

**COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY (CDBG-DR)
GRANT AGREEMENT**

Grantee's Name: State of Florida, Department of Commerce

Tax ID Number: 36-4706134

Grantee's unique entity identifier [UEI]: 968930664

Unique Federal Award Identification Number (FAIN): B-23-DN-12-0001

Appropriation Account: 86X0162

Program Accounting Code: IAN

Federal Award Date:

Period of Performance and Budget Period Start Date:

Period of Performance and Budget Period End Date:

Date Use of Funds May Begin: September 23, 2022

Amount of Federal Funds Obligated by this Action: \$910,624,000

Amount of Federal Funds Previously Obligated: \$0

Dates of Prior Obligation (if applicable): \$0

Total Amount of the Federal Award: \$910,624,000

Federal awarding agency: Department of Housing and Urban Development

Contact information for HUD: Tennille S. Parker, Director, Office of Disaster Recovery,
Community Planning and Development, U.S. Department of Housing and Urban Development,
451 7th Street, S.W., Room 7282, Washington, DC 20410

Assistance Listing: 14.228 Community Development Block Grant/State's program

Indirect Cost Rate for the Grant: See Attachment 1

Check One: Original Funding Approval or Amendment: Click or tap here to enter text.

I. Recitals

The Continuing Appropriations Act, 2023 (Pub. L. 117-180, Division A), approved September 30, 2022 (the “Appropriations Act”), makes available \$2,000,000,000 in Community Development Block Grant Disaster Recovery (CDBG–DR) funds. These CDBG–DR funds are for necessary expenses for activities authorized under Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) (HCDA or HCD Act) related to disaster relief, long-term recovery, restoration of infrastructure and housing, economic revitalization, and mitigation in the most impacted and distressed (MID) areas resulting from a qualifying major disaster in 2021 or 2022.

The United States Department of Housing and Urban Development (the “Department” or “HUD”) allocated \$553,371,000 in CDBG–DR funds from the Appropriations Act to assist in long term recovery from disasters occurring in 2022. As required by the Appropriations Act, HUD’s final allocations for the total estimate of unmet needs included an additional amount of 15 percent of that estimate for mitigation activities that reduce risk in the MID areas.

HUD notified the public of the allocations in press releases and in a *Federal Register* notice, *Allocations for Community Development Block Grant Disaster Recovery and Implementation of the CDBG–DR Consolidated Waivers and Alternative Requirements Notice*, which was published at 88 Fed. Reg. 32046 on May 18, 2023 (the “Allocation Announcement Notice”). The Allocation Announcement Notice, including the CDBG-DR Consolidated Notice (Appendix B of the Allocation Announcement Notice), contains requirements that are incorporated into this Agreement and are included for reference in Attachment 2.

This agreement between the Grantee identified on page 1 (“Grantee”) and HUD governs grant amounts identified on page 1 that are allocated and obligated to the grantee based on HUD’s review of the impacts and estimates of unmet need for major disasters identified in the Allocation Announcement Notice. The Allocation Announcement Notice, and subsequent notices or press releases, identify the total amount allocated to the Grantee, and the amount of the total allocation that must be used for mitigation activities that reduce risk in the MID areas (referred to as the “CDBG-DR mitigation set aside” in paragraph IV.A.2. of the Allocation Announcement Notice). Page 1 of this agreement identifies the portion of that allocation that HUD has obligated to the Grantee.

The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR part 200) require HUD to have in place a framework for evaluating the risks posed by applicants before they receive Federal awards. HUD may establish specific criteria and conditions for this grant as provided for in section V.B.3. of the CDBG-DR Consolidated Notice and at 2 CFR 200.206 and 200.208.

Now, therefore, under the authority of the Appropriations Act, the Grantee and HUD agree to the terms of this COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY (CDBG-DR) GRANT AGREEMENT, including but not limited to the General Terms and Conditions and Specific Conditions set forth in sections II. and III. and Attachment(s) (the “Agreement”).

II. General Terms and Conditions

1. This Agreement is a federal award (grant). The grant is subject to all requirements in the Agreement, including the requirement that the Grantee agrees to use the grant funds in accordance with the Agreement, as may be amended from time to time. If the amendment box on page 1 is checked, the amended agreement governs the grant from the date the amendment is signed by HUD.
2. The following requirements, as now in effect and as these requirements may be amended from time to time, are incorporated into the Agreement: requirements of the Appropriations Act, and requirements of title I of the Housing and Community Development Act of 1974 (HCDA or HCD Act) (42 USC 5301 et seq.) and implementing regulations at 24 CFR part 570, as modified by waivers, alternative requirements, and other requirements published in the Allocation Announcement Notice and other applicable *Federal Register* notices or on HUD's website.
3. The period of performance/budget period for this agreement is specified on page 1. The Grantee shall not incur any obligations to be paid from funds made available by this award after the last day of the period of performance. Pre-award costs and pre-agreement costs are allowable to the extent permitted by the Allocation Announcement Notice and other applicable waivers, alternative requirements, or other requirements published in the *Federal Register* or on HUD's website.
4. The Grantee must comply with the applicable requirements at 2 CFR part 200, as may be amended from time to time, to the extent that part 200 is incorporated into and made applicable by 24 CFR part 570, subpart I, or applicable waivers, alternative requirements, or other requirements that govern this grant and are published in the *Federal Register* or on HUD's website. Recent amendments to 2 CFR part 200 were effective on August 13, 2020, November 12, 2020, and February 22, 2021. Where any previous or future amendments to 2 CFR part 200 replace or renumber sections of part 200 that are cited specifically in applicable *Federal Register* notices, in applicable requirements published on HUD's website, in the Agreement (as may be amended), or in program regulations, activities carried out under the grant after the effective date of the part 200 amendments will be governed by the part 200 requirements as replaced or renumbered by the part 200 amendments. The Grantee must comply with other requirements established by the Office of Management and Budget (OMB), as amended, regarding the System for Award Management (SAM.gov) and the Federal Funding Accountability and Transparency Act as provided in 2 CFR part 25 and 2 CFR part 170.
5. A metropolitan city, urban county, unit of general local government, or insular area that directly or indirectly receives funds obligated by this agreement may not sell, trade, or otherwise transfer all or any such portion of such funds to another such entity in exchange for any other funds, credits, or non-Federal considerations, but must use such funds for eligible activities.
6. In accordance with the Appropriations Act and authorization by the Secretary (see paragraph IV.A.3. at 88 Fed. Reg. 32055), and subject to applicable grant requirements,

the Grantee may use CDBG-DR funds that the grantee was awarded under prior appropriations and funds obligated by this grant agreement interchangeably and without limitation for eligible activities authorized by Title I of the HCDA, as modified by applicable waivers and alternative requirements, if those activities are related to unmet recovery needs in the MID areas resulting from a major disaster in the Appropriations Act or in a prior or future appropriations act, when the MID areas for both CDBG-DR grants overlap and when the use of the funds will address unmet recovery needs of major disasters in the Appropriations Act or in any prior or future appropriations acts. For purposes of this requirement, if HUD did not identify MID areas for the major disaster in the *Federal Register* notices (or other notices published on HUD's website) governing the CDBG-DR funds, the MID areas are