is living in the home of another because of economic hardship;
 - c) Has been notified in writing that their right to occupy their

current housing or living situation will be terminated within 21 days after the date of application for assistance;

- d) Lives in a hotel or motel and the cost of the hotel or motel stay is not paid by charitable organizations or by Federal, State, or local government programs for low-income individuals;
 - e) Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 persons reside per room, as defined by the U.S. Census Bureau;
 - f) Is exiting a publicly funded institution, or system of care (such as a healthcare facility, a mental health facility, foster care or other youth facility, or correction program or institution); or
 - g) Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness, as identified in the recipient's approved consolidated plan;
- 2) A child or youth who does not qualify as “homeless” under this section, but qualifies as “homeless” under section 387(3) of the Runaway and Homeless Youth Act (42 U.S.C. 5732a(3)), section 637(11) of the Head Start Act (42 U.S.C. 9832(11)), section 41403(6) of the Violence Against Women Act of 1994 (42 U.S.C. 14043e–2(6)), section 330(h)(5)(A) of the Public Health Service Act (42 U.S.C. 254b(h)(5)(A)), section 3(m) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(m)), or section 17(b)(15) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)(15)); or
- 3) A child or youth who does not qualify as “homeless” under this section, but qualifies as “homeless” under section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), and the parent(s) or guardian(s) of that child or youth if living with her or him.
- 4) Any individual or family who:
- i. Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or

- ii. Has no other residence; and
- iii. Lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, to obtain other permanent housing.

C. HOMELESS

As described in the preamble of the Final Rule Defining Homeless, the final rule establishes four categories of homelessness. These categories are:

- i. Individuals and families who lack a fixed, regular, and adequate nighttime residence and includes a subset for an individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter, or a place not meant for human habitation immediately before entering that institution;
- ii. Individuals and families who will imminently lose their primary nighttime residence;
- iii. Unaccompanied youth and families with children and youth who are defined as homeless under other federal statutes who do not otherwise qualify as homeless under this definition; or
- iv. Individuals and families who are fleeing, or are attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member.

D. CONTINUUM OF CARE

In support of the Agency's commitment to the continuum of care strategy in the community, an agency representative will attend scheduled meetings of AL-503 Huntsville/ North Alabama Continuum of Care, participate in Coordinated Entry, and enter data and referrals in a HUD-approved database that is comparable to the Homeless Management Information System (HMIS).

IV. TIME OF PERFORMANCE

The service of the Agency shall be undertaken beginning on **April 1, 2026** and be completed by **March 31, 2027**. All funds must be obligated, expended and the match requirement met by **March 31, 2027**.

V. COMPENSATION AND METHOD OF PAYMENT

It is the policy of HUD and the City that funds are only made available to the Agency on a reimbursable basis. A Request for Payment which is supported by evidence that the services have actually been performed, expenses incurred, and a description of the work activity accomplished must be submitted from the Agency to the City prior to the **5th day of each month**. The Agency is subject to a loss of a portion of its funds for non-compliance. After receipt of City funds, the Agency shall make payment of any unpaid expenses to the vendor(s) and/or employee(s) indicated in the request for funds within two (2) working days from the date of the deposit of funds by the Agency. It is understood that in no event should the total compensation paid hereunder exceed the maximum sum of **\$25,000.00** for all services required hereunder. Furthermore, if any "program income" is generated by the Agency, it shall be returned to the City. Funds shall be expended as delineated in the budget below.

