

**ADMINISTRATIVE AGREEMENT
BETWEEN
THE CITY OF KEY WEST, FLORIDA (GRANTEE)
AND
A.H. OF MONROE COUNTY, INC. (SPONSOR)
REFERENCE: U.S. HUD HOPWA GRANT #FL-H250017**

SECTION I. INTRODUCTION

The following Administrative Agreement is hereby entered into by the City of Key West (Grantee) and A.H. of Monroe County, Inc. (Sponsor) in the execution of U.S. HUD Grant #FL-H250017, Housing Opportunities for Persons with AIDS (HOPWA) shall be effective as of April 1, 2026 through March 31, 2029 or the three-year grant deadline as may be established by U.S. HUD (whichever expires first).

The general purpose of the Agreement is to outline the terms of implementation, responsibilities and requirements of the Grantee and Sponsor. This Agreement does not supersede any existing local, State and Federal requirements or specific Federal HOPWA regulations.

1. The City of Key West (the City) Community Development Office (CDO) is charged with the responsibilities of the implementation and administration of various State and Federal grants awarded to the City of Key West, Florida.
2. The City of Key West (the Grantee) hereby assigns to CDO the responsibility to be the official representative of the City and to be responsible for the implementation and monitoring of the grant.
3. On behalf of the Sponsor, A.H. of Monroe County, Inc. (AHI), the official representative for the authority and responsibility for implementation of the Grant shall be the Executive Director of A.H. of Monroe County, Inc., unless otherwise designated by the Board of Directors of AHI.
4. All written correspondence/official notification between parties shall be to:

City of Key West
Community Development Office
1300 White Street
Key West, Florida 33040

A. H. of Monroe County
1434 Kennedy Drive
Key West, Florida 33040

5. The executed agreement between the U.S. Department of Housing and Urban Development (HUD) and the City of Key West is made pursuant to the statutory authority under 42 U.S.C. §§ 12901-12912 is subject to the applicable appropriations act(s) Pub. L. 118-42. This agreement incorporates by reference the Housing Opportunities for Persons With AIDS program statute 42 U.S.C. §§ 12901-12912, the program regulations at 24 C.F.R. § 574 (as now in effect and as may be amended from time to time), the relevant funding notice CPD-25-05: Procedural Guidance for Fiscal Year 2025 HOPWA Permanent Supportive Housing Renewal and Replacement Grant Applications, any attached Specific Terms and Conditions, and attached addenda.

The Sponsor agrees it will adhere to the same regulations, notices and specific terms and addenda as the Grantee for Terms and Conditions, Performance Goals, Policy Requirements, and Program Specific Requirements (Exhibit B) and made part of the sponsor agreement.

SECTION II. GENERAL REQUIREMENTS

1. CDO shall provide a list of all initial/subsequent implementation documentation required from AHI. AHI shall provide copies of the same in a timely manner. CDO shall review for inclusion in the official HOPWA Implementation Manual (upon acceptance with date stamp/initial approved). The following is a non-inclusive list of the required documentation:
 - a. Current AHI certificates of insurance (property, liability, workmen compensation, vehicle)
 - b. AHI's Client Application/Admissions Policy
 - c. AHI's Client/Applicant Appeals Policy
 - d. List of AHI's support agencies and services provided to AHI clients
 - e. AHI's operating cost breakdown of AHI's residential properties participating in HOPWA
 - f. AHI's client "Outreach Program" (advertisements, brochures, etc.)
 - g. AHI's Quarterly Report, Annual Client Survey
 - h. Record Retention Policy

SECTION III. HOPWA FUNDING (Three Year HOPWA Allocation – Total \$1,519,564)

Project Summary Budget	HOPWA Funds	Other and AHI Funds	Total
1. Operating costs of AHI	\$ 0.00	\$ 0.00	\$ 0.00
2. Supportive Services	\$ 0.00	\$ 134,615	\$ 134,615
3. Housing Information/AHI Staff	\$ 120,000	\$ 35,550	\$ 155,550
4. Rental Assistance for HOPWA Clients	\$ 1,250,800	\$ 1,032,609	\$ 2,283,409
5. Administrative Costs for CDO	\$ 45,586	\$ 0.00	\$ 45,586
6. Administrative Costs for AHI	\$ 103,178	\$ 0.00	\$ 103,178
TOTAL BUDGET	\$ 1,519,564	\$ 1,202,774	\$ 2,722,338

