2025 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM CFDA NO. 14.218 GRANT SUBRECIPIENT INTERGOVERNMENTAL AGREEMENT BETWEEN JOHNSON COUNTY, KANSAS & CITY OF OLATHE, KANSAS, RN6SR5HCMK79 (2025-12)

THIS GRANT SUBRECIPIENT INTERGOVERNMENTAL AGREEMENT, (hereafter "AGREEMENT") is between Planning, Housing, and Community Development, a department of Johnson County, Kansas, a body corporate and political subdivision of the State of Kansas ("County" or as "Grantee") and City of Olathe, Kansas ("Subrecipient"), a Kansas Municipality (collectively, the "Parties") with offices at 200 West Santa Fe Street, Olathe, Kansas 66051-0768.

RECITALS

- A. The County has entered into a Grant Agreement with the United States Department of Housing and Urban Development, hereinafter referred to as ("HUD"), for Federal Assistance under Title I of the Housing and Community Development Act of 1974, as amended;
- B. The County is obligated to require the compliance with certain terms and conditions therein by any third-party with whom the County contracts for the use of funds provided;
- C. The County has authorized the use of funds provided in conjunction with said Grant Agreement for a Community Development Block Grant ("CDBG") project (the "Project") to be administered by the Subrecipient pursuant to the provisions of Title I of the Housing and Community Development Act of 1974, as amended;
- D. The County has determined the Project meets the national objective of benefitting low- and moderate-income persons;
- E. The County has also determined the Project is an eligible **Housing** project, under Title I of the Housing and Community Development Act of 1974, as amended;
- F. Each Party is a "Municipality" as defined by K.S.A. 12-2908(a), and the Parties are permitted to enter this contract under K.S.A. 12-2908(b); and
- G. The County requires, as a condition precedent to the County's requesting from HUD a release of funds for said Project the execution of this Subrecipient Agreement.

AGREEMENT

In consideration of the mutual covenants contained herein, the Recitals, which are incorporated in and made a part of this Agreement by reference, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

SECTION 1. PURPOSE AND SCOPE

1.1 The Subrecipient agrees to perform or carry out the Project described in Subrecipient's June 5, 2024, Application for CDBG funding, which is incorporated herein by reference and kept on file in the County's Community Development office. The Subrecipient will use CDBG funds to provide the Code Enhancement Officer with funding for inspection of code violations on private property within the approved low to moderate income area of Olathe.

SECTION 2. TERM AND TERMINATION

- **<u>2.1</u>** Term. The term for activities assisted by this Subrecipient Agreement shall commence on January 1, 2025 and be completed by June 30, 2026.
- A. Termination of Convenience. Either party may terminate this Subrecipient Agreement in whole, or in part, when both Parties agree that the continuation of the Project would not produce beneficial results commensurate with the further expenditures of funds. The two parties shall agree upon the termination conditions, including the effective date and, in the case of partial terminations, the portion to be terminated. The Subrecipient shall not incur new obligations for the terminated portion after the effective date of termination and shall cancel as many outstanding obligations as possible. The Subrecipient shall be allowed full credit for noncancelable obligations, properly incurred prior to termination.
- **B.** Termination for Cause. If the County determines that the Subrecipient has violated or failed to comply with any of the covenants, conditions, agreements or stipulations of this Subrecipient Agreement, the County shall promptly notify the Subrecipient in writing of the determination and may, at its option, take any or all of the following actions:
- <u>i.</u> Terminate this Subrecipient Agreement by including in the above notice the reasons for the termination, together with the effective date;
- <u>ii.</u> Suspend payments under this Subrecipient Agreement by including in the above notice the effective date and specifying what actions must be taken as a condition precedent to the resumption of payments. In such event, just and equitable compensation shall be given at the end of the suspension period for any work satisfactorily completed by the Subrecipient during the suspension period;
- <u>iii.</u> Suspend this Subrecipient Agreement by including in the above notice the effective date and specifying the actions that must take place as a condition precedent to the resumption of performance under this Subrecipient Agreement. In such event, the County shall incur no financial liability under this Subrecipient Agreement or otherwise at law for any services rendered during the suspension period.
- C. The County will provide the Subrecipient an opportunity to request a hearing, appeal, or other administrative proceeding to which the Subrecipient is entitled.

- **D.** The action of the County in suspending payments or this Subrecipient Agreement or in terminating this Subrecipient Agreement shall not constitute a waiver of any claim or remedy which the County may otherwise have arising out of this Subrecipient Agreement.
- **2.2 Noncompliance.** Subrecipient agrees and understands that HUD has expressly reserved its right to pursue full remedies including suspension, review, and all legal actions for noncompliance, especially related to required grants management and reporting. If Subrecipient fails to comply with the Agreement and/or reporting requirements, the County or HUD may exercise actions outlined in program statutes, regulations, or 2 C.F.R. § 200.339.
- **2.3** Federal Termination Rules. Subrecipient agrees and understands that the federal termination provisions in 2 C.F.R. § 200.340 control and supersede any ambiguities or inconsistencies with this Agreement, unless other program statutes, regulations, or NOFOs apply.

SECTION 3. AWARD

- <u>3.1</u> <u>Total compensation</u>. The County agrees to provide funding to the Subrecipient in an amount not to exceed \$100,000.00 for eligible expenses as designated in Article 3.5.
- 3.2 The County shall not authorize the Subrecipient to draw on funds unless the funds are provided for payment for work, as set forth in the Subrecipient's Application. The authorization provided by this section shall be limited by the amount established in Article 3.1.
- **3.3 Program Income.** The Subrecipient agrees to return Program Income to the County except where the Subrecipient can demonstrate its ability to use the income in accordance with requirements of Title I of the Housing, and Community Development Act of 1974, as amended. For purposes of this Subrecipient Agreement, Program Income includes, but is not limited to: proceeds from the disposition by sale or long term lease of real property purchased with CDBG funds; income from the temporary use or leasing of properties acquired with CDBG funds pending the disposition or use for which the property was acquired; payments of principal and interest on loans made using CDBG funds; and, interest earned on Program Income pending disposition of such income.
- A. Program Income shall be recorded as part of the financial transaction of the grant program. Program Income received before expiration of this Subrecipient Agreement may be retained by the Subrecipient if the Program Income is treated as additional CDBG funds subject to all applicable requirements governing the use of CDBG funds and that such Program Income shall affect withdrawals of grant funds as follows:
- <u>i.</u> Program Income in the form of repayments to or interest earned on a revolving fund shall be disbursed before additional cash withdrawals are made;

- <u>ii.</u> All other Program Income shall be disbursed for eligible activities before additional cash withdrawals are made; and
- <u>iii.</u> Program Income on hand at the expiration of this Subrecipient Agreement, shall be returned to the County.
- <u>3.4</u> <u>Budget</u>. All budget modifications must be approved prior to incurring expenses:

Personnel (excluding general administration costs):	\$ 100,000.00
Equipment:	\$ -
Supplies:	\$ -
Space Rent/ Utilities:	\$ -
Direct Financial Assistance:	\$ -
Other:	\$ 12,500.00
Total Project Expenses:	\$ 112,500.00

SECTION 4. RESPONSIBILITIES

4.1 County's Responsibilities.

- **A.** The County agrees to provide to the Subrecipient authorization to draw upon funds provided to the County pursuant to a Grant Agreement between the County and HUD, provided that no draft shall be honored by the County until HUD has released funds for Subrecipient's CDBG Project. Said authorization shall be subject to the terms and conditions of this Subrecipient Agreement, any applicable laws, regulations, and requirements of HUD, which are now or hereafter in effect, and all rules, regulations and requirements issued by the County.
- **B.** The County agrees to provide funding for expenditures of the Subrecipient under this Subrecipient Agreement in the manner set forth in the County Financial Management Requirements for the Community Development Block Grant Program as provided in the CDBG Handbook at https://www.jocogov.org/department/community-development-block-grant.
- C. The County agrees to authorize the Subrecipient to draw on funds when the funds are to provide for payment for work, as set forth in the Subrecipient's Application.
- **D.** The County agrees to process a request for final payment of expenditures after the Subrecipient has supplied a fully completed Project Beneficiary Information form supplied by the County's Community Development office.

- E. The County may review program costs incurred by the Subrecipient. Upon such review the County shall disallow any items of expense which are not determined to be allowable or are determined to be more than approved expenditures. If the County disallows a cost, the County may deduct the amount of disallowed cost from any future payments under this Subrecipient Agreement or require that the Subrecipient refund the amount of the disallowed cost(s) for as long as the records are maintained.
- F. Notwithstanding any other provision of this Subrecipient Agreement to the contrary, it is understood and agreed by the parties hereto that the County's obligation to provide funding to the Subrecipient under this Subrecipient Agreement is expressly contingent upon the level of funding made available to the County from HUD. Should such funding level be reduced by HUD or no longer be made available to the County from HUD sufficient to support the amount of funding to be provided by the County under this Subrecipient Agreement then this Subrecipient Agreement may be amended to reflect such reduction in funding or, at the option of the County, may be terminated upon written notice to the Subrecipient stating the effective date of termination. Should either event occur, it is understood and agreed by the parties that the County shall not be obligated to provide funding beyond the amended amount or beyond any amount provided to the Subrecipient by the County prior to said date of termination.
- G. Environmental Standards (24 CFR Part 570, Subpart K, 570.604). The Subrecipient does not assume either the County's environmental responsibilities or the County's responsibility for initiating the review process under the provisions of 24 CFR Part 52. See 24 CFR Part 570, Subpart J, 503(b)(5)(i)(ii).
- H. Religious Organizations. The County will not discriminate against organizations based on the organization's religious character, affiliation, or exercise in the selection of subrecipients.
- I. The County agrees to report on grant performance and financial activities (including vendor and cash disbursement supporting details for the County and Subrecipients) to HUD using HUD's then current system and tools.
- **J.** The County is responsible for ensuring Subrecipient adheres to this Agreement.

4.2 Subrecipient's Responsibilities.

- **A.** The Subrecipient is responsible for understanding the requirements of the state and federal laws cited herein and incorporated by reference as if set forth fully herein.
- **B.** The Subrecipient agrees to submit, at a minimum, quarterly progress reports and reimbursement requests on forms supplied by the County. The reports are due to the County's Community Development office on April 10th, July 10th, and October 10th.

- C. The Subrecipient further agrees to submit a completed Project Beneficiary Information Form for the full program year, supplied by the County's Community Development office, with the final reimbursement request of 2025.
- **D.** Verification of Eligibility for Public Benefits. Subrecipient agrees to comply with the County's verification process for verifying an income-qualified individual's eligibility for public benefits under Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA, 8 U.S.C. 1601-1646), E.O. 14218 before Subrecipient provides and federal benefit to any individual.
- **E.** If it is known or anticipated that the activity funded by this grant will not be closed out by June 30, 2026, a request for extension must be made in writing to PLN's Community Development Coordinator. The request will explain the reason(s) why the activity will not be completed by June 30, 2026 and provide a firm timeline for completion. If a request for an extension is not submitted, no future reimbursements will be made until a request for extension is submitted. The request must be received by June 30, 2026 and signed by an Authorized Individual.
- **F.** The Subrecipient agrees that notwithstanding any other provision of this Subrecipient Agreement, any requirements of amendments to Title I of the Housing and Community Development Act of 1974, as amended, which supersede or are not provided for in the HUD program regulations shall govern the use of the Assistance provided until revised regulations implementing such requirements are published for effect.
- **G.** Subrecipients who expend \$1,000,000 or more in a year in federal awards will submit a copy of the Subrecipient's Annual Audit Report for the fiscal year(s) covered by this Subrecipient Agreement and any extensions. Such audit report must be prepared in accordance with 2 CFR Part 200.
- H. The Subrecipient must comply with the applicable HUD and CPD requirements in 24 CFR Part 5, subpart A, including all applicable fair housing, and civil rights requirements. The Grantee must report data on the race, color, religion, sex, national origin, age, disability, and family characteristics of persons and households who are applicants for, participants in, or beneficiaries or potential beneficiaries of the Grantee's Project, consistent with the instructions and forms provided by HUD in order to carry out its responsibilities under the Fair Housing Act, Executive Order 11063, Title VI of the Civil Rights Act of 1964, and Section 562 of the Housing and Community Development Act of 1987 (e.g. HUD-27061).
- I. Affirmatively Furthering Fair Housing. The Subrecipient certifies that it is committed to promoting fair housing.
- J. Nondiscrimination (24 CFR Part 570, Subpart K, 570.602). The Subrecipient shall comply with Section 109 of Title I of the Housing and Community Development Act of 1974, as amended, Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975, Section 504 of the Rehabilitation Act of 1973, and any other applicable federal, state or local law, rule or regulation governing nondiscrimination.

- K. Labor Standards (24 CFR Part 570, Subpart K, 570.603). The Subrecipient shall comply with Section 110(a) of Title I of the Housing and Community Development Act of 1974, as amended, which requires that all laborers and mechanics employed by contractors or subcontractors on construction work, that is valued in excess of \$2,000, assisted under this Subrecipient 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 USC 276a to 276a-5) and shall receive overtime compensation in accordance with and subject to the provisions of the Contract Work Hours and Safety Standards Act (40 USC 327-332), and the contractors and subcontractors shall comply with all regulations issued pursuant to these Acts and with other applicable federal laws and regulations pertaining to labor standards. Residential rehabilitation in structures with less than eight (8) units is exempted from these labor standards.
- L. National Flood Insurance Program (24 CFR Part 570, Subpart K, 570.605). The Subrecipient shall comply with Section 202(a) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4106) and the regulations in 44 CFR parts 59 through 79. Any contract or agreement for the sale, lease, or other transfer of land acquired, cleared or improved with Assistance provided under this Subrecipient Agreement shall contain, if such land is located in an area identified by the Secretary as having special flood hazards and in which the sale of flood insurance has been made available under the National Flood Insurance Act of 1968, as amended, 42 USC 4001 et seq., provisions obligating the transferee and its successors or assigns to obtain and maintain, during the ownership of such land, such flood insurance as required with respect to financial assistance for acquisition or construction purposes under the Flood Disaster Protection Act of 1973. Such provisions shall be required notwithstanding the fact that the construction on such land is not itself funded with Assistance provided under this Subrecipient Agreement.
- M. Displacement, Relocation, Acquisition, and Replacement of Housing (24 CFR Part 570, Subpart K, 570.606). The Subrecipient shall comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1990 as amended. The Subrecipient agrees for the duration of this Subrecipient Agreement to:
- <u>i.</u> Ensure that owners of real property acquired for federal and federally assisted projects are treated fairly and consistently; encourage and expedite acquisition by agreements with such owners; minimize litigation and relieve congestion in the courts; and promote public confidence in federal and federally assisted land acquisition programs; and
- <u>ii.</u> Comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1990 ("the Act"), as required under Section 570.606(a) (Title I of the Housing and Community Development Act of 1974, as amended) and federal implementing regulations; the requirements of Section 570.606(b) governing the residential anti-displacement and

relocation assistance plan under Section 104(d) of the Act (including a certification that such a plan is being followed; the relocation requirements of Section 570.606(c) governing displacement subject to Section 104(K) of the Act; and the relocation requirements of Section 570.606(d) governing optional relocation assistance under Section 105(a)(11) of the Act.

- N. Equal Employment (24 CFR Part 570, Subpart K, 570.607). The Subrecipient shall comply with Executive Order 11246, as amended by Executive Orders 11375, 11478, 12086 and 12107, Equal Employment Opportunity. During the performance of this Subrecipient Agreement, the Subrecipient agrees as follows:
- O. The Subrecipient shall not discriminate against any employee because of race, color, religion, sex, age, or national origin. The Subrecipient shall take affirmative action to ensure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, age, or national origin, handicap, or familial status. 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.
- **P.** The Subrecipient shall post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause. The Subrecipient shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, age, national origin, handicap or familial status.
- **Q.** The Subrecipient shall incorporate foregoing requirements in all contracts that are deemed necessary to carry out project activities.
- R. The Subrecipient agrees that it will assist and cooperate actively with the Secretary of Labor and the County in obtaining the compliance of contractors and subcontractors with the above equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the Secretary in the discharge of its primary responsibility for securing compliance.
- S. Contracting Opportunities (24 CFR Part 570, Subpart K, 570.607). The Subrecipient shall comply with requirements of Section 3, of the Housing and Urban Development Act of 1968 (12 USC 1701U), as amended, the HUD regulations issued pursuant thereto at 24 CFR Part 135, and any applicable rules and orders of HUD issued thereunder. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to 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. The Subrecipient shall cause or require to be inserted in full in all contracts and subcontracts

for work financed in whole or in part with Assistance provided under this Subrecipient Agreement, the Section 3 clause set forth in 24 CFR 135.

- T. Lead-Based Paint (24 CFR Part 570, Subpart K, 570.608). In the construction or rehabilitation of residential structures with Assistance provided under this Subrecipient Agreement the Subrecipient will comply with the Lead-Based Paint Regulations issued pursuant to the Lead-Based Paint Poisoning Prevention Act (42 USC 4832, et seq.) and the Lead Safe Housing Rule (24 CFR 35).
- U. Use of Debarred, Suspended or Ineligible Contractors or Subrecipients (24 CFR Part 570, Subpart K, 570.609). The Subrecipient agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contract and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of equal opportunity clause as may be imposed upon contractors and subcontractors by the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order.
- V. Uniform Administrative Requirements and Cost Principles (24 CFR Part 570, Subpart K, 570.610). The Subrecipient shall comply with the policies, guidelines, and requirements of 2 CFR Part 200.
 - W. Conflict of Interest (24 CFR Part 570, Subpart K, 570.611).
- <u>i.</u> <u>Interest of Certain Federal Officials</u>. No member of or Delegate to the Congress of the United States, and no Resident Commissioner, shall be admitted to any share or part of this Subrecipient Agreement or to any benefit to arise from the same.
- <u>ii.</u> <u>Interest of Officers, Employees or Agents of Subrecipient, Members of Local Governing Body, or other Public Officials</u>. No officer, employee or agent of the Subrecipient, or its designee, no officer, employee or agent of the County who exercises any functions or responsibilities with respect to the program during his or her tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the project assisted under this Subrecipient Agreement. The Subrecipient shall incorporate, or cause to be incorporated, in all such contracts or subcontracts a provision prohibiting such interest pursuant to the purposes of this section.
- <u>iii.</u> Prohibition Against Payments of Bonus or Commission. The Assistance provided under this Subrecipient Agreement shall not be used in the payment of any bonus or commission for the purpose of obtaining HUD approval of the application for such Assistance, or HUD approval of applications for additional Assistance, or any approval or concurrence of HUD required under this Subrecipient Agreement, Title I of the Housing and Community Development Act of 1974, as amended, or HUD regulations with respect thereto; provided, however, that reasonable fees or bonafide technical, consultant, managerial or other services, other than actual solicitation, are not hereby prohibited if otherwise eligible as program costs.

- X. Executive Order 12372 (24 CFR Part 570, Subpart K, 570.612). Executive Order 12372, Intergovernmental Review of Federal Programs, applies to a CDBG funded activity only where the Subrecipient proposes to use funds for the planning or construction (reconstruction or installation) of water or sewer facilities. Such facilities include storm sewers as well as all sanitary sewers, but do not include water and sewer lines connecting a structure to the lines in the public right-of-way or easement.
- Y. Eligibility Restrictions for Certain Residents Aliens (24 CFR Part 570, Subpart K, 570.613). Certain newly legalized aliens, as described in 24 CFR Part 49, are not eligible to apply for benefits under covered activities. Covered activities mean either:
- <u>i.</u> Activities that have income eligibility requirements limiting the benefits exclusively to low- and moderate-income persons; or
- <u>ii.</u> Activities that are targeted geographically or otherwise to primarily benefit low- and moderate-income persons (excluding activities serving the public atlarge, such as sewers, roads, sidewalks, and parks), and that provide benefits to persons based on an application.
- Z. Architectural Barriers Act and the Americans with Disabilities Act (24 CFR Part 570, Subpart K, 570.6140). The Subrecipient shall comply with the Architectural Barriers Act of 1968 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. The Subrecipient shall comply with the Americans With Disabilities Act which provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, State and local government services, and telecommunications.
- AA. Build America, Buy America Act (BABA) Pursuant to the Build America, Buy America Act (BABA), enacted as part of the Infrastructure Investment and Jobs Act (IIJA). Pub. L. 117-58, 41 U.S.C. § 8301 note, the Federal Financial Assistance used to fund this infrastructure project is required to apply a domestic content procurement preference (the "Buy America Preference" or "BAP") for all construction, alteration, maintenance, or repair of infrastructure, including buildings and real property, unless application of the BAP has been waived by HUD. Additional details on fulfilling the BABA requirements can be found at https://www.hud.gov/baba.
- **BB.** Records. The Subrecipient shall maintain complete and accurate records with respect to all matters covered by this Subrecipient Agreement. At a minimum the following records will be maintained in a file for the CDBG funded project:
 - i. Citizen Participation
 - <u>ii.</u> Subrecipient Applications
 - <u>iii.</u> Written agreement(s)
 - <u>iv.</u> Records demonstrating that the activity meets a National Objective

- v. Income Eligibility Records
- <u>vi.</u> Project Beneficiary Forms
- vii. Financial statement and records
- viii. Purchasing records
- ix. Audits
- x. Construction contracts and related documents
- <u>xi.</u> Draw down requests (with source documentation, including invoices, purchase orders, etc.)
 - xii. Monitoring reports and correspondence
- <u>xiii.</u> Such records shall be maintained for a period of five (5) years after the receipt of final payment under this Subrecipient Agreement.
 - xiv. Financial Management, Audit and Review.
- CC. The Subrecipient agrees that the County, the Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the Subrecipient which are directly pertinent to this Subrecipient Agreement for the purpose of making audit, examination, excerpts, and transcripts for as long as the records are maintained.
- **DD.** The Subrecipient agrees to allow the County or its designee to make periodic project site visits to assess the progress of the project and to report such progress.
- **EE.** The Subrecipient agrees to reimburse or return to the County those funds which have been disbursed under this Subrecipient Agreement for the performance of the Project listed herein should the Subrecipient default on any of the provisions listed herein or should the County decide to terminate this Subrecipient Agreement for cause.
- **FF.** The Subrecipient agrees to maintain financial records in accordance with generally accepted accounting principles and to make all such records available to HUD and/or the County for inspection upon request. The Subrecipient further agrees to maintain applicable financial management standards prescribed in 2 CFR Part 200 as further defined at 24 CFR 570.502(a):
- <u>i.</u> Records that identify adequately the source and application of funds for grant-supported activities. These records shall contain information pertaining to Federal awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays, and income.
- <u>ii.</u> Effective control over and accountability for all funds, property, and other assets. Subrecipients shall adequately safeguard all such assets and shall ensure that they are used solely for authorized purposes.

- <u>iii.</u> Procedures for determining reasonableness, allowability and allocation of costs in accordance with 2 CFR Part 200.
 - <u>iv.</u> Accounting records that are supported by source documentation.
- v. A systematic method to ensure timely and appropriate documentation
- **GG.** Reversion of Assets. Upon expiration of this Subrecipient Agreement, the Subrecipient shall transfer to the County any CDBG funds on hand at the time of expiration of this Subrecipient Agreement and any accounts receivable attributable to the use of CDBG funds. Additionally, any real property under control of the Subrecipient that was acquired or improved in whole or in part with CDBG funds more than Twenty-Five Thousand Dollars (\$25,000.00) shall either be:
- i. Used to meet one of the national objectives until five (5) years after expiration of this Subrecipient Agreement, or for such longer period as determined to be appropriate by the Subrecipient; or
- <u>ii.</u> Disposed of in a manner that results in the County being reimbursed in the amount of the current fair market value of the property less any portion of the value attributable to the expenditures of non-CDBG funds for acquisition of, or improvement to, the property.
- **HH.** Obligations of the Subrecipient with Respect to Certain Third Part Relationships.
- <u>i.</u> The Subrecipient shall remain fully obligated under the provisions of this Subrecipient Agreement notwithstanding its designation of any third party or parties for the undertaking of all or any part of the Project with respect to which Assistance is being provided under this Subrecipient Agreement to the Subrecipient.
- II. The Subrecipient shall defend, indemnify, and hold the County, its officers, employees and agents free and harmless from and against all claims, losses and liabilities arising out of personal injury, including death, and damage to property arising out of or in any way connected with this Subrecipient Agreement, whether such operations be by the Subrecipient or by any subcontractor or anyone directly or indirectly employed by the Subrecipient. The Subrecipient shall also defend, indemnify, and hold harmless the County, its officers, employees, and agents free and harmless from and against any claims arising out of the award of this Subrecipient Agreement to the Subrecipient.
- JJ. Any subcontractor shall protect itself, the Subrecipient, and the County for the claims and damages due to personal injury including death as well as claims of property damage that may arise in the work. For construction or facility improvement, the Subrecipient shall require contractors to comply with the requirements of 24 CFR 85.36 (h) (1 through 3) or 2 CFR Part 200 as applicable.

- KK. Federal Award Performance Goals. The Subrecipient shall meet any applicable performance goals, indicators, targets, and baseline data as required by applicable program requirements.
- LL. Violence Against Women Act. Subrecipient will comply with the right to report crime and emergencies protections found in 34 U.S.C. 12495.
- MM. Certifications. Subrecipient agrees and understands it must execute the certifications attached hereto.

SECTION 5. SPECIAL TERMS

- <u>5.1</u> This Agreement references multiple state and federal laws and regulations by name and by number, which are readily available online. The laws and regulations cited herein are incorporated by reference as if they were set forth fully herein;
- <u>5.2</u> <u>Third-Party Claims Disclaimer.</u> Nothing in this agreement shall be construed as creating or justifying any claim against the federal government or the Recipient by any third party.
- **<u>S.3</u>** Rule of Construction. This Agreement's terms are to be interpreted and applied with full and expansive effect, and that ambiguities are not to be construed against HUD.
- **5.4 Definitions.** Except to theme extent modified or supplemented by the Grant Agreement, any term defined in Title I of the Housing and Community Development Act of 1974, as amended, or the HUD Community Development Block Grant Regulations at 24 CFR Part 570, shall have the same meaning when used herein:
- **A. Applications.** All papers, documents, exhibits, maps, etc., submitted by the Subrecipient's Project as part of the County's CDBG Program, and any amendments, supplements, or revisions thereto submitted prior to the County seeking from HUD a release of funds for said projects.
- **B.** Assistance. The grants and any loans secured by loan guarantees provided under this Subrecipient Agreement.
- **C. Assurances.** The same certifications and assurances submitted by the County with its grant application pursuant to the requirements of 24 CFR Part 570.
- **D. Program.** The Community Development Block Grant programs, projects, or other activities including the administration thereof, with respect to which Assistance is being provided under the Subrecipient Agreement.
- **E. Program Income.** Gross income received by the Subrecipient directly generated from the use of CDBG funds.
- **F. Project.** The activities outlined by the Subrecipients application and published by the County in its 2025 Action Plan for uses of Community Development Block Grant funds.

- **G. Subrecipient.** Each entity that receives funding pursuant of this Subrecipient Agreement.
- **H. Household.** All persons occupying a housing unit. The occupants may be a family, as defined in 24 CFR 5.403; two or more families living together; or any other group or related or unrelated persons who share living arrangements, regardless of actual or perceived, sexual orientation, gender identity or marital status.

SECTION 6. GENERAL TERMS

- **6.1 Amendments.** This Agreement may be amended by supplemental writing signed by both Parties.
- **6.2 Assignment.** The Subrecipient's award rights, obligations, and duties under this Subrecipient Agreement shall not be assigned or transferred in whole or in part without prior written agreement by the County.
- <u>6.3</u> Choice of Law. This Agreement shall be interpreted under and governed by the laws of the State of Kansas. The parties agree that any dispute or cause of action arising in connection with this Agreement will be brought in the district court of Johnson County, Kansas.
- <u>6.4</u> Compliance with Laws. The Subrecipient and County shall keep informed of and comply with all applicable federal, state, and local laws and regulations in the performance of this Agreement.
- 6.5 Counterparts and Electronic Delivery. This Agreement may be executed in one or more counterparts, each of which will for all purposes be deemed an original and all of which will constitute the same agreement. All such counterparts shall be deemed an original, shall be construed together, and shall constitute one and the same instrument. Signatures to this Agreement transmitted by any electronic means intended to preserve the original graphic and pictorial appearance of this Agreement shall have the same effect as physical delivery of the paper document bearing original signature.
- <u>6.6</u> Entire Agreement. This Agreement, which consists of 15 pages, expresses the complete understanding of the Parties with respect to the subject matter and supersedes all prior proposals, agreements, representations, and understandings.
- <u>6.7</u> <u>Notice</u>. All notices arising out of, or from, the provisions of this Contract shall be in writing and given to the parties at the address provided under this Contract, either by regular mail, facsimile, e-mail, or delivery in person.

If to the County:	If to City of Olathe:
Attn: Community Development Coordinator 111 S Cherry Ste 2000	Attn: Emily Diehl 200 West Santa Fe Street, Olathe, Kansas 66051-0768
Olathe, KS 66061	

With a courtesy copy to:
Johnson County Legal Department
111 S Cherry St.
Ste. 3200
Olathe, Kansas 66061

Remainder of Page Intentionally Left Blank

The Parties acknowledge that they have read, understood, and accept this Entire Agreement.

	JOHNSON COUNTY	CITY OF OLATHE
FOR	Penny Postoak Ferguson, County Manager	John Bacon, Mayor
	Date: 10/27/25	Date:
	APPROVED AS TO FORM	APPROVED AS TO FORM
	Assistant County Counselor	Name: Title: Olathe City Attorney

CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the Subrecipient certifies that:

Affirmatively Further Fair Housing -- The Subrecipient will affirmatively further fair housing.

Uniform Relocation Act and Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR Part 24. It has in effect and is following a residential anti-displacement and relocation assistance plan required under 24 CFR Part 42 in connection with any activity assisted with funding under the Community Development Block Grant or HOME programs.

Anti-Lobbying -- To the best of the Subrecipient's knowledge and belief:

- 1. 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;
- 2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

Authority of Subrecipient -- The consolidated plan is authorized under State and local law (as applicable) and the Subrecipient possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with Plan -- The housing activities to be undertaken with Community Development Block Grant, HOME, Emergency Solutions Grant, and Housing Opportunities for Persons With AIDS funds are consistent with the strategic plan in the County's consolidated plan.

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 HU D'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.

Diversity, Equity, and Inclusion - They will not use Federal funding to promote diversity, equity, and inclusion (DEI) mandates, policies, programs, or activities that violate any applicable Federal antidiscrimination laws.

Gender Ideology -- Subrecipient shall not use the funds to promote gender ideology as described in executive order 14168.

Abortion Funding – Subrecipient shall not use any grant funds to fund or promote elective abortions as described in executive order 14182.

Anti-Discrimination Laws – Subrecipient agrees that its compliance in all respects with all applicable federal anti-discrimination laws is material to payment decisions under section 3729(b)(4) of title 31 of the United States Code. Subrecipient further 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.

E.O. 14154 -- Notwithstanding anything in the NOFO or Application, this grant shall not be governed by any executive orders revoked by E.O. 14154.

PRWORA – Subrecipient shall 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.

Subrecipient shall comply with the County's verification process for verifying an income-qualified individual's eligibility for public benefits under Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA, 8 U.S.C. 1601-1646), E.O. 14218 before Subrecipient provides any federal benefit to any individual.

Immigration Statutes – Subrecipient shall not use the 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 laws.

SAVE – Subrecipient shall 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.

Signature of Authorized Official	Date
Title	