

**SUBRECIPIENT AGREEMENT BETWEEN THE CITY OF  
CARROLLTON, TEXAS**

**AND**

**METROCREST SERVICES**

**THIS AGREEMENT**, entered this day of October \_\_\_\_, 2024, is by and between the CITY OF CARROLLTON (herein called the “GRANTEE”) and METROCREST SERVICES (herein called the “SUBRECIPIENT”).

**WHEREAS**, the Grantee received a CDBG funding allocation from the United States Department of Housing and Urban Development (“HUD”), to be administered through its Community Development Block Grant (“CDBG”) Entitlement Program per Title I of the Housing and Community Development Act of 1974, Public Law 93-383; and

**WHEREAS**, HUD directed these funds to be incorporated into the Grantee’s Program Year 2024 Action Plan, budgeted for CDBG-eligible activities in the City of Carrollton that address, respond to, and prevent homelessness in Carrollton, Texas; and

**WHEREAS**, HUD directed these CDBG funds be identified as part of the CDBG Entitlement Program Year 2024 allocation, to facilitate monitoring, auditing, and otherwise tracking of these funds in applicable federal and local reports, plans, and budgets; and

**WHEREAS**, residents have been dramatically affected financially by increased inflation rate and higher costs of living, impacting the ability of Carrollton residents to remain in their homes; and

**WHEREAS**, the Grantee has determined that investment of its CDBG allocation in a CDBG eligible public services activity to address, treat, and prevent homelessness in Carrollton by a qualified nonprofit agency, will best serve its low- to moderate-income households in the community; and

**WHEREAS**, based on the Subrecipient’s qualifications, staff capacity, and considerable experience administering similar federally-funded programs and activities in a timely manner, the Grantee has designated the Subrecipient as most appropriate to carry out the CDBG eligible public service activity(s) in an expeditious manner as identified in the Scope of Services; and

**WHEREAS**, the Grantee wishes to engage the Subrecipient to assist the Grantee in utilizing such funds to benefit low-income to moderate-income residents of the City of Carrollton by preventing and addressing homelessness;

**NOW, THEREFORE**, it is agreed between the parties hereto that:

## I. PURPOSE

- A. This Agreement sets forth the responsibilities of the Grantee and the Subrecipient in accomplishing the objectives established by the United States Department of Housing and Urban Development for CDBG funding to the Grantee through the Community Development Block Grant Entitlement Program, as set forth in the Housing and Community Development Act of 1974, as amended, (42 U.S.C. 5301 et seq.).
- B. The Grantee is sub-granting funds to the Subrecipient to be used to meet the CDBG Program's National Objective to principally benefit person of low to moderate-income, which is defined as 80% or less of the area's median income, by addressing the CDBG Program goals of providing residents with decent housing, a suitable living environment, and expanding economic opportunities and the CDBG goals of preventing, addressing, or responding to homelessness in Carrollton.
- C. Based on information provided by the Subrecipient and other local and regional public service agencies/organizations, the Grantee has determined no other source of financial assistance is available to provide the same public services in Carrollton as those funded through Carrollton's CDBG public services activity. There will be no duplication of benefits provided to the same eligible beneficiaries of this activity during the same period of performance.
- D. The City of Carrollton's CDBG funded public service activity is restricted to costs associated with services designed to prevent homelessness in Carrollton for income eligible households that are financially impacted by the rise in inflation.

## II. STATEMENT OF WORK

- A. Scope of Work: The Subrecipient will be responsible for administering and implementing CDBG Program Year 2024 funds, as identified in the 2024 Action Plan for the City of Carrollton, in compliance with all applicable HUD and other federal, state, and local regulations, procedures, and policies, for the purpose of preventing and addressing homelessness needs of low- to moderate-income Carrollton residents. 100% of individuals/households receiving assistance through this public services activity will qualify as low- to moderate-income households.  
The Subrecipient agrees to provide Homeless Response services and case management for eligible individuals and households of Carrollton residents by providing counseling, financial assistance, and any necessary follow up to individuals impacted by homelessness.
  - i. Subrecipient agrees to provide CDBG eligible public services to address the homeless needs in Carrollton during this Agreement's period of performance that includes providing for:

- Homeless Response: Three (3) employees – (1) Homeless Resource Director and (3) Homeless Resource Specialists – at a 60% pay level for both positions and funding to pay for costs in finding housing for individuals in Carrollton who are already homeless.
- ii. Subrecipient agrees to provide adequate case management to implement this public services activity to assist those on behalf of eligible Carrollton residents and households.
  - iii. Subrecipient agrees to provide HUD compliant support documentation detailing staffing costs, financial funds distributed to those impacted by homelessness, and case management provided by the Subrecipient with CDBG funds during the period detailed, herein.
  - iv. Subrecipient agrees to provide HUD compliant support documentation verifying income qualification for Carrollton households served by the Subrecipient.
  - v. Subrecipient agrees to provide public services under this Agreement in providing staff to work in role of assisting those that are homeless and financial funds to eligible Carrollton residents who may be at risk for homelessness.
- B. Use of CDBG funds: Subject to this Agreement, funding shall be limited to actual costs of, employee staffing, case management, and financial assistance for Carrollton residents impacted or at risk for homelessness provided by the Subrecipient. Total funding may not exceed \$106,650 of CDBG funding.
- C. Period of Performance: Public services provided by the Subrecipient shall begin upon passage of a Resolution by City Council and shall end by September 30, 2025, or at such time before then upon depletion of PY2024 CDBG funds granted under this Agreement.
- D. CDBG National Objectives: All activities funded by CDBG Entitlement Program funds must meet one of the Program’s National Objectives: to principally benefit persons of low- and moderate-income; to prevent or eliminate slums or blight; or to meet needs having a particular urgency. By signing this Agreement, the Subrecipient certifies that the public services activity carried out under this Agreement will meet the National Objective of principally benefiting low- to moderate-income persons by limiting use of funds to Carrollton residents, at least fifty-one percent (51%) of whom are low- or moderate-income. The public service activity is an eligible use of CDBG funds per 24 CFR Section 570.208(a)(2).

- E. Budget: Grantee has budgeted a total of \$106,650 in PY2024 CDBG funds to achieve the National Objective identified in the Scope of Work for this Agreement through the specified public services activity.

### III. RECORDS AND REPORTS

- A. Audit: Subrecipient shall allow the Grantee, HUD, and any of their authorized representatives access to records pertaining to this Agreement and use of the CDBG funds subject to the terms of this Agreement and for the purpose of audit or examination.
- B. Monthly Reports: Following execution of this Agreement, Subrecipient shall submit a monthly report to Grantee throughout the period of performance for this Agreement, as required for HUD reporting purposes. The report shall provide documentation verifying the Carrollton residency and income eligibility of each household served and detailed budget information identifying expenditures for each household served during the period since the last monthly report.
- C. Maintain Records: Subrecipient shall maintain all financial records, supporting documents, statistical records, and all other records pertinent to activities and expenditures subject to this Agreement for a period of four (4) years. The records retention period begins on the date of the submission of the Grantee's annual performance and evaluation report (CAPER) to HUD in which activities assisted under this Agreement are reported for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations, or other actions that involve any of the records cited that have started before the expiration of the four-year period, then such records must be retained until completion of the actions and resolution of all issues, or expiration of the four-year period, whichever occurs later.
- D. Staffing: The Subrecipient shall provide the following staff at a 60% funding level – (1) Homeless Resource Director and (3) Homeless Resource Specialists. All to adequately perform the services prescribed by this Agreement.
- E. Subrecipient shall be solely responsible for any and all taxes (federal, state, and/or local), worker's compensation insurance, disability payments, social security payments, unemployment insurance payments, insurance, and any similar type of payments for the Subrecipient or any employee thereof and shall **hold the Grantee harmless from any and all such payments**.
- F. Subrecipient shall document its files to provide a full description of each activity undertaken and demonstrate that each activity undertaken complies with the terms and objectives of this Agreement; demonstrate compliance with the fair housing and equal opportunity requirements and policies of the CDBG Entitlement Program; and comply with applicable federal financial records regulations.

#### IV. PAYMENT PROCEDURES

##### A. Subrecipient shall:

- i. Submit payment reimbursement requests, based on actual costs, with required supporting documentation on a monthly basis; and
- ii. Provide the Grantee with the monthly report information detailed on a timely basis, no reimbursement requests shall be processed by the Grantee until Subrecipient is in compliance with all applicable requirements of this Agreement including submittal of monthly reports.

##### B. Grantee shall:

- i. In consideration for public services rendered by the Subrecipient, pay a total sum not to exceed the CDBG Program Year 2024 funded amount of \$106,650, upon verification of full compliance with all terms of this Agreement and applicable federal regulations and policies; and
- ii. Monitor the operations of Subrecipient activities under this Agreement to ensure compliance with applicable federal requirements, contract provisions, and achievement of performance goals; and
- iii. Reimburse the Subrecipient upon receipt and review of a payment request on the provided form that includes the required supporting documentation from the Subrecipient.

#### V. UNIFORM ADMINISTRATIVE REQUIREMENTS

Subrecipient agrees to comply with all applicable federal, state, and local laws and regulations governing the CDBG funds provided under this Agreement including CFR Title 2, Subtitle A, Chapter 1 1, Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards and 24 CFR Part 84 (Grants and Agreements with Institutions of Higher Learning, Hospitals, and other Non-Profit Organizations). Subrecipient shall comply with all applicable Carrollton Standard Operating Procedures for CDBG Subrecipients, documenting compliance through submittal to Grantee of all required forms.

#### VI. OTHER PROGRAM REQUIREMENTS

The Subrecipient will carry out its activities under this Agreement in compliance with the requirements of Subpart K of 24 CFR 570, except, that the Subrecipient does not assume

the Grantee's environmental responsibilities or the responsibility for initiating the environmental review process under 24 CFR under Part 52.

- A. Audits: In accordance with 24 CFR 570.502 and local requirements, the Subrecipient shall submit an audit complying with the Single Audit Act of 1984 to the Grantee in addition to any audit-related forms the Carrollton Finance Department requires.
- B. Beneficiary data: Subrecipient shall maintain beneficiary data demonstrating beneficiary eligibility for the CDBG-funded public services provided. Such data shall include, but not be limited to, client name, address, income level, or other basis for determining eligibility, and a description of services provided. Such information shall be submitted to Grantee with original documentation for review upon request.
- C. Prohibition of Political or Religious Activity: There shall be no religious worship, instruction, or proselytization as part of, or in connection with, the performance of this Agreement. None of the funds, materials, property, or services under this Agreement shall be used in the performance of this Agreement for any partisan political activity, including lobbying, as specified in CFR Title 2, Subtitle A, Chapter 1 1, Part 200 regarding Cost Principles for Nonprofit Organizations or to further the election, defeat, recall, impeachment, appointment, or dismissal of any candidate for or from any public office.
- D. Discrimination Prohibited: The subrecipient shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment on a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, or sex.
- E. Terrorist Provision: Texas Government Code §2252.152 prohibits Texas governmental entities from contracting with companies who do business with Iran, Sudan, or foreign terrorist organizations. By signature hereto, Subrecipient verifies Subrecipient is not identified on a list maintained pursuant to Texas Government Code Sections 806.051, 807.051, or 2253.153 and that this Agreement is in compliance with Section 2252.152.
- F. Abortion Prohibition. Texas Government Code §2273.003 prohibits certain transactions between a governmental entity and an abortion provider or affiliate of the provider, Subrecipient represents and warrants to the Grantee that it is not an abortion provider or affiliate of the provider.
- G. Agreement Not to Boycott Israel. Texas Government Code §2270.002 requires written verification from a company with more than ten employees that it does not and will not boycott Israel during the term of this Agreement. By signature below, Subrecipient verifies Subrecipient does not boycott Israel and will not boycott Israel during the term of this Agreement.

- H. No Discrimination against Firearm and Ammunition Industries. By signing this Agreement, Subrecipient certifies that it: (a) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and (b) will not discriminate during the term of this Agreement against a firearm entity or firearm trade association, in compliance with Texas Government Code chapter 2274.
- I. Merger or Integration: This Agreement constitutes the entire Agreement between the Subrecipient and the Grantee with respect to the subject matter hereof; there are no other further written or oral understandings or Agreements with respect hereto.
- J. Modification, Assignment or Subcontracting Absent Prior Written Consent: No variation or modification of this Agreement and no waiver of its provisions shall be valid unless in writing and signed by the duly authorized officers of the Subrecipient and the Grantee. Any alterations, additions, or deletions to the terms of this Agreement, which are required by the enactment of legislation, regulations, and directives, are automatically incorporated into this Agreement on the date designated by law, regulation, or directive. None of the CDBG-funded activities to be performed by the Subrecipient under this contract may be subcontracted.
- K. Amendment: Grantee or Subrecipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of both organizations, and approved by the Grantee's governing body. Such amendments shall not invalidate this Agreement, nor relieve or release Grantee or Subrecipient from its obligations under this Agreement. The Grantee may, in its discretion, amend this Agreement to conform with federal, state, or local governmental guidelines, policies, and available funding amounts, or for other reasons. If such amendments result in a change in the funding or the scope of work to be undertaken as part of this Agreement, such modification will be incorporated only by a written amendment signed by both Grantee and Subrecipient.
- L. Monitoring: As required by HUD, the Subrecipient will be monitored on performance by the Grantee before final disbursement of CDBG funds and close-out of activities under this Agreement. A monitoring report summarizing the review will be provided to the Subrecipient and any conclusions made must be cleared before close-out.
- M. Close-outs: The Subrecipient's obligation to the Grantee shall not end until all closeout requirements are completed. Activities during the close-out period shall include, but are not limited to: making final payments, disposing of program assets (including accounts receivable to the Grantee), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Subrecipient has control over CDBG funds.
- N. Hold Harmless: **TO THE FULLEST EXTENT PERMITTED BY LAW, THE SUBRECIPIENT AGREES TO INDEMNIFY, PAY ON BEHALF OF, AND**

**HOLD HARMLESS THE GRANTEE, ITS ELECTED AND APPOINTED OFFICIALS, EMPLOYEES, VOLUNTEERS, BOARDS, COMMISSIONS AND OTHERS WORKING ON BEHALF OF THE GRANTEE, AGAINST ANY AND ALL CLAIMS, DEMANDS, SUITS, LOSSES, INCLUDING ALL COSTS CONNECTED THEREWITH FOR ANY DAMAGES WHICH MAY BE ASSERTED, CLAIMED OR RECOVERED AGAINST OR FROM THE GRANTEE, BY REASON OF PERSONAL INJURY, INCLUDING BODILY INJURY AND DEATH, AND/OR PROPERTY DAMAGE, INCLUDING LOSS OF USE THEREOF, WHICH ARISES OUT OF, OR IS IN ANY WAY CONNECTED OR ASSOCIATED WITH THE ACTIVITY AUTHORIZED BY THIS AGREEMENT.**

- O. Confidentiality: The use or disclosure of information by the Grantee concerning public services, applicants, or recipients obtained in connection with the performance of the Agreement shall be restricted to the purposes directly connected with the administration of the services provided under this Agreement. Such information shall not be used for any other purpose unless required by law, statute, or other legal process.
- P. Copeland “Anti-Kickback” Act: The Subrecipient shall comply with the Copeland “Anti- Kickback” Act (18 U.S.C.874) as supplemented in Department of Labor regulations (29 CFR part 3) and as applicable. (Applies to contracts and subgrants for construction or repair)
- Q. Conflict of Interest: The Subrecipient agrees to abide by the provisions of 24 CFR 84.42 and 570.61 1, which include, but are not limited to, the following:
- i. The Subrecipient shall maintain a written code or standard of conduct that shall govern the performance of its officers, employees, or agents engaged in the award and administration of contracts supported by Federal funds. Subrecipient shall comply with Carrollton Standard Operating Procedure (SOP) for CDBG Subrecipients regarding Conflict-of-Interest Policy and Procedures.
  - ii. No employee, officer, or agent of the Subrecipient shall participate in the selection, or in the award, or administration of, a contract supported by federal funds if a conflict of interest, real or apparent, would be involved.
  - iii. No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-assisted activities, or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any Agreement, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-assisted activity, or with respect to the proceeds from the CDBG-assisted activity, either for themselves or those



with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a “covered person” includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the grantee, the subrecipient, or any designated public agency.

- iv. In the procurement of supplies, equipment, construction, and services by subrecipients, the conflict-of-interest provisions in 24 CFR 85.36 and 24 CFR 84.42, respectively, shall apply. In all cases not governed by 24 CFR 85.36 and 84.42, the provisions of this section shall apply. Such cases include the acquisition and disposition of real property and the provision of assistance by the grantee or by its subrecipient to individuals, businesses, and other private entities under eligible activities that authorize such assistance.

## VII. SUSPENSION AND TERMINATION

In accordance with 24 CFR 85.43, the Grantee may suspend or terminate this Agreement if the Subrecipient materially fails to comply with any term of this Agreement, which includes, but is not limited to the following:

- A. Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies, or directives as may become applicable at any time;
- B. Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this Agreement;
- C. Ineffective or improper use of funds provided under this Agreement; or
- D. Submission by the Subrecipient to the Grantee of reports that are incorrect or incomplete in any material respect.

Also, in accordance with 24 CFR 85.44, this Agreement may be terminated by the Grantee or the Subrecipient, in whole or in part, by setting forth the reasons for such termination, the effective date, and in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the Grantee determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the Grantee may terminate the award in its entirety.

## VIII. NOTICES

Communication and details concerning this Agreement shall be directed to the following contract representatives:

A. Grantee: City of Carrollton – Environmental Services  
Point of Contact: Meagan Tucker – Sr. Community Development Specialist  
Brian Passwaters – Community Services Manager  
Cory Heiple – Environmental Services Director  
Address: 1945 E. Jackson Road, Carrollton, TX 75006

B. Subrecipient: Metrocrest Services  
Point of Contact: Tracy Eubanks – Chief Executive Officer  
Address: 1145 N. Josey Ln, Carrollton, TX 75006

The undersigned indicate by their signatures that they are authorized to act on behalf of their respective party in this capacity.

IN WITNESS WHEREOF, the Parties have executed this contract as of the date first written above.

Grantee: City of Carrollton

\_\_\_\_\_  
Erin Rinehart, City Manager

\_\_\_\_\_  
Date

Subrecipient: Metrocrest Services

\_\_\_\_\_  
Tracy Eubanks, Chief Executive Officer

\_\_\_\_\_  
Date