ACCOUNT NAME	AMOUNT
Special Activities – Prevention	\$25,000.00
TOTAL	\$25,000.00

VI. REPORTS, REPORT CONTROL AND CONTROL INFORMATION

- A. A written monthly report reflecting the Agency’s operations will be submitted by the Agency to the City no later than the 5th day of each month.
- B. All Agency staff employment funded in whole or in part with Emergency Solutions Grant (ESG) funds shall reported on a monthly basis to the City by the provision of weekly time sheets, signed by each staff person and the supervisor. These records shall also be necessary if the salary of any staff person is used as evidence of a match for ESG funds.
- C. All forms bearing a Community Development Form Number (Community Development Division Forms) will be provided by the City.
- D. Upon execution of this contract, the Agency shall designate those members of the Agency staff who will be responsible to the City for Agency reports. All Agency contact regarding matters of reporting under this contract will be directed to the attention of the designated individuals.
- E. The City will inventory and examine Agency reports prior to each request for funds, being especially mindful to report completeness. Release of all funds under this contract is contingent upon satisfactory Agency reporting under the terms of this contract. The City shall respond to any report deficiency or delinquency with a letter citing the applicable report deficiency or delinquency.

F. General Report Provisions:

- i. Data requirements, reporting format, and submission times will be specified by the City for all reporting.
- ii. From time to time, as the City may determine, data in addition to that specifically required of the Agency in support of planning and/or evaluation.
- iii. The City or Huntsville will make the final determination regarding delinquent or deficient reports, and generally, regarding any matter of report provisions where interpretation may be required.
- iv. No exception will be made to any part of these report provisions unless the exception is made in writing by the City.
- v. Non-compliance with these provisions regarding reporting will be considered sufficient cause for termination of contract.

VII. ITEMS OF UNDERSTANDING

- A. Personnel Policy: It is mutually understood that policies governing personnel shall be written in conformance with Part II, Terms and Conditions entitled "Nondiscrimination".
- B. Federal Funds: It is mutually understood by the parties hereto that the funds provided hereunder by ADECA are Federal funds and are provided by the Department of Housing and Urban Development (HUD).
- C. Matching Funds: It is further understood that in order to obtain these funds, the Agency must provide local matching funds in an amount equal to the grant. Matching funds shall be "in-kind" or in cash. The Match sources shall include time sheets for staff involved in the operation of the shelter. Eligibility of the submitted match records will be determined by the City.

VIII. BIDS AND CONTRACT AWARD PROCEDURES

Bids and contract awards for work to be accomplished will be done in accordance with Part II, "Terms and Conditions" which form a part of this contract.

IX. CONFLICT OF INTEREST

The Agency shall maintain a code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the awarding and administration of contracts using Federal funds. No employee, officer or agent shall participate in the selection, award or administration of a contract in which Federal funds are used, where, to his knowledge, he or his immediate family or partner has a financial

interest or with whom he is negotiating or has any arrangement concerning prospective employment. The Agency's officers, employees or agents shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors or potential contractors. Such standards shall provide for disciplinary actions to be applied for violations of such standards by the Agency's officers, employees or agents.

X. FINANCIAL MANAGEMENT STANDARDS

The Agency's financial management systems shall provide for:

- A. Accurate, current and complete disclosure of the financial results of each federally sponsored project or program in accordance with the reporting requirements. When a Federal sponsoring agency requires reporting on an accrual basis, the recipient shall not be required to establish an accrual accounting system but shall develop such accrual data for its reports on the basis of an analysis of the documentation on hand.
- B. Records that identify adequately the source and application of funds for federally sponsored activities. These records shall contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, outlays, and income.
- C. Effective control over and accountability for all funds, property and other assets. Recipients shall adequately safeguard all such assets and shall assure that they are used solely for authorized purposes.
- D. Comparison of actual outlays with budget amounts for each grant or other agreement. Whenever appropriate or required by Federal sponsoring agency, financial information should be related to performance and unit cost data.
- E. Procedures to minimize the time elapsing between the transfer of funds from the City by the City and the disbursement by the Agency whenever funds are advanced.
- F. Procedures for determining the reasonableness, allowability and allocability of costs in accordance with the provisions of the applicable Federal cost principles and the terms of the grant or other agreement.
- G. Accounting records that are supported by source documentation.
- H. Examinations in the form of audits or internal audits. Such audits shall be made by qualified individuals who are sufficiently independent of those who authorize the expenditure of Federal funds, to produce unbiased opinions, conclusions or judgments. They shall meet the independence criteria along the lines of Chapter 3, Part 3 of the U.S. General Accounting Office publication, and Standards for Audit of Governmental Organizations, Programs, Activities and Functions. These

examinations are intended to ascertain the effectiveness of the financial management systems and internal procedures that have been established to meet the terms and conditions of the agreements.

