

ATTACHMENT B

HUD COVENANTS

CERTIFICATE OF OWNER

The undersigned, duly authorized representative of the Owner, hereby certifies that the Other Federal Requirements enumerated as Exhibit B-1 hereto have been reviewed and that the Owner has complied with or will comply with all said requirements by executing this certification. The Owner further certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by HUD in transactions such as the Project.

Owner: Young Women's Christian Association of Greater New Orleans

By: Loyce P. Wright

Title: President

Signature: _____

EXHIBIT B-1

OTHER FEDERAL REQUIREMENTS

A. Equal Opportunity and Fair Housing

- (a) *Equal Opportunity*. No person in the United States shall on the grounds of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with Federal Funds. In addition, the Project must be operated and managed in accordance with the following:
- (1) The requirements of the Fair Housing Act (42 U.S.C. 3601-20) and implementing regulations at 24 CFR part 100; Executive Order 11063, as amended by Executive Order 12259 (3 CFR, 1958-1963 Comp., p. 652 and 3 CFR, 2980 Comp., p. 307) (Equal Opportunity in Housing) and implementing regulations at 24 CFR part 107; and title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) (Nondiscrimination in Federally Assisted Programs) and implementing regulations at 24 CFR part 1;
 - (2) The prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101-07) and implementing regulations at 24 CFR part 146, and the prohibitions against discrimination against handicapped individuals under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8;
 - (3) The requirements of Executive Order 11246 (3 CFR 1964-65, Comp. p. 339) (Equal Employment Opportunity) and the implementing regulations issued at 41 CFR chapter 60;
 - (4) The requirements of section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) the purpose of which is to ensure that the employment and other economic opportunities generated by Federal financial assistance for housing and community development programs shall, to the greatest extent feasible, be directed toward low- and very-low income persons, particularly those who are recipients of government assistance for housing;
 - (5) The requirements of Executive Orders 11625 and 12432 (concerning Minority Business Enterprise), and 12138 (concerning Women's Business Enterprise). Consistent with HUD's responsibilities under these Orders, the Owner must make efforts to encourage the use of minority and women's business enterprises in connection with federally-funded activities. The Owner must prescribe procedures acceptable to the City to establish and oversee a minority outreach program within its jurisdiction to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, including, without limitation, real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and providers of legal services, in all contracts entered into by the Owner with such persons or entities, public and private, in order to facilitate the activities of the Owner to provide affordable housing authorized under the Housing Act or any other federal housing law applicable to such jurisdiction; and

- (6) *Fair housing.* In accordance with the certification made with its housing strategy, the Owner must affirmatively further fair housing.

B. Labor

- (a) *General.* Any contract for the construction (rehabilitation or new construction) of affordable housing with 12 or more units assisted with funds made available under this part must contain a provision requiring that not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 276a-5), will be paid to all laborers and mechanics employed in the development of affordable housing involved, and such contracts must also be subject to the overtime provisions, as applicable, of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-332). Owners, contractors, subcontractors, and other participants must comply with regulations issued under these Acts and with other federal laws and regulations pertaining to labor standards and HUD Handbook 1344.1 (Federal Labor Standards Compliance in Housing and Community Development Programs), as applicable. The Owner certifies or will certify to compliance with the provisions of this section before making any payment under such contract.
- (b) *Volunteers.* The prevailing wage provisions of paragraph (a) of this section do not apply to an individual who receives no compensation or is paid expenses, reasonable benefits, or a nominal fee to perform the services for which the individual volunteered and who is not otherwise employed at any time in the construction work.
- (c) *Sweat equity.* The prevailing wage provisions of paragraph (a) of this section do not apply to members of an eligible family who provide labor in exchange for acquisition of a property for homeownership or provide labor in lieu of, or as a supplement to, rent payments.

C. Lead-based paint

Housing assisted with CDBG Funds constitutes HUD-associated housing for the purpose of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821, et. seq.) and is, therefore, subject to 24 CFR part 35. Unless otherwise provided, the Owners is responsible for testing and abatement activities.

D. Conflict of interest

- (a) *Applicability.*
- (1) In the procurement of property and services by the Owner, the conflict of interest provisions in 24 CFR 85.36 and OMB Circular A-110 for grants funded before December 26, 2014 or 2 CFR 200 for grants funded on December 26 2014, respectively, apply.
 - (2) In all cases not governed by 24 CFR 85.36 and OMB Circular A-110 or 2 CFR 200, the provisions of this section apply. These cases include the acquisition and disposition of real property and the provision of assistance by the Owner, by subrecipients, or to individuals, housing developers, and other private entities under eligible activities which authorize such assistance (e.g., rehabilitation of housing).¹

¹ See §92.505 concerning the applicability of OMB Circulars.

- (b) *Conflicts prohibited.* No persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to activities assisted with CDBG Funds

or who are in a position to participate in a decision making process or gain inside information with regard to these activities, may obtain a financial interest or benefit from a CDBG assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

- (c) *Persons covered.* The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the City, or subrecipient which are receiving CDBG Funds.
- (d) *Exceptions: Threshold requirements.* Upon the written request of the City, HUD may grant an exception to the provisions of paragraph (b) of this section on a case-by-case basis when it determines that the exception will serve to further the purposes of the CDBG program and the effective and efficient administration of the City's program or project. An exception may be considered only after the City has provided the following:
 - (1) A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and
 - (2) An opinion of the City's attorney that the interest for which the exception is sought would not violate state or local law.
- (e) *Factors to be considered for exceptions.* In determining whether to grant a requested exception after the City has satisfactorily met the requirements of paragraph (d) of this section, HUD will consider the cumulative effect of the following factors, where applicable:
 - (1) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available;
 - (2) Whether the person affected is a member of a group or class of low-income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;
 - (3) Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision making process with respect to the specific affected activity in question.
 - (4) Whether the interest or benefit was present before the affected person was in a position as described in paragraph (c) of this section;
 - (5) Whether undue hardship will result either to the Owner or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and
 - (6) Any other relevant considerations.

E. Flood insurance

- (a) Under the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001-4128), CDBG Funds may not be used with respect to the acquisition, new construction, or rehabilitation of a project located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, unless:

- (1) The community in which the area is situated is participating in the National Flood Insurance Program (see 44 CFR parts 59 through 79), or less than a year has passed since FEMA notification regarding such hazards; and
 - (2) Flood insurance is obtained as a condition of approval of the commitment.
- (b) The Owner of a Project located in an area identified by FEMA as having special flood hazards are responsible for assuring that flood insurance under the National Flood Insurance Program is obtained and maintained.

[END OF DOCUMENT]