

REQUEST FOR PROPOSALS
ISSUED DATE: NOVEMBER 1, 2022

AFFORDABLE HOUSING DEVELOPMENT PROGRAM



KINGDOM PARTNERS
HOUSING DEVELOPMENT GROUP

Kingdom Partners-HDG
P.O. Box 28267
Chattanooga, TN 37424

REQUEST FOR PROPOSALS (RFP)
Kingdom Partners
Housing Development Group
Affordable Housing Development Program

RFP Information at a Glance

Procuring Organization: Kingdom Partners Housing Development Group (KP-HDG)

Title: **Affordable Housing Development Program**

Contact Person: Mark Straub
Email: str55aub@yahoo.com
Telephone: 423.827.7078

Date Issued: November 1, 2022

Pre-Proposal Conference: Saturday, November 12, 2022, 10:00 a.m.
Orchard Knob Baptist Church
1734 East Third Street, Chattanooga, Tn 37404

Description of Work: KP-HDG is seeking proposals from Faith-Based Organizations and Non-Profits (FBO's) to obtain funding support for the development or rehabilitation of affordable housing within Chattanooga's City limits.

Due Date: Open Solicitation - submissions may be provided until September 31, 2024. Proposals received will be reviewed and evaluated as they are received on a quarterly basis starting on December 19, 2022.

Proposal Submittals: Email to: str55aub@yahoo.com or Mail to:
Kingdom Partners, HDG – Attn: Mark Straub
P.O. Box 28267
Chattanooga, TN 37424

Questions: Only written questions will be responded to through this solicitation (mailed or emailed to the contact noted above).

Funding Availability

Kingdom Partners Housing Development Group (KP-HDG) is a recipient of American Rescue Plan (ARP) funds in the amount of \$1,800,000 from the U.S. Department of Treasury through the City of Chattanooga, TN. ARP is a federally funded program that was established to assist governments, including municipalities, to respond to the COVID-19 pandemic, including through affordable housing. As a grantee of this program, KP-HDG is requesting proposals, through this Request for Proposals (RFP), from Faith-Based Organizations and Non-Profits (FBO's) to secure funding allowing for the development of affordable housing for low to moderate income households within the city limits of Chattanooga. Proposals will be accepted for the construction of new units as well as the acquisition and rehabilitation of existing units.

KP-HDG is seeking proposals that will create impact, are cost effective, are timely (be able to complete within approximately 24 months of fund commitment) and will leverage additional funding from public and private sources. On all applications, KP-HDG will conduct a review, assessing the capacity of the applicant, fiscal soundness, and examine neighborhood conditions to ensure adequate need for each project.

The funding for this effort is available through two separate pools of funding.

Pool 1 – Predevelopment Loans KP-HDG has received \$300,000 to provide predevelopment loans to FBO's. Each housing project will need to accomplish basic predevelopment work including environmental reviews, market studies, schematic designs, and engineering reviews. An FBO may request a predevelopment loan for their project up to \$50,000 (this value may be modified subject to the number of awards made). **It is anticipated that these funds will be matched by the awarded FBO's development team (developers and general contractors) by sponsoring other soft costs before and after financial closing.**

Formal Loan documents will be created to award these funds to the selected awardees. These predevelopment loans will have a 0% interest rate. The predevelopment loans must be paid back to KP-HDG at the financial closing for the project allowing the funds to be re-used for future efforts. If the project does not go forward and does not realize a financial closing, the loan will be forgiven.

Pool 2 – “Gap Financing” Loans KP-HDG has received \$1,200,000 from the City to provide “gap funding” for each project awarded. Most affordable housing projects of smaller scale do not realize sufficient income to cover the construction or permanent loans, and Gap Funding is essential. This funding will allow the FBO to cover the gap, allow them to secure the loan, and

move ahead with housing development. The not to exceed values will be up to \$30,000 per unit for rehabilitation projects, and up to \$50,000 per unit for new construction projects, subject to adjustment based on the number and types of awards that are made from this solicitation. **It is anticipated that these funds will be matched by the awarded FBO's development team by sponsoring other hard and soft costs before and after financial closing** to accomplish the development (e.g., equity, loans, other funding).