XI. TERMS AND CONDITIONS

This Agreement is subject to and incorporates the provisions of Part II, "Terms and Conditions" which form a part of this contract.

PART II **AGENCY TERMS AND CONDITIONS**

The City and Agency hereby agree:

1. News Media. Any publicity given to the project herein concerned shall recognize the City and the U.S. Department of Housing and Urban Development.
2. Changes. Any changes in the scope of services of the Agency to be performed hereunder by any party hereto, including any increase or decrease in the amount of consideration, must have prior approval from the City and must be incorporated by a written agreement modifying the terms of this agreement.
3. Findings Confidential. All audit findings, reports, studies, and any other information or data prepared or assembled by the Agency under the terms of this agreement are confidential in nature, and the Agency agrees that they shall not be made available to any individual or organization, other than to an agency of the United States Government, without the prior written approval of the City.
4. Termination of Agreement for Cause:
 - a. In accordance with 24 CFR Part 200, if the Agency shall fail to fulfill its obligations under the terms of this agreement in a timely and proper manner, or if the Agency shall violate any of the covenants, terms, or stipulations of this agreement, the City shall thereupon have the right to terminate this agreement by giving written notice to the Agency of such termination, which notice shall specify the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the Agency under the terms of this agreement shall, at the option of the City, become the property of the City and the Agency shall be entitled to receive just and equitable compensation for any work satisfactorily completed under the terms of this agreement.
 - b. In the event of termination of this agreement under the terms of paragraph 4. A, above, or any other lawful termination of this agreement, the City shall have the right to withhold any payments to the Agency pending determination of

compensation due the Agency for work satisfactorily completed.

5. Termination of Agreement for Convenience. In accordance with 2 CFR Part 200, the City may terminate this agreement at any time by giving at least ten (10) days' notice in writing to the Agency. If the agreement is terminated by the City as provided herein, total consideration due the agency shall bear the same ratio to the total consideration called for in this agreement as the services actually performed by the Agency bear to the services called for in this agreement. If, however, less than sixty (60) per cent of the services required under the terms of this agreement have been performed upon the effective date of such termination, the Agency shall be reimbursed such actual expenses incurred by the Agency which are directly attributable to the uncompleted services required under the terms of this agreement. If this agreement is terminated through fault of the Agency, Paragraph 4 hereof, relative to termination for cause, shall apply.
6. Contractual Noncompliance. Noncompliance with any and/or all part(s) of this contract, grant, loan or agreement, as determined by the City Division (or representatives of the City, may result in the disallowance of costs ... thereby requiring the immediate payback of Federal funds by the Agency to the City within 30 days of such written determination. This requirement applies not only to the period of the contract, grant, loan or agreement but also for a period of three (3) years after the contract expiration date.
7. Procurement Standards. The Agency shall establish procedures for the procurement of supplies, equipment, construction and other services, with Federal funds. Such procedures shall be consistent with the following:
 - a. No employee, officer, or agent of the Agency shall participate in the selection, award, or administration of any contract in which Federal funds are used, if he, his immediate family, or partner has a financial interest in such contract, or if he, his immediate family or partner has a financial interest in any organization which has a financial interest in said contract. The Agency's officers, employees and agents shall neither solicit, nor accept, gratuities, favors, or anything of monetary value from contractors or potential contractors. The Agency shall provide for appropriate disciplinary action to be taken if any officer, employee, or agent should violate the terms of this paragraph.
 - b. All procurement transactions shall be conducted in a manner to provide, to the maximum extent feasible, open and free competition. Awards shall be made to the bidder or offer or whose bid or offer is responsive to the solicitation, and whose bid is most advantageous to the Agency.
 - c. The Agency shall establish procurement procedures which provide for, at a minimum, the following procedural requirements:
 - i. Proposed procurement actions shall follow a procedure to avoid purchasing unnecessary or duplicate items.