SECTION IV. REQUESTS FOR FUNDS

GENERAL: All HOPWA fund requests from AHI to the City shall be through CDO and contain two of the three AHI signatures of the following AHI positions as verification of the funding request in compliance with this Agreement:

- (1) Executive Director (2) Chief Financial Representative (3) President

The CDO Program Manager shall review each AHI fund request with required documentation and verify the appropriate budget line-item for reimbursement to AHI. The CDO Program Manager shall provide in writing to the Director of Finance, a sponsor invoice and draw vouchers from the HUD IDIS system to request a draw on behalf of the Grantee, City of Key West and the Sponsor, AHI. Upon receipt of such funds from HUD, the City shall issue the funds to AHI in a timely manner.

Housing Information/AHI Staff. Costs associated with eligibility determination, program compliance, maintenance of client files, referrals within the Coordinated Assessment System (CAS) and documented in the Homeless Management Information System (HMIS) for the homeless and chronically homeless. Assist beneficiaries in locating appropriate housing through all community housing resources.

Rental Assistance. The rental assistance is based on the issuance of monthly rental vouchers consistent with the obligated funds under the approved budget for this purpose established with this Administrative Agreement and the HOPWA Grant Agreement Project Number FL- H250017.

The exact number of vouchers issued is based on the AHI client's monthly portion and the established HUD Fair Market Rents. AHI shall contract for a physical inspection of each rental property for program compliance and furnish a Housing Quality Standards Inspection Report along with Amenities for Subsidized Unit form for approval by CDO prior to entering into any lease agreement or lease renewal agreement eligible for HOPWA rental assistance. All requested contract rents shall be subject to a Rent Reasonableness Statement from CDO prior to approval and shall not exceed the annual HUD established Fair Market Rents for Monroe County by more than 10%. This amount may be increased to 45% with approval from CDO on a case-by-case situation. The same rental assistance procedure shall be followed for AHI properties housing HOPWA eligible clients. AHI shall submit a monthly Housing Assistance Payments Request/Certification to the CDO for reimbursement of AHI authorized Monthly Rental Assistance portions no later than the 10th of the following month. These procedures may be revised or updated through mutual written consent of AHI and CDO to meet any future program, audit, and/or administrative requirements.

Rental Assistance may be to any approved rental property within AHI official services area which incorporates Monroe County, Florida.

Administrative Costs for CDO. CDO shall submit a monthly pro-rated administrative costs reimbursement to the Director of Finance, based on the 1/36th of the HUD approved administrative costs for the Grantee (\$1,266.28). CDO shall not be required to provide any further verification for administrative costs unless HUD has activated the Fund Abatement/Termination section of this Agreement.

Administrative Costs for AHI. AHI shall submit a monthly pro-rated administrative costs reimbursement with each monthly HAP Request/Verification based on 1/36th of the HUD approved administrative costs for the Sponsor (\$2,866.06). AHI shall not be required to provide any further verification for administrative costs, unless CDO and/or HUD has activated the Fund Abatement/Termination section of this agreement.

SECTION V. RECORD KEEPING, REPORTING AND AUDIT REQUIREMENTS

A. A.H. of Monroe County, Inc. (AHI)

1. AHI shall operate and comply with the HOPWA regulations, other applicable HUD regulations, and such other terms and conditions as HUD may establish for purposes of carrying out HOPWA activities in an effective and efficient manner.
2. AHI will be responsible for all primary record keeping, reporting and audit requirements in accordance with local, State and Federal requirements or specific HOPWA regulations. Recordkeeping and reports must include racial and ethnic data on participants, for program monitoring and evaluation purposes. All AHI grant recipient records shall be available to the authorized CDO designee, HUD program coordinator, and assigned Grantee and/or HUD independent auditors for the term of the grant. Each client file shall be documented and consistent with the File Audit Form (Exhibit A) as it is amended from time to time to meet the requirements of the HOPWA program.
6. The annual AHI independent audit shall be furnished to the Grantee and CDO no later than six (6) months from the conclusion of AHI's fiscal year-end.
7. AHI shall provide the CDO, in a timely manner, proof of current coverage of all required insurance annually.