Formal Loan documents will be created to award these funds to the selected awardees. These Gap Funding loans will have a 0% interest rate. The Gap Funding loans will be identified as bridge financing and paid back to KP-HDG only through the cash flow of the project. A notice of award will be provided to the FBO from this solicitation; however, it is anticipated that the gap financing loan will be issued at financial closing.

If the project for some unanticipated reason does not go forward after financial closing, the loan will be forgiven.

The applicant is required to comply with all applicable City, County, State, and HUD/Federal requirement.

For questions or more information, interested parties may contact Mark Straub at str55aub@yahoo.com.

Funding and Geographic Restrictions

All funds must be used for affordable housing. Initial funding is anticipated for December 19, 2022 and may be awarded based on the responses to this RFP. All funds must be used within the City Limits of the City of Chattanooga.

Solicitation Term

This is an “open solicitation” where proposal responses may be submitted until September 31, 2024, subject to the availability of KP-HDG funding. Proposals received will be reviewed and evaluated as they are received on a quarterly basis starting on December 19, 2022. KP-HDG is issuing this RFP for a period of approximately 20 months and may continue to accept and award proposals during that time until funding has been fully exhausted through commitments.

It is recommended to submit proposals as soon as possible to one of the following:

Electronically (Preferred):
Mark Straub
Kingdom Partners, HDG
Str55aub@yahoo.com

By Mail:
Kingdom Partners, HDG
Mark Straub
P.O. Box 28267
Chattanooga, TN 37424

Scope of Work Desired:

This project will improve the amount of affordable housing and accessible housing units in Chattanooga. It will also help close the gap in Public health and Public safety and build a competitive regional economy.

From this RFP, we anticipate developing 30+ housing units with increased accessibility. We will focus on developing energy-efficient, green, healthy, high-quality, and accessible housing to realize low operating costs for many years to come. The housing developed will be located predominantly in marginalized communities with heavy Black and Latino populations. As a result, these communities will also realize economic improvements.

Chattanooga's FBO's have hundreds of vacant parcels that currently do not contribute to the Community. Our desire is that FBO's identify partners to help improve these parcels and ultimately develop much needed high-quality housing. KP-HDG will look favorably on proposals that include support service programs to the residents. We anticipate providing multiple awards to allow for the development of multiple housing projects at the same time.

KP-HDG Reservation of Rights

- A. KP-HDG reserves the right to reject any or all proposals, to waive any informality in the RFP process, or to terminate the RFP process at any time, if deemed by KP-HDG to be in its best interests.
- B. KP-HDG reserves the right to terminate a loan if it is found that the information provided by the proposer was false or misleading.
- C. KP-HDG reserves the right to retain all proposals submitted and not permit withdrawal for a period of 120 days after the proposal submission.
- D. KP-HDG reserves the right to negotiate the amounts proposed by the proposer entity for any loans awarded.

Evaluation and Anticipated Schedule:

The selection committee will evaluate each application submitted based on the criteria identified below. Applicants shall not assume that any information shared with KP-HDG prior to this RFP will be considered in the evaluation process of this RFP. The evaluation team may or may not have prior knowledge of any discussions and processes. Evaluation will be completed on the information submitted in response to the RFP only; unless a presentation or clarification is requested. Should this occur, all these factors will be used to determine the outcome.

Evaluation Factors

All responses to this RFP will be evaluated using the following Criteria and Scoring by KP-HDG's Selection Committee. Points will be awarded by the Selection Committee on the following basis:

NO.	MAX POINT VALUE	FACTOR DESCRIPTION
1	15	EXPERIENCE AND QUALIFICATIONS - Evidence of the Organization's Ability to develop the affordable housing planned.
2	15	PROPERTY MANAGEMENT - Evidence of the proposer's Property Management Capacity by providing an overview of the experience and history including providing support services.
3	10	SITE CONTROL & PROJECT LOCATION. The proposal should identify that the property is secured, is in the City proper, is viable, and to what degree is it located in marginalized communities with heavy Black and Latino populations.
4	10	DEVELOPMENT SCHEDULE – The ability to complete the work by 12/31/24
5	10	LOCAL HIRING - Explain how the proposer will ensure that the work will be performed by local contractors and residents.
6	10	AMOUNT OF UNITS & BUDGET – Number of Affordable Housing Units proposed as well as the capital development budget and 15-year operating pro forma to show feasibility.
7	10	SUPPORTIVE SERVICES - Demonstrate the proposer's ability to secure supportive services for this housing.
8	10	LEVERAGING – Provide evidence as to how the project will leverage these funds with other funding (e.g., Equity, Loans, other funding).
9	10	GREEN BUILDING – Utilization of cost- effective design techniques and building materials that will reduce the long-term operating costs for the residents.
	100	Total Points

After written proposals have been reviewed, discussions with prospective developers may or may not be required to clarify any portions of the proposal. Incomplete proposals will not be considered. KP-HDG reserves the right to reject any and all proposals.

Note: Any project that may have already received ARP Funding from the City of Chattanooga will not be considered for an additional award through this RFP.

KP-HDG is issuing this RFP for a period of at least 18 months and may continue to accept and award proposals during that time until funding has been exhausted through commitments.

Notes:

1. Proposals for projects that are already selected by the City of Chattanooga for ARP funding will not be considered for selection or award under this solicitation.
2. By submission of a proposal under this solicitation, Offerors confirm that none of its team members or their principals are presently debarred, proposed for debarment, or

declared ineligible or voluntarily excluded from participating in any United States Federal Government procurement or Federal Department or Agency.

General Conditions of Awards

If awarded, the following terms are expected to be included in any agreement between the KP-HDG and the subrecipient and must be adhered to.

- a) Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating, or establishing the relationship of employer/employee between the parties. The Subrecipient shall at all times remain an “independent contractor” with respect to the services funded by this project. KP-HDG and the City shall be exempt from payment of all unemployment compensation, FICA, retirement, life and/or medical insurance and Workers’ Compensation Insurance as the Subrecipient is an independent entity.
- b) Subrecipient shall hold harmless and indemnify KP-HDG and the City of Chattanooga from any and all claims, actions, suits, charges, and judgments whatsoever that arise out of the Subrecipient’s performance or nonperformance of the services or services provided by this funding.
- c) KP-HDG may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, and signed by a duly authorized representative of both organizations. Such amendments shall not invalidate this Agreement, nor relieve or release KP-HDG or Subrecipient from its obligations under this Agreement.
 - KP-HDG 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, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both the KP-HDG and Subrecipient.
- d) Either party may terminate this Agreement at any time by giving written notice to the other party of such termination and specifying the effective date thereof at least 30 days before the effective date of such termination. In the event of any termination for convenience, all finished or unfinished documents, data, studies, surveys, reports, or other materials prepared by Subrecipient under this Agreement shall, at the option of KP-HDG become the property of KP-HDG.
 - KP-HDG may also suspend or terminate this Agreement, in whole or in part, if Subrecipient materially fails to comply with any term of

this Agreement, or with any of the rules, regulations, or provisions referred to herein, in addition to other remedies as provided by law. In the event there is probable cause to believe Subrecipient is in noncompliance with any applicable rules or regulations, KP-HDG may withhold funding.

Rejection of Proposals

KP-HDG reserves the right to reject any, and all, proposals submitted, to waive any irregularities in a proposal, or to accept the proposal(s) which in the judgment of proper officials, is in the best interest of KP-HDG. KP-HDG reserves the right to accept a part or parts of a proposal unless otherwise restricted in this RFP or issue subsequent RFP's. KP-HDG reserves the right to approve or reject any sub-Firms proposed for work under this application or waive any minor irregularities.

Competitive Award

All federal, state, and local laws regarding competitive bidding, anti-competitive practices, and conflict of interest shall be applicable to this RFP. KP-HDG does not guarantee that any contract will be awarded because of this RFP. If a contract award is made but the contract is not executed, KP-HDG does not guarantee that the contract will be re-awarded

Submission Requirements

Submission requirements for responses to this RFP are outlined below.

1. Project Description, include the following:

- a. Type of funding being requested (Predevelopment Loan, Gap Financing Loan, or both)
- b. The location with address of the proposed site
- c. Identify that the property is under the Owner's control (e.g., deed)
- d. The number of units, and target income of the future tenants
- e. The type of construction (new, rehabilitation or conversion)
- f. The schedule or timing planned for the project
- g. Any subsidies planned to serve the tenants
- h. Provide preliminary capital development budget and 15-year operating pro forma
- i. Describe how local contractors and local hiring will be demonstrated. The description should include the approach and methods your team will utilize to assure efforts to include participation by local businesses including minority-owned and women-owned businesses.
- j. Any support services that are planned to be provided
- k. Describe how the funds being requested will be leveraged (other sources of funding).
- l. Describe how Green Building concepts will be utilized on the effort

m. Any special terms, conditions, or requests from the respondent

- 2. Team Description:** Identify the principal owner of the project(s) proposed, and who is authorized to make decisions/commitments on behalf of the owner. Provide information on FBO and its team members, including the following information:
- a. Main address, main telephone/fax numbers and email address.
 - b. Address and telephone number of the office from which services will be provided, if different from above.
 - c. RFP contact person, title, telephone/fax numbers and email address.
 - d. Identify the individual who will serve as lead for the development team and who will direct and coordinate the development effort to completion.
 - e. List the members of the development team as applicable with their experience:
 - Developer or General Contractor
 - Architect/Engineer
 - Property Management Firm
 - f. Provide a brief narrative description of the team's previous expertise.
 - g. Provide a narrative description of team's experience in the development and management of housing projects, particularly in Chattanooga.

3. References):

- a. The Team's Developer or General Contractor must provide a bank reference along with three (3) business references. The References should be relevant to the scope of work as anticipated in this RFP and from among the following entities are most desirable:
 - i. Construction lender and/or Permanent lender
 - ii. A community group that has worked with the developer/partner on a specific development

NOTE: In providing references, please provide the name, title, organization name and phone number, as well as the name of the affordable rental housing, owner housing, or commercial development with which the reference is familiar.

4. Additional Information: KP-HDG reserves the right to request additional information and any clarification it deems appropriate to the selection process, including but not limited to assurances and certifications.

Terms and Conditions of Contract

The terms and conditions of any agreement as a result of this solicitation shall include the Terms and Conditions found in Exhibit A and Exhibit B hereto.

EXHIBIT A

TERMS AND CONDITIONS

I. USE OF FUNDS; SCOPE OF SERVICES

- A. The FBO will use the funds for the development of affordable housing in Chattanooga.
- B. The FBO shall perform such services as may be necessary to accomplish the work required to be performed, as proposed by the FBO, in accordance with applicable federal, state, and local requirements and laws in effect as of November 1, 2022.

II. EFFECTIVE DATE AND TERM

This Agreement shall commence when last executed by all parties and remain in effect no later than December 31, 2026, unless terminated by the KP-HDG as set forth in Section III. Below.

III. SUSPENSION AND TERMINATION

- A. The FBO shall perform in good faith the Services and its other obligations using the application of federal, state, and local laws, rules and regulations and policies and procedures.
- B. If, at any time, after reviewing FBO's activities by KP-HDG, KP-HDG has reason to question whether the requirements for performance of the Services or other obligations have been met, the following shall apply:
 - 1. KP-HDG shall request FBO to provide more information. If the FBO provides additional information removing any question as to the performance of the Services, KP-HDG shall make such a notation.
 - 3. If communication and the provision of information fails to resolve the issue, KP-HDG shall provide written notice to the FBO detailing findings, requesting additional information, outlining corrective action, if appropriate, and provide FBO an opportunity to demonstrate that it has cured the or will cure the failure to perform within a reasonable timeframe depending on the nature of the failure. The FBO shall provide a written response to KP-HDG within thirty (30) days of the date of KP-HDG's written notice including detailed information to demonstrate that FBO has cured the failure to perform or will work to cure the failure to perform within the given timeframe.
 - 4. The FBO shall provide additional written responses to KP-HDG demonstrating that the FBO has cured the failure to perform. KP-HDG shall provide written responses within thirty (30) days of the date of each written notice from the FBO, acknowledging receipt of the FBO's notice, accepting the FBO's cure of the failure to perform or recommending additional correct action.

5. If the FBO and KP-HDG exhaust the process for notices and responses and the FBO has still not cured the failure to perform, KP-HDG may temporarily withhold payments pending correction of the deficiency, terminate this Agreement for cause at any time upon thirty (30) days' written notice to the FBO stating the effective date of the termination, or take other remedies that may be legally available.

C. KP-HDG may terminate this Agreement for convenience prior to the award of any loans hereunder at any time upon thirty (30) days' written notice to the FBO stating the effective date of the termination.

D. KP-HDG may immediately terminate this Agreement for cause if the FBO dissolves, is declared bankrupt, undergoes receivership, or loses its qualification as a qualified nonprofit under the Internal Revenue Code.

IV. INSURANCE

FBO or its Development Partners shall purchase and maintain during the life of this Agreement, insurance coverage which will satisfactorily insure FBO against claims and liabilities which arise because of the execution of this Agreement, with the recommended insurance coverages as follows:

a. Commercial General Liability Insurance, with a limit of \$1,000,000 for each occurrence and \$2,000,000 in the general aggregate.

b. Automobile Liability Insurance, with a limit of \$1,000,000 for each accident, combined single limit for bodily injury and property damage.

c. Worker's Compensation Insurance and Employer's Liability Insurance, in accordance with statutory requirements, with a limit of \$500,000 for each accident (if applicable).

d. FBO shall not commence work under this Agreement until a Certificate of Insurance has been submitted to KP-HDG showing proof that FBO has obtained the necessary insurance coverage. If any of the above cited policies expire during the life of this Agreement, it is the FBO's responsibility to forward renewal Certificates within ten (10) days after the renewal date containing all the aforementioned insurance provisions. Certificates must specifically cite the following provisions:

i. KP-HDG and the City of Chattanooga, their agents, representatives, officers, directors, officials, and employees must be named an Additional Insured under the following policies:

a) Commercial General Liability

b) Auto Liability

ii. FBO's insurance must be primary insurance as respects performance of subject contract.

iii. All policies waive rights of recovery (subrogation) against KP-HDG and the City of Chattanooga, their agents, representatives, officers, directors, officials, and employees for any claims arising out of work or services performed by FBO under this Agreement.

V. AUDITS

The term “FBO” is used interchangeably to describe signatories to contracts, grants, and agreements with KP-HDG and applies to reflect the relationship with KP-HDG

a. All records relating in any manner whatsoever to the Project, or any designated portion thereof, which are in the possession of the FBO and Contractor, or any of the Contractor’s independent contractors, associates, and/or subcontractors, shall be made available for inspection and copying upon written request to KP-HDG. Additionally, said records shall be made available upon request by KP-HDG to any state, federal or other regulatory authorities and any such authority may review, inspect, and copy such records. Said records include, but are not limited to, all plans, specifications, submittals, correspondence, minutes, memoranda, tape recordings, videos, or other writings or things which document the Project, its design, and its construction. Said records expressly include those documents reflecting the time expended by the FBO and its personnel to perform the obligations of this Agreement, and the records of expenses incurred by the FBO in its performance under said Agreement. The FBO shall maintain and protect these records for no less than **seven (7) years** after the completion of the Project, or for any longer period of time as may be required by applicable law, good professional practice, and upon notice during the pendency of any claims or litigation arising from the Project.

b. KP-HDG, or its assigns, may audit all financial and related records (including digital) associated with the terms of the contract or agreement, including timesheets, reimbursable out of pocket expenses, materials, goods, and equipment claimed by the FBO. KP-HDG may further audit any of the FBO’s records to conduct performance audits (to identify waste and abuse or to determine efficiency and effectiveness of the contract or agreement), or to identify conflicts of interest.

c. The FBO shall at all times during the term of the contract or agreement, and for a period of seven (7) years after the end of the contract, keep and maintain records of the work performed pursuant to this contract or agreement. This shall include proper records of quotations, contracts, correspondence, invoices, vouchers, timesheets, and other documents that support actions taken by the FBO. Documents shall be maintained by the FBO, which are necessary to clearly reflect all work and actions taken. All such records shall be maintained in accordance with general accepted accounting principles. FBO shall, at its own expense, make such records available for inspection and audit (including copies and extracts of records as required) by KP-HDG at all reasonable times and without prior notice.

d. The obligations of this Section shall be explicitly included in any subcontracts or agreements formed between the FBO and any subcontractors or suppliers of goods or non-

professional services to the extent that those subcontracts or agreements relate to fulfillment of the FBO's obligations to KP-HDG.

e. Costs of any audits conducted under the authority of this section and not addressed elsewhere will be borne by KP-HDG, unless the audit identifies significant findings that would benefit KP-HDG. The FBO will reimburse KP-HDG for the total costs of an audit that identifies significant findings that would benefit KP-HDG.

f. This Section shall not be construed to limit, revoke, or abridge any other rights, powers, or obligations relating to audit which KP-HDG may have by Federal, State, or Municipal law, whether those rights, powers, or obligations are express or implied.

This section shall survive the expiration or termination of any Agreements between FBO and KP-HDG.

VI. ARPA UNIFORM GUIDANCE The FBO shall comply with the terms and conditions set forth in the ARPA Uniform Guidance attached hereto and incorporated herein by reference as **Exhibit B**.

VII. HOLD HARMLESS AND INDEMNIFICATION

The FBO shall agree to defend, indemnify, and hold KP-HDG, its officers, officials, employees, agents, and volunteers harmless from and against any and all claims, injuries, damages, losses or expenses, including without limitation personal injury, bodily injury, sickness, disease, or death or damage to or destruction of property, which are alleged or proven to be caused in whole or in part by an act or omission of the FBO, its officers, directors, employees and/or agents relating to the FBO's performance or failure to perform under this Agreement. This section shall survive the expiration or termination of this Agreement.

VIII. NOTICES

Any notices desired or required to be given hereunder shall be in writing, and shall be deemed received three (3) days after deposit with the United States Postal Service (postage fully prepaid, certified mail, return receipt requested), and delivered to the party to which it is intended at its last known address, or to such person or address as either party shall designate to the other from time to time in writing forwarded in like manner:

Kingdom Partners- Housing Development Group

P.O. Box 28267

Chattanooga, TN 37424

Email Address: str55aub@yahoo.com

IX. INDEPENDENT CONTRACTOR

Each party under any Agreement hereunder shall be an independent Contractor. Nothing contained herein will be deemed to create an association, a partnership, a joint venture, or a relationship of principal and agent, or employer and employee between the parties. The FBO shall not be, or be deemed to be, or act or purport to act, as an employee, agent, or representative of KP-HDG for any purpose.

X. DISCLOSURE OF INFORMATION

Any confidential or personally identifiable information acquired by FBO during the course of any Agreement hereunder shall not be disclosed by FBO to any person, firm corporation, association, or other entity for a reason or purpose whatsoever without the prior written consent of KP-HDG and the City, either during the term of this Agreement or in the event of termination of the Agreement for any reasons whatsoever. FBO agrees to abide by applicable federal regulations regarding confidential information and research standards, as appropriate, for federally supported projects.

XI. PERFORMANCE INDICATORS; FINANCIAL PERFORMANCE REPORTS

The FBO shall establish and implement performance indicators to evaluate all aspects of the Project, including the implementation, progress, and achievement of set goals and outcomes.

The FBO shall provide a monthly report to KP-HDG to assist it in the preparation of reports concerning the performance indicators and shall participate in project evaluations as required. The FBO monthly performance reports to KP-HDG shall include the project status, project performance, and additional information required by the City's reporting requirements.

The FBO shall submit to KP-HDG, no later than thirty (30) calendar days after the end date of the period of performance, all financial, performance, and other reports as required by the terms and conditions of the Federal award. KP-HDG may approve extensions when requested and justified by the FBO, as applicable.

XII. AMENDMENT

No amendment or modification to the Agreement shall be effective without prior written consent of the authorized representatives of the parties.

XIII. NON-WAIVER

No failure on the part of KP-HDG to exercise, and no delay in exercising, any right hereunder shall operate as a waiver hereof, nor shall any single or partial exercise by KP-HDG of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedy available to City at law or in equity.

XIV. BINDING EFFECT

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors.

XV. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between KP-HDG and the FBO for the use of the Funds received under this Agreement and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written between the parties with respect to this Agreement.

XVI. NO THIRD-PARTY BENEFICIAIRES

Nothing herein shall or be deemed to create or confer any right, action, or benefit in, to, or on the part of any person or entity that is not a party to this Agreement. This provision shall not limit any obligation which either party has to the United States Department of Treasury in connection with the use of ARPA funds, including the obligations to provide access to records and cooperate with audits as provided in this Agreement.

XVII. GOVERNING LAW; VENUE

This Agreement shall be governed in all respect by the laws of the State of Tennessee both as to interpretation and performance, without regard to conflicts of law or choice of law provisions. Any action arising out of or in conjunction with this Agreement may be instituted and maintained only in a court of competent jurisdiction in Hamilton County, Tennessee.

EXHIBIT B

U.S. DEPARTMENT OF TREASURY CORONAVIRUS STATE FISCAL RECOVERY FUND AWARD TERMS AND CONDITIONS

1. **Use of Funds.**
 - a. Recipient understands and agrees that the funds disbursed under this award may only be used in compliance with sections 602(c) and 603(c) of the Social Security Act (the Act) and Treasury's regulations implementing that section and guidance.
 - b. Recipient will determine prior to engaging in any project using this assistance that it has the institutional, managerial, and financial capability to ensure proper planning, management, and completion of such project.
2. **Period of Performance.** The period of performance for this award begins on the date hereof and ends on December 31, 2026. As set forth in Treasury's implementing regulations, Recipient may use award funds to cover eligible costs incurred during the period that begins on March 3, 2021 and ends on December 31, 2024.
3. **Reporting.** The Recipient agrees to comply with any reporting obligations established by Treasury, as it relates to this award.
4. **Maintenance of and Access to Records**
 - a. Recipient shall maintain records and financial documents sufficient to evidence compliance with sections 602(c) and 603(c), Treasury's regulations implementing those sections, and guidance regarding the eligible uses of funds.
 - b. The Treasury Office of Inspector General and the Government Accountability Office, or their authorized representatives, shall have the right of access to records (electronic and otherwise) of Recipient in order to conduct audits or other investigations.
 - c. Records shall be maintained by Recipient for a period of five (5) years after all funds have been expended or returned to the Treasury, whichever is later.
5. **Pre-award Costs.** Pre-award costs, as defined in 2 C.F.R. § 200.458, may not be paid with funding from this award.
6. **Administrative Costs.** Recipient may use funds provided under this award to cover both direct and indirect costs.

7. Cost Sharing. Cost sharing or matching funds are not required to be provided by the Recipient.

8. Conflicts of Interest. Recipient understands and agrees it must maintain a conflict-of-interest policy consistent with 2 C.F.R. § 200.318(c) and that such conflict-of-interest policy is applicable to each activity funded under this award. Recipients and FBOs must disclose in writing to the Treasury or the pass-through entity, as appropriate, any potential conflict of interest affecting the awarded funds in accordance with 2 C.F.R. § 200.112.

9. Compliance with Applicable Law and Regulations.

- a. The Recipient agrees to comply with the requirements of sections 602 and 603 of the Act, regulations adopted by Treasury pursuant to sections 602(f) and 603(f) of the Act, and guidance issued by Treasury regarding the foregoing. Recipient also agrees to comply with all other applicable federal statutes, regulations, and executive orders, and Recipient shall provide for such compliance by other parties in any agreements it enters into with other parties relating to this award.
- b. Federal regulations applicable to this award include, without limitation, the following:
 - i. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 C.F.R. Part 200, other than such provisions as Treasury may determine are inapplicable to this Award and subject to such exceptions as may be otherwise provided by Treasury. Subpart F – Audit Requirements of the Uniform Guidance, implementing the Single Audit Act, shall apply to this award.
 - ii. Universal Identifier and System for Award Management (SAM), 2 C.F.R. Part 25, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 25 is hereby incorporated by reference.
 - iii. Reporting Subaward and Executive Compensation Information, 2 C.F.R. Part 170, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 170 is hereby incorporated by reference.
 - iv. OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Non-procurement), 2 C.F.R. Part 180, including the requirement to include a term or condition in all lower tier covered transactions (contracts and subcontracts described in 2 C.F.R. Part 180, subpart B) that the award is subject to 2 C.F.R. Part 180 and Treasury’s implementing regulation at 31 C.F.R. Part 19.
 - v. Recipient Integrity and Performance Matters, pursuant to which the award term set forth in 2 C.F.R. Part 200, Appendix XII to Part 200 is hereby incorporated by reference.
 - vi. Governmentwide Requirements for Drug-Free Workplace, 31 C.F.R. Part 20.
 - vii. New Restrictions on Lobbying, 31 C.F.R. Part 21.
 - viii. Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 U.S.C. §§ 4601-4655) and implementing regulations.
 - ix. Generally applicable federal environmental laws and regulations.

c. Statutes and regulations prohibiting discrimination applicable to this award, include, without limitation, the following:

- i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury’s implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the basis of race, color, or national origin under programs or activities receiving federal financial assistance;
- ii. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§ 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability;
- iii. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving federal financial assistance;
- iv. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.), and Treasury’s implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance; and
- v. Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

10. Remedial Actions. In the event of Recipient’s noncompliance with sections 602 and 603 of the Act, other applicable laws, Treasury’s implementing regulations, guidance, or any reporting or other program requirements, Treasury may impose additional conditions on the receipt of a subsequent tranche of future award funds, if any, or take other available remedies as set forth in 2 C.F.R. § 200.339. In the case of a violation of sections 602(c) or 603(c) of the Act regarding the use of funds, previous payments shall be subject to recoupment as provided in sections 602(e) and 603(e) of the Act.

11. Hatch Act. Recipient agrees to comply, as applicable, with requirements of the Hatch Act (5 U.S.C. §§ 1501-1508 and 7324-7328), which limit certain political activities of State or local government employees whose principal employment is in connection with an activity financed in whole or in part by this federal assistance.

12. False Statements. Recipient understands that making false statements or claims in connection with this award is a violation of federal law and may result in criminal, civil, or administrative sanctions, including fines, imprisonment, civil damages and penalties, debarment from participating in federal awards or contracts, and/or any other remedy available by law.

13. Publications. Any publications produced with funds from this award must display the following language: “This project [is being] [was] supported, in whole or in part, by federal award number [enter project FAIN] awarded to City of Chattanooga by the U.S. Department of the Treasury.”

14. Debts Owed the Federal Government.

- a. Any funds paid to Recipient (1) in excess of the amount to which Recipient is finally determined to be authorized to retain under the terms of this award; (2) that are determined by the Treasury Office of Inspector General to have been misused; or (3) that are determined by Treasury to be subject to a repayment obligation pursuant to sections 602(e) and 603(e) of the Act and have not been repaid by Recipient shall constitute a debt to the federal government.
- b. Any debts determined to be owed the federal government must be paid promptly by Recipient. A debt is delinquent if it has not been paid by the date specified in Treasury's initial written demand for payment, unless other satisfactory arrangements have been made or if the Recipient knowingly or improperly retains funds that are a debt as defined in paragraph 14(a). Treasury will take any actions available to it to collect such a debt.

15. Disclaimer.

- a. The United States expressly disclaims any and all responsibility or liability to Recipient or third persons for the actions of Recipient or third persons resulting in death, bodily injury, property damages, or any other losses resulting in any way from the performance of this award or any other losses resulting in any way from the performance of this award or any contract, or subcontract under this award.
- b. The acceptance of this award by Recipient does not in any way establish an agency relationship between the United States and Recipient.

16. Protections for Whistleblowers.

- a. In accordance with 41 U.S.C. § 4712, Recipient may not discharge, demote, or otherwise discriminate against an employee in reprisal for disclosing to any of the list of persons or entities provided below, information that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant.
- b. The list of persons and entities referenced in the paragraph above includes the following:
 - i. A member of Congress or a representative of a committee of Congress;
 - ii. An Inspector General;
 - iii. The Government Accountability Office;
 - iv. A Treasury employee responsible for contract or grant oversight or management;
 - v. An authorized official of the Department of Justice or other law enforcement agency;
 - vi. A court or grand jury; or
 - vii. A management official or other employee of Recipient, contractor, or subcontractor who has the responsibility to investigate, discover, or address misconduct.

c. Recipient shall inform its employees in writing of the rights and remedies provided under this section, in the predominant native language of the workforce.

17. Increasing Seat Belt Use in the United States. Pursuant to Executive Order 13043, 62 FR 19217 (Apr. 18, 1997), Recipient should encourage its contractors to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented or personally owned vehicles.

18. Reducing Text Messaging While Driving. Pursuant to Executive Order 13513, 74 FR 51225 (Oct. 6, 2009), Recipient should encourage its employees, FBOs, and contractors to adopt and enforce policies that ban text messaging while driving, and Recipient should establish workplace safety policies to decrease accidents caused by distracted drivers.