- ii. Solicitations for goods and services shall be based upon a clear and accurate description of the technical requirements for the material, product or service to be procured. Such description shall not, in competitive procurement, contain features which unduly restrict competition.
 - iii. Positive efforts shall be made by the Agency to utilize small business and minority-owned business sources of supplies and services.
 - iv. The type of procuring instrument used, e.g., fixed price contract, cost reimbursable contract, purchase order, or incentive contract, shall be determined by the Agency, but must be appropriate for the particular procurement and for promoting the best interest of the program involved. The "cost-plus-a-percentage-of-cost" method of contracting shall not be used.
 - v. Contracts shall be made only with responsible contractors who possess the potential ability to perform successfully under the terms and conditions of a proposed procurement. Consideration shall be given to such matters as contractor integrity, record of past performance, financial and technical resources, and accessibility to other necessary resources.
 - vi. All proposed sole source contracts, or contracts in which only one bid or proposal is received, shall be subject to prior approval by the City.
 - vii. Some form of price or cost analysis should be made in connection with every procurement action. Price analysis may be accomplished in various ways, including the comparison of price quotations submitted, market prices and similar indicia, together with discounts.
 - viii. Procurement records and files for purchases shall include the following:
 - 1. Basis for contractor selection or rejection;
 - 2. Justification for lack of competition when competitive bids or offers are not obtained;
 - 3. Basis for award cost or contract price;
 - 4. Rationale for method of procurement; and
 - 5. Selection of contract type.
8. Property Records. A record shall be maintained for each item of non-expendable property required for the program. Non-expendable property is property which will not be consumed or lose its identity by being incorporated into another item of property, which costs fifty dollars (\$50.00) or more per unit and which is expected to have a useful life of one year or more. Grouping like items such as chairs, with an aggregate cost in excess of fifty dollars (\$50.00) shall also be controlled and accounted for as non-expendable property even though the cost of a single item is less than fifty dollars (\$50.00). The record shall include (a) a description of the item of property, including

model and serial numbers, if applicable; (b) date of acquisition; (c) the acquisition cost or assigned value to the program; and, (d) location of the item.

9. Compliance with Laws, Rules, and Regulations. The Agency shall comply with all applicable laws, ordinances and Codes of the Federal, State, and local governments, including, but not limited to compliance with the following:

- a. Title VI of the Civil Rights Act of 1964 (Pub. L. 88 352; 42 U.S.C. 2000d et seq);
- b. Title VIII of the Civil Rights Act of 1968 (Pub. L. 90 284; 42 U.S.C. 3601 et seq);
- c. Executive Order 11246, entitled "Equal Employment Opportunity", as amended by Executive Order 11375, as supplemented in Department of Labor Regulations (41 CFR, Part 60).
- d. Executive Order 11063 (24 CFR, Part 107) which prohibits discrimination in housing on the basis of race, color, religion, sex, or national origin.
- e. Age Discrimination Act of 1975 (42 U.S.C. 6101 6107).
- f. Rehabilitation Act of 1973 (29 U.S.C. 794) which prohibits discrimination against handicapped individuals.
- g. Executive Orders 11625, 12432 and 12138 encouraging the use of minority and women's business enterprises.
- h. Requirements and Standards of OMB Circular No. A 122, entitled "Cost Principles for Nonprofit Organizations".
- i. Monitoring Requirements. The City is responsible for managing the day-to-day operations of sub-grantee activities. The City will monitor the Agency's activities to assure compliance with applicable Federal requirements and that performance goals are being achieved. The City monitoring will cover each program, function or activity. Federal agencies may also make site visits as warranted by program needs.

10. Nondiscrimination.

- a. Discrimination Prohibited - Section 504 of the Rehabilitation Act of 1973, as amended, requires that no otherwise qualified individual in the United States shall on the grounds of race, color, national origin, sex or handicap be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity receiving federal financial assistance which includes any programs funded in whole or in part with City funds. The Agency

shall make known that the use of the facilities and services is available to all on a nondiscriminatory basis. For purposes of this section, "Program or activity" is defined as any function conducted by the Agency, or by any unit of government or private contractor receiving City funds or loans from the Agency. "Funded in whole or in part with City funds" means that City funds in any amount in the form of grants or proceeds from HUD guaranteed loans have been transferred to the Agency and disbursed in a program or activity.

- b. During the performance of this project, the Agency agrees as follows:
 - i. The Agency will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin or age. The Agency will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, national origin or age. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Agency agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
 - ii. The Agency will, in all solicitations or advertisements for employees placed by or on behalf of the Agency; state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin or age.
 - iii. The Agency, if applicable, will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the Contract Compliance Officer advising that the said labor union or workers' representatives of the Agency's commitment under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
 - iv. The Agency will comply with Executive Order 11246, entitled "Equal Employment Opportunity", as amended by Executive Order 11375, and as supplemented in Department of Labor Regulations (41 CFR, Part 60).
 - v. The Agency will furnish all information and reports required by Executive Order 11246 as amended by Executive Order 11375 and as supplemented in Department of Labor Regulations (41 CFR, Part 60), or pursuant thereto, and will permit access to its books, records, and accounts by the Secretary of Labor and the Department of Labor for purposes of investigation to ascertain compliance with such rules,

regulations and orders.

- vi. In the event of the Agency's noncompliance with the nondiscrimination clauses of this agreement or with any of the said rules, regulations, or orders, this agreement may be canceled, terminated, or suspended in whole or in part, and the Agency may be declared ineligible for further Government contracts or federally-assisted construction contracts in accordance with procedures authorized in Executive Order 11246 as amended by Executive Order 11375 and as supplemented in Department of Labor Regulations (41 CFR, Part 60).
 - vii. The Agency will include Section 10.A. " Nondiscrimination" and the provisions of paragraph 10.B.(1) through 10.B.(7) in every subcontract unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity" as amended by Executive Order 11375, and as supplemented by Department of Labor Regulations (41 CFR, Part 60), so that such provisions will be binding upon each subcontractor or vendor. The Agency will take such action with respect to any subcontract or purchase order as the City may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event the Agency becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the City, the Agency may request the United States to enter into such litigation to protect the interest of the United States.
- c. "Section 3" Clause. Every contracting party, contractor, and subcontractor shall incorporate in all contracts for work in connection with a Section 3 covered project, the following clause (referred to as a Section 3 clause):
- i. The work to be performed under this contract is on a project assisted under a program providing direct Federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 USC 1701u. Section 3 requires that to the greatest extent feasible, opportunities for training and employment be given lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in or owned in substantial part by persons residing in the area of the project.
 - ii. The parties to this contract will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR 570.607 (b) and all applicable rules and orders of the Department issued thereunder prior to the execution of this contract. The parties to this contract certify and

agree that they are under no contractual or other disability which would prevent them from complying with these requirements.

- iii. The Contractor will send to each labor organization or representative of workers with which he has a collective bargaining agreement or other contract or understanding, if any, a notice advising the said labor organization or workers' representative of his commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.
- iv. The Contractor will include this Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the applicant for or recipient of Federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR 570.607 (b). The Contractor will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR 570.607 (b) and will not let any subcontract unless the subcontractor has first provided it with a preliminary statement of the ability to comply with the requirements of these regulations.
- v. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR 570.607 (b) and all applicable rules and orders of the Department issued thereunder prior to the execution of the contract, shall be a condition of the Federal financial assistance provided to the project, binding upon the applicant for or recipient of such assistance, its successors, and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its contractors, its subcontractors, its successors, and assigns to those sanctions specified by the grant or loan agreement or contract through which Federal assistance is provided, and to such sanctions as are specified by 24 CFR 570.607 (b).

11. ADECA Emergency Solutions Grant funds disbursed by the City to the Agency shall:

- a. Be used only for the purpose of the project.
- b. Not be used to advance funds to any individual or organization, other than for authorized travel advances for travel outside the metropolitan area.
- c. Not be used to advance funds for any other purposes, programs, or activities which are being carried out by the Agency at the same time it is performing services for City under the terms of this agreement.

12. Requests for Payment. Upon request by the City, the Agency shall submit to the City copies of invoices and/or other source documents supporting all project expenditures outlined in the Request for Payment or Reimbursement.

13. Documentation and Record Keeping.

a. The Agency shall maintain all records required by the federal regulations specified in 2 CFR Part 200 that are pertinent to the activities funded under this agreement. Such record shall include but are not limited to:

- i. Records providing a full description of each activity undertaken.
- ii. Records demonstrating that each activity undertaken meet one of the national objections.
- iii. Records required to determine the eligibility of activities.
- iv. Financial records as required by 2 CFR Part 200.
- v. Other records necessary to document compliance.

b. The Agency shall retain all records and supporting documentation applicable to a project with City for a period of five (5) years after the receipt of final payment from City and after all other pending matters are closed. All such records shall be made readily available, upon request, for inspection or audit by the representatives of City, the Secretary of the U.S. Department of Housing and Urban Development, and/or the Comptroller General of the United States. In the event of the Agency's going out of existence, the records relating to the City project will be turned over to City for retention.

14. Subcontracts. None of the work or services included in a contract between the Agency and City shall be subcontracted without the prior written approval of City. Any work or services subcontracted will be specified by written agreement and shall be subject to each provision of the agreement between the Agency and City. Any construction work or services to be subcontracted will be specified by written agreement, only after written approval of City, and shall be subject to all of the provisions of "Part II, Terms and Conditions, Construction Contracts", which will be made a part of each subcontract.

15. Changes.

a. Budget Revisions - Once a project is implemented, it may be determined that the cost of the line items in the budget should be changed or modified based on realistic needs. In this case, the Agency will prepare and submit a revised budget to City for approval. Once the revision is approved, a contract change order, which shall constitute a written agreement modifying the terms of this

agreement, will be prepared and provided to the Agency to allow deviation in planned expenditures. No deviation in planned expenditures of City supplemental funds may be made without prior authorization by the City.

- b. Change in project Description - After implementation, it may also be determined that the scope of work or services required in the agreement between City and the Agency are unrealistic. In this instance, the Agency will submit to City an outline of the suggested change together with adequate justification of the reasons therefore. The City will, after appropriate investigation, determine if the suggested change will best serve the interests of the program. Upon receiving written approval from City, the Agency may proceed to implement the change and prepare any necessary modifications or alterations to data which are to be supplied to City in periodic reports.

16. Political Activity Prohibited. None of the funds, materials, property or services provided directly or indirectly under the terms of this agreement shall be used in the performance of this agreement for any partisan political activity, or to further the election or defeat of any candidate for public office, in accordance with the provisions of the Hatch Act.

17. Lobbying Certification. The Agency certifies, to the best of his or her knowledge and belief, that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of the Agency, 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.
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan or cooperative agreement, the Agency shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- c. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Compliance with this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U. S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

18. Religious Activity Prohibited. All funds provided directly or indirectly will not be utilized for religious activities, to promote religious interests, or for the benefit of a religious organization in accordance with the federal regulations specified in 24 CFR 570.200(j).
19. Conflict of Interest.
- a. Interest of Members of City - No officer, employee, or agent of the City who exercises any functions or responsibilities in connection with the planning and implementation of the Program, or any other person who exercises any functions or responsibilities in connection with the Program, shall have any personal financial interest, direct or indirect, in this agreement, and the Agency shall take appropriate steps to assure compliance.
 - b. Interest of Agency and Employees - The Agency covenants that no person who presently exercises any functions or responsibilities in connection with the Program, has any personal financial interest, direct or indirect, which would conflict in any manner or degree with the performance of his or her services hereunder. The Agency further covenants that in the performance of this agreement, no person having any conflicting interest shall be employed. Any interest on the part of the Agency or its employees must be disclosed to City.
 - c. Neither the City nor the funds provided therefore, nor the personnel employed in the administration of the program shall be in any way or to any extent in contravention of Chapter 15 of Title 5, United States Code.
20. Audits. The Agency will be subject to periodic audit by City and an independent certified public accountant employed by City for that purpose. The audit of Federal funds will be made in accordance with 2 CFR Part 200 during the regular auditing cycle.
21. Provisions Required by Law Deemed Inserted. Each and every provision of law and clause required by law to be inserted in this agreement shall be as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon application of either party hereto, this agreement shall forthwith be physically amended to make such insertion or correction.
22. Agency shall indemnify City. The Agency shall at all times indemnify and save harmless the City, its agents, officers and employees, against all liability, claim, cost or damage, including attorney fees, arising from the performance of this agreement, or any subsequent agreement in conjunction herewith.
23. Program Income. In accordance with 2 CFR Part 200, the Agency shall comply with program income requirements set forth in 2 CFR Part 200. Program income shall be returned to the City. All provisions of this written agreement shall apply to any activities undertaken with program income received by the Agency during the performance of this contract. Any program income on hand when the agreement expires, or received after

such expiration, shall be paid to the City.

24. Other program requirements. In accordance with 2 CFR Part 200, the Agency shall carry out each activity in compliance with all Federal laws and regulations described in Subpart K of these regulations, except that:

- a. The Agency does not assume the City's environmental responsibilities described at 570.604; and
- b. The Agency does not assume the City's responsibility for initiating the review process under Executive Order 12372.

25. The Agency does not assume the City's environmental responsibilities described at 570.604.

26. Reversion of Assets. Upon expiration of this agreement, the Agency shall transfer to the City any funds on hand at the time of expiration and any accounts receivable attributable to the use of ESG funds. The Agency shall ensure that any real property under its control that was acquired or improved in whole or in part with ESG funds in excess of \$25,000 is either:

- a. Used to meet one of the national objectives in 570.901 until five years after expiration of this agreement, or such longer period of time as determined appropriate by the City; or
- b. Is disposed of in a manner which results in the City being reimbursed in the amount of the value of property less any portion thereof attributable to expenditures of non-ESG funds for acquisition of, or improvement to, the property. Such reimbursement is not required after the period of time specified in accordance with (a) above.

27. Definitions.

- a. Agency – An entity, whether public or private, which has the responsibility for administering a project or activity under the terms of the Housing and Community Development Act of 1974, and which is a party to this agreement.
- b. City – The City of Huntsville, Alabama, a municipal corporation, acting by and through the Community Development Division.
- c. Contractor – An entity, other than an Agency (except as noted in the Labor Standards Provisions) that furnishes to the City or to an Agency services (other than standard commercial supplies, office space, or printing services).
- d. HUD – The Secretary of Housing and Urban Development or a person authorized to act on his behalf.

The Parties agree that any form of electronic signature, including but not limited to signatures via facsimile, standing, or electronic mail, may substitute for the original signature and shall have the same legal effect as the original signature.

IN WITNESS THEREOF, the City and the Agency have executed this Agreement on this the 23rd day of April, 2026.

THE CITY OF HUNTSVILLE

Tommy Battle, Mayor
City of Huntsville, Alabama

ATTEST:

Shaundrika Edwards, Clerk City
City of Huntsville, Alabama

**COMMUNITY ACTION PARTNERSHIP OF HUNTSVILLE/MADISON AND
LIMESTONE COUNTIES, INC.**

By: _____
Its Authorizing Official

ATTEST:
