

MK17-555



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

New Orleans Field Office
Hale Boggs Federal Building
500 Poydras Street, 9th Floor
New Orleans, LA 70130-3099

OFFICE OF COMMUNITY PLANNING & DEVELOPMENT

APR 11 2017

Mitchell J. Landrieu, Mayor
City of New Orleans
1300 Perdido Street, 2nd Floor
New Orleans, LA 70112

Re: Amendment to CDBG-DR Grant Terms and Conditions (Grant# B-13-MS-22-0001)

Dear Mayor Landrieu:

The Disaster Relief Appropriations Act, 2013 (the Act) requires all Community Development Block Grant disaster recovery (CDBG-DR) funds appropriated under the Act to be obligated by September 30, 2017. The Act also requires grantees to expend CDBG-DR funds within 24-months following the Department's obligation of funds to the grantee, unless the grantee receives an extension of the expenditure deadline.

Most CDBG-DR grantees under the Act have managed this expenditure deadline through the partial obligation of their respective allocation of CDBG-DR funds. The Department has implemented and enforced the expenditure deadline requirement through internal controls established within its Disaster Recovery Grant Reporting (DRGR) system and through grant terms and conditions for each partial obligation of CDBG-DR funds. The terms and conditions of the grant agreement governing each partial obligation of funding have included a table outlining the amount of funds to be expended for particular activities during the 24-month period governing each partial obligation of funds.

As the statutory obligation deadline for CDBG-DR funds under the Act approaches, the Department has determined that it is more effective to implement and enforce the expenditure deadline for these funds based upon the amount of funds expended by a grantee during each 24-month period, rather than by the specific activities outlined in the budget table that is currently included in each grant agreement. This letter and enclosed terms and conditions constitute an amendment to the grant agreements executed for the CDBG-DR grant. The amendment incorporates a revised budget table to reflect the amount of funds that must be expended in the 24-month expenditure period governing each partial obligation of grant funds. The amendment also clarifies a provision of paragraph 8 of the grant agreement to specify that additional funds may be requested through submission of a request to amend the grant agreement.

By signing below, the grantee acknowledges and agrees to the revised CDBG-DR grant terms and conditions described in this letter and in the enclosed Amended Grant Agreement. The revisions described in this letter and reflected in the enclosure improve clarity for both the Department and the grantee. Please print this letter twice, sign both letters, add one to your existing grant agreement and return the other original letter to your CPD Representative.

Name: Jeffrey M. Kilpatrick Title: Deputy Mayor / Chief Administrative Officer

Signature: [Signature] Date: 05/03/14

If you have questions or need additional information, please contact your HUD Representative.

FORM AND LEGALITY APPROVED:

[Signature]
Law Department, City of New Orleans

Sincerely,

[Signature]

Cheryl S. Breaux, Director
Office of Community Planning and Development

Enclosure

**Amended Grant Agreement
CDBG Disaster Recovery Assistance
City of New Orleans, Louisiana
(Disaster Recovery Appropriations Act, 2013 P.L. 113-2)**

1. The grantee must use these Community Development Block Grant disaster recovery (CDBG-DR) funds in accordance with Public Law 113-2, Disaster Relief Appropriations Act, 2013 (approved January 29, 2013). This grant agreement governs the use of all funds made available to the grantee under grant number B-13-MS-22-0001. The provisions of this grant agreement replace any provisions previously provided for in previous grant agreements that governed grant number B-13-MS-22-0001.
2. The grantee is required to expend the funds governed by this grant agreement within two years of the date HUD obligated the funds. The HUD obligation date is the date of the grant agreement or amended grant agreement that made the respective funds available to the grantee. Expenditure deadlines for all funds obligated by this amended grant agreement or earlier grant agreements are summarized in a table below. Funds with an expenditure deadline that occurs prior to September 30, 2017, will be returned to the Department and may be reallocated if unexpended by the expenditure deadline. After September 30, 2017, funds unexpended by the applicable expenditure deadline will be returned to the U.S. Treasury.
3. The grantee must comply with all Notice requirements, waivers and alternative requirements issued by the U.S. Department of Housing and Urban Development with respect to this grant, including *Federal Register* Notices that HUD publishes in the future to issue additional waivers and alternative requirements.
4. The grantee must comply with the Housing and Community Development Act of 1974, as amended, and the regulations governing the CDBG program at 24 CFR part 570, unless the Department has waived any of these requirements or established alternative requirements. The grantee is advised to pay particular attention to: regulations at 24 CFR part 58 pertaining to environmental review requirements; labor standards requirements of 42 U.S.C. 5310, and to act in conformance with cost principles applicable to federal grants, as directed by HUD regulations at 24 CFR part 570, and as may be amended from time to time.
5. The grantee's submissions, the Notices identified in term 3 (above), and the Funding Approval/Agreement (HUD form 7082) are incorporated by reference and constitute part of this Grant Agreement. Submissions include the CDBG-DR action plans and amendments, including the certifications and assurances and any information or documentation required to meet any grant award conditions.
6. The grantee must comply with the requirements of 24 CFR part 5, subpart K, Application, Registration, and Submission Requirements, and 2 CFR part 25 Universal Identifier and System for Award Management (SAM). The grantee must have an active registration in SAM in accordance with 2 CFR part 25, Appendix A, and must have a Data Universal Numbering System (DUNS) number. The grantee must also comply with provisions of the Federal Funding Accountability and Transparency Act, which includes requirements on executive compensation,