8. AHI shall provide Quarterly Narrative Reports to the Grantee along with an Annual Performance Report (APR) to be provided to the Grantee no later than May 31st each year for the period of the grant.
9. AHI shall provide Grantee and HUD an annual survey of all clients receiving HOPWA voucher assistance to determine their level of satisfaction with the availability of housing options and the supportive services provided through the program. This report will be due 30 calendar days after the end of AHI's fiscal year or at a date determined by either CDO and/or HUD.
- B. Community Development Office (CDO)
 7. CDO shall administratively conduct a spot review of a minimum of 10% of the HOPWA (AHI) Client Eligibility Records on a quarterly basis. The Grantee shall conduct an annual independent audit of CDO, which includes the Grantee HUD Program requirements per HOPWA Grant Agreement FL-H250017.
 8. The Community Development Office will be responsible for compiling and submitting the Annual Performance Report (APR) in accordance with 24 CFR 574.520(b) to HUD and its affiliates. AHI shall cooperate with CDO in providing requested records, documentation and completed Sponsor HOPWA Performance Report Workbooks as needed.

SECTION VI. AHI SUPPLEMENTAL SERVICES / SUPPORTIVE SERVICES

AHI will assure the adequate provision of supportive services to the participants in the program.

AHI shall provide, at a minimum, the following supplemental supportive services to eligible clients:

- a. Case Management
- b. Food and Nutrition Services
- c. Dental Services
- d. Specialty Physicians
- e. Physician Prescribed Drugs
- f. Ambulatory Care
- g. Health Insurance
- h. Mental Health Services
- i. Transportation
- j. Translation Services
- k. Volunteer Services – Meals Delivery, Cleaning, Shopping, and “Buddies”

SECTION VII. AHI RENTAL ASSISTANCE PROGRAM

1. Per Section II, AHI shall provide and receive approval from CDO of all required HOPWA Rental Assistance Policy and Procedures and Program Specific requirements by the Grantee and HUD under the terms of the Grant Application, local, State and Federal regulations.
2. AHI shall be responsible for conducting an ongoing assessment of the housing assistance and supportive services required by the participants in the HOPWA program.
3. AHI shall conduct a countywide information/educational outreach of HOPWA rental assistance availability in compliance with the city, county, State and Federal Fair Housing ordinances, regulations, and statutes.

4. AHI shall initially verify client's eligibility and client's monthly rental portion and verify thereafter thirty (30) days prior to the client's participation anniversary date. Interim verifications and adjustments shall be in accordance with the HOPWA Administrative Plan and procedures. All verifications shall be available to CDO for review and approval prior to lease-up or lease renewal.
5. AHI shall provide each applicant and each client with a copy of the HOPWA appeals Procedure.

SECTION VIII. ABATEMENT AND/OR TERMINATION OF FUNDING

1. CDO may abate any payment request it finds to be inaccurate, incorrect, and/or insufficient to meet the terms and conditions of the Housing Opportunities for Persons with AIDS, Grant Agreement FL-H250017.
2. The City of Key West or its representatives shall not be responsible to AHI for any payments based on the termination of the Grant by the U.S. Department of Housing and Urban Development.
3. Any HOPWA payments made to AHI that may be subsequently determined to be ineligible for fraudulent based on local and Federal audit findings shall be subject to repayment by AHI to HUD.

SECTION IX. AMENDMENT TO AGREEMENT

This Agreement may be amended as required by mutual written consent between the GRANTEE (City of Key West) and the SPONSOR (A.H. of Monroe County, Inc.).

Brian L. Barroso, City Manager
City of Key West
HOPWA GRANTEE

Jacqueline Luhta, President
A.H. of Monroe County, Inc.
HOPWA SPONSOR

Date: _____

Date: _____

Exhibit "A"

File Audit Form			
Grant Agreement No:	FL-H25-0017		
Client File # :			
Certification Date:			
Recertification Date:			
<input type="checkbox"/> I.C. - Initial Certification <input type="checkbox"/> A.R. - Annual Recertification <input type="checkbox"/> I.R. - Interim Recertification			
Section 1	Section 2	Section 3	Section 4
<input type="checkbox"/> File Checklist	<input type="checkbox"/> Rent Adjustment Notice	<input type="checkbox"/> HOPWA client Needs Assessment	<input type="checkbox"/> HQS Inspection
<input type="checkbox"/> FMR 145% Waiver (if applicable)	<input type="checkbox"/> Notice of Eligibility (RW)	<input type="checkbox"/> HOPWA Rent Calculation Work Sheet	<input type="checkbox"/> HOPWA HQS Habitability Standards
<input type="checkbox"/> Residential Lease	<input type="checkbox"/> HOPWA Application for Housing Assistance	<input type="checkbox"/> Utility Allowance Schedule	<input type="checkbox"/> Rent Resonableness Valuation
<input type="checkbox"/> V.A.W.A. Lease Addendum	<input type="checkbox"/> Applicant Certification	<input type="checkbox"/> Utility Expenses (If applicable)	<input type="checkbox"/>
<input type="checkbox"/> Lead-Base Paint Certification (If applicable)	<input type="checkbox"/> Participants Appeals Procedures	<input type="checkbox"/> Income / No Income Verification	
<input type="checkbox"/> Carbon Monoxide HOPWA Self-Certification	<input type="checkbox"/> HOPWA Participants Rights & Responsibilities	<input type="checkbox"/> Asset Disposition	
<input type="checkbox"/> Property Proof of Ownership	<input type="checkbox"/> HUD Authorization for the release of Information	<input type="checkbox"/> Verification of Assets	
<input type="checkbox"/> Valid Photo ID	<input type="checkbox"/> HOPWA Consent to Release Information	<input type="checkbox"/> HOPWA Client Budget Worksheet	
<input type="checkbox"/> Proof of Monroe County Residency	Auditor Notes:		
<input type="checkbox"/> Birth Certificate or Current Passport			
<input type="checkbox"/> Immigration Documentation	AUDIT USE		
<input type="checkbox"/> Social Security Documentation	<input type="checkbox"/> This file has been reviewed and all information is compliant		
<input type="checkbox"/> HCV Application (if applicable)	Auditor:		
<input type="checkbox"/>	Title:		
	Signature:		
	Audit Date:		

Exhibit "B"

Terms and Conditions

1. *General terms and requirements.* The Recipient must comply with all applicable federal laws, regulations, and requirements, unless otherwise provided through HUD's formal waiver authorities. This agreement, including any attachments and addenda, may only be amended in writing executed by parties to this agreement and any addenda.
2. *Administrative requirements.* The Recipient must comply with the following requirement(s) if checked below:
 - The administrative requirements in the HUD General Administrative, National, and Departmental Policy Requirements and Terms for HUD's Financial Assistance Programs 2025, as indicated in the relevant NOFO, apply to this agreement.
 - The grantee shall comply with requirements established by the Office of Management and Budget (OMB) concerning the Unique Entity Identifier (UEI); the System for Award Management (SAM.gov.); the Federal Funding Accountability and Transparency Act as provided in 2 C.F.R. part 25, Universal Identifier and General Contractor Registration; and 2 C.F.R. part 170, Reporting Subaward and Executive Compensation Information.
3. *Applicability of 2 C.F.R. part 200.*
 - The Recipient must comply with the applicable requirements at 2 C.F.R. part 200, as may be amended from time to time. If any previous or future amendments to 2 C.F.R. part 200 replace or renumber any part 200 section cited in HUD's regulations in Title 24 of the Code of Federal Regulations, the amended part 200 requirements will govern award activities carried out after the amendments' effective date.
 - The Recipient must comply with the applicable requirements at 2 C.F.R. part 200. If any previous amendments to 2 C.F.R. part 200 replace or renumber any part 200 section cited in HUD's regulations in Title 24 of the Code of Federal Regulations, the amended part 200 requirements will govern award activities carried out after the amendments' effective date.
4. *Future budget periods.* If the period of performance spans multiple budget periods, subsequent budget periods are subject to the availability of funds, program authority, satisfactory performance, and compliance with the terms and conditions of the Federal award.
5. *Indirect Cost Rate.* If the Recipient intends to use a negotiated or de minimis rate for indirect costs, the Recipient must submit an Indirect Cost Rate form to HUD, with this agreement using "Addendum #3 "Indirect Cost Rate Schedule". The submitted form/addendum will be incorporated into and made part of this agreement, provided that the rate information is consistent with the applicable requirements under 2 C.F.R. § 200.414. If there is any change in the Recipient's indirect cost rate, it must immediately notify HUD and execute an amendment to this agreement to reflect the change if necessary.
6. *Recipient integrity and performance matters.* If the Federal share of this award is more than \$500,000 over the period of performance (box 6), the terms and conditions in 2 C.F.R. part 200 Appendix XII apply to this agreement.

7. *Recordkeeping and Access to Records.* The Recipient hereby agrees to maintain complete and accurate books of account for this award and award activities in such a manner as to permit the preparation of statements and reports in accordance with HUD requirements, and to permit timely and effective audit. The Recipient agrees to furnish HUD such financial and project reports, records, statements, subrecipient data, and documents at such times, in such form, and accompanied by such reporting data as required by HUD. HUD and its duly authorized representative shall have full and free access to all Recipient offices and facilities, and to all books, documents, and records of the Recipient relevant to the administration, receipt, and use of this award and award activities, including the right to audit and make copies. The Recipient agrees to maintain records that identify the source and application of funds, including relevant subrecipient data, in such a manner as to allow HUD to determine that all funds are and have been expended in accordance with program requirements and in a manner consistent with applicable law.

Further, the Recipient hereby acknowledges that HUD is in the process of implementing new grants management and reporting tools, which will be made available for the Recipient's use in the future. The Recipient agrees to report on grant performance and financial activities (including vendor and cash disbursement supporting details for the Recipient and its subrecipients) using these new tools when they are released. HUD will work with the Recipient to support the Recipient's transition to this new reporting environment. Once implemented, timely reporting in this new environment will be mandatory. HUD reserves the right to exercise all of its available rights and remedies for any noncompliance with these grants management and financial reporting requirements, to include, without limitation, requiring 100% review, suspension of disbursements, and all other legally available remedies, to the furthest extent permitted by law, as amended.

8. *Noncompliance.* If the Recipient fails to comply with the provisions of this agreement, HUD may take one or more of the actions provided in program statutes, regulations or 2 C.F.R. § 200.339, as applicable. Nothing in this agreement shall limit any remedies otherwise available to HUD in the case of noncompliance by the Recipient. No delay or omissions by HUD in exercising any right or remedy available to it under this agreement shall impair any such right or remedy or constitute a waiver of or acquiescence in any Recipient noncompliance.

9. *Termination provisions.* Unless superseded by program statutes, regulations or NOFOs, the termination provisions in 2 C.F.R. § 200.340 apply.

10. *Build America, Buy America.* The Recipient must comply with the requirements of the Build America, Buy America (BABA) Act, 41 U.S.C. § 8301 note, and all applicable rules and notices, as may be amended, if applicable. Pursuant to HUD's Notice, "Public Interest Phased Implementation Waiver for FY 2022 and 2023 of Build America, Buy America Provisions as Applied to Recipients of HUD Federal Financial Assistance" (88 Fed. Reg. 17001), BABA requirements apply to any infrastructure projects HUD has obligated funds for after the effective dates, unless excepted by a waiver.

11. *Waste, Fraud, Abuse, and Whistleblower Protections.* Any person who becomes aware of the existence or apparent existence of fraud, waste, or abuse of any HUD award must report such incidents to both the HUD official responsible for the award and to HUD's Office of Inspector General (OIG). Allegations of fraud, waste, and abuse related to HUD programs can be reported to the HUD OIG hotline via phone at 1-800-347-3735 or online hotline form. The Recipient must comply with 41 U.S.C. § 4712, which includes informing employees in writing of their rights and remedies, in the predominant native language of the workforce. Under 41 U.S.C. § 4712, employees of a government contractor, subcontractor, recipient, and subrecipient—as well as a personal services contractor—who make a protected disclosure about a Federal award or contract cannot be discharged, demoted, or otherwise discriminated against if they reasonably believe the

information they disclose is evidence of (1) gross mismanagement of a Federal contract or award; (2) waste of Federal funds; (3) abuse of authority relating to a Federal contract or award; (4) substantial and specific danger to public health and safety; or (5) violations of law, rule, or regulation related to a Federal contract or award.

12. *Third-Party Claims.* Nothing in this agreement shall be construed as creating or justifying any claim against the federal government or the Recipient by any third party.
13. *Rule of Construction and No Construction Against Drafter.* Notwithstanding anything contained in this agreement, the terms and conditions hereof are to be construed to have full and expansive effect in both interpretation and application, and the parties agree that the principle of interpretation that holds that ambiguities in terms or conditions are construed against the drafter shall not apply in interpreting this agreement.

Federal Award Performance Goals

The Recipient must meet any applicable performance goals, indicators, targets, and baseline data as required by applicable program requirements.

POLICY REQUIREMENTS

If applicable:

1. The Recipient shall not use grant funds to promote “gender ideology,” as defined in Executive Order (E.O.) 14168, Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government;
2. The Recipient agrees that its compliance in all respects with all applicable Federal antidiscrimination laws is material to the U.S. Government’s payment decisions for purposes of section 3729(b)(4) of title 31, United States Code;
3. The Recipient certifies that it does not operate any programs that violate any applicable Federal anti-discrimination laws, including Title VI of the Civil Rights Act of 1964;
4. The Recipient shall not use any grant funds to fund or promote elective abortions, as required by E.O. 14182, Enforcing the Hyde Amendment; and that,
5. Notwithstanding anything in the NOFO or Application, this Grant shall not be governed by Executive Orders revoked by E.O. 14154, including E.O. 14008, or NOFO requirements implementing Executive Orders that have been revoked.
6. The Recipient must administer its grant in accordance with all applicable immigration restrictions and requirements, including the eligibility and verification requirements that apply under title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, as amended (8 U.S.C. 1601-1646) (PRWORA) and any applicable requirements that HUD, the Attorney General, or the U.S. Citizenship and Immigration Services may establish from time to time to comply with PRWORA, [Executive Order 14218](#), or other Executive Orders or immigration laws.

7. No state or unit of general local government that receives funding under this grant may use that funding in a manner that by design or effect facilitates the subsidization or promotion of illegal immigration or shields illegal aliens from deportation, including by maintaining policies or practices that materially impede enforcement of federal immigration statutes and regulations.
8. The Recipient must use SAVE, or an equivalent verification system approved by the Federal government, to prevent any Federal public benefit from being provided to an ineligible alien who entered the United States illegally or is otherwise unlawfully present in the United States.
9. Faith-based organizations may be subrecipients for funds on the same basis as any other organization. Recipients may not, in the selection of subrecipients, discriminate against an organization based on the organization's religious character, affiliation, or exercise.
10. The Recipient and any Project Sponsors will not use this award to fund, promote, encourage or facilitate the use of illicit drugs.
11. The Recipient and any Project Sponsors will not use this award to fund any activity, service provider, or organization that operates illegal drug injection sites or "safe consumption sites" in violation of 21 U.S.C. § 856.

The Recipient and any Project Sponsor will not use this award to conduct activities that subsidize or facilitate racial preferences or other forms of illegal discrimination, including activities where race or intentional proxies for race will be used as a selection criterion for employment or program participation; or conduct activities that rely on otherwise use a definition of sex as other than binary in humans.

PROGRAM-SPECIFIC REQUIREMENTS

Assistance Listing 14.241, Housing Opportunities for Persons With AIDS (HOPWA) Program

1. *Pre-Award Costs.* The funds may be used for costs incurred before the period of performance/budget period with prior written approval by HUD consistent with 2 CFR 200.458.
2. *Scope and Requirements.* The Recipient and each project sponsor that receives grant funds must (1) comply with the HOPWA regulations, other applicable HUD regulations, and such other terms and conditions as HUD may establish for purposes of carrying out HOPWA activities in an effective and efficient manner; (2) conduct an ongoing assessment of the housing assistance and supportive services required by the participants in HOPWA activities; (3) assure the adequate provision of supportive services to the participants in HOPWA activities; (4) cooperate and coordinate in providing assistance under HOPWA with the relevant state- and local-government agencies responsible for services for eligible persons in the area served by the Recipient and with other public and private organizations and agencies providing services for eligible persons; (5) prohibit any fee, except rent, from being charged of any eligible person for any housing or services provided with grant funds; (6) ensure the confidentiality of the name of any individual assisted through HOPWA activities and any other information regarding individuals receiving assistance with grant funds; and (7) maintain and make available to HUD for inspection financial records sufficient, in HUD's determination, to ensure proper accounting and disbursing of grant funds.
3. *Project Sponsors.* The Recipient may only provide grant funds to project sponsors pursuant to legally binding agreements that contain the provisions required by 2 C.F.R. § 200.332(a) and state

each commitment to which the project sponsor must agree under 24 C.F.R. § 574.500(b)(1)–(4).

4. *Funds Drawdown and Reconciliation.* Not less than once every 90 calendar days, starting from the period of performance start date, the Recipient must draw down grant funds for allowable costs and in accordance with 2 C.F.R. §§ 200.305 and 200.403 and reconcile its accounting records with the financial data reported to HUD through the Integrated Disbursement and Information System (“IDIS”) in accordance with 2 C.F.R. §§ 200.302 and 200.303. The Recipient must comply with HUD instructions regarding use of and reporting in IDIS or its successor.
5. *Performance Reporting.* The Recipient must submit an Annual Progress Report (APR) in accordance with 24 CFR 574.520(b) using form HUD-4155. The APR is due to HUD within 90 calendar days after the end of each 12-month period of the grant, except for the final APR, which must be submitted within 120 calendar days after the end date of the period of performance in accordance with 2 CFR 200.344(b).
6. *Eligibility Records.* The Recipient must update client eligibility records no less than annually.
7. *Program Income.* Program income may be treated as an addition to the grant funds, provided that the Recipient uses that income for allowable costs under this grant agreement.
8. *Environmental Review.* If Recipient is a State or Unit of General Local Government and is the responsible entity pursuant to 24 C.F.R. part 58, the Recipient agrees to assume the responsibility for environmental review, decision-making, and action that would otherwise apply to HUD in accordance with 24 C.F.R. §§ 58.4 and 574.510. If Recipient is a State and distributes funds to a Docusign Envelope ID: 6B40ECA4-A646-48E9-B72F-0153A004FF8A
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unit of general local government, the Recipient must require the unit of general local government to assume that responsibility and must comply with the state's responsibilities under 24 C.F.R. 58.4.
9. *Default.* A default shall occur when the Recipient fails to comply with the provisions of this agreement. In the event of a default, HUD may take one or more of the actions provided in 2 C.F.R. § 200.339 after providing the Recipient with an opportunity for informal consultation in accordance with 24 C.F.R. § 574.500(c). Nothing in this Grant Agreement shall limit any remedies otherwise available to HUD in the case of a default by the Recipient. No delay or omissions by HUD in exercising any right or remedy available to it under this Grant Agreement shall impair any such right or remedy or constitute a waiver or acquiescence in any Recipient default.
10. *Closeout.* This grant will be closed out as provided by 2 C.F.R. § 200.344 and Notice CPD-23-04, unless otherwise provided by a subsequent regulation or HUD notice.
11. *Deobligation.* To the extent authorized by applicable law, HUD may, by its execution of an amendment, deobligate funds under this Grant Agreement without the Recipient’s execution of the amendment or other consent.