and 2 CFR part 170 Reporting Subaward and Executive Compensation Information. Previous grant agreements referred to these requirements by the names used in regulations prior to technical amendments in 2014 and 2015 that revised the nomenclature for the systems imposed by these regulations (i.e., eliminating older terms, "Central Contractor Registration," "System of Award Management" and "the Dun and Bradstreet Data Universal Numbering System (DUNS).").

7. Pursuant to the Notices identified in term 3 (above), the grantee is required to develop a needs assessment and amend its Action Plan as conditions change and additional needs are identified. In its action plan, grantees must also describe the connection between identified unmet needs and the allocation of CDBG-DR resources.

8. This grant agreement covers a total amount of \$7,100,000.00. The funds must be used to fund disaster recovery as defined in the grantee's HUD approved Action Plan. Funds must be expended by the grantee in accordance with the schedules below.

Absent a HUD approved extension, the grantee must expend grant funds within 24-months of the date on which the funds were obligated in accordance with the Cumulative Expenditure Schedule below. The Cumulative Expenditure Schedule identifies grant funds obligated by HUD, the 24-month expenditure deadline associated with each obligation, and the cumulative amount of grant funds that the grantee must expend by various deadlines in order to satisfy the 24-month expenditure deadline (the "Cumulative Disbursement Goals"). Expenditures for all activities that have not been granted an extension will be used toward meeting the Cumulative Disbursement Goals identified in the Cumulative Expenditure Schedule.

The grantee may request additional time to expend funds that have been obligated to the grantee in accordance with the *Federal Register* Notice published May 11, 2015, at 80 FR 26942 (amending procedures in prior notices), but no extensions will be granted allowing expenditure after September 30, 2022. Grantees are cautioned that draws may be restricted several days prior to the September 30, 2022, deadline to ensure compliance with this expenditure deadline.

If HUD approves an extension, extended funds will be deducted from the next applicable cumulative disbursement goal in the Cumulative Expenditure Schedule, and all successive cumulative disbursement goals, and the extended funds will be subject to a separate, extended expenditure deadline (the "Extended Expenditure Goal"), which will be indicated under the Extended Expenditure Schedule. Only expenditures for activities associated with the HUD approved extension will count toward the applicable Extended Expenditure Goal for each identified HUD approved extension.

Funds subject to de-obligation will also be deducted from the appropriate obligation in the Cumulative Expenditure Schedule and all successive Cumulative Disbursement Goals.

Substantial amendments are subject to the additional requirement of the applicable CDBG-DR Notices. Subsequent amendments to this grant agreement will obligate additional funds towards the grantee's full grant amount of \$15,031,000.00 or reflect funds that have been extended or are subject to de-obligation, as described above. The grantee may request additional funds by submitting a request to amend this grant agreement to the Department.

**City of New Orleans, Louisiana
Cumulative Expenditure Schedule**

OBLIGATION ROUND	OBLIGATION DATE	EXPENDITURE DEADLINE	CUMULATIVE AMOUNT OF GRANT FUNDS THAT MUST BE EXPENDED BY DEADLINE
#1	4/22/2014	4/22/2016	\$6,686,378.23

Extended Expenditure Schedule

OBLIGATION ROUND	OBLIGATION DATE	EXTENDED EXPENDITURE DEADLINE	AMOUNT OF EXTENDED GRANT FUNDS THAT MUST BE EXPENDED BY DEADLINE
#1	4/22/2014	12/31/2016	\$68,984.45
#1	4/22/2014	12/31/2017	\$344,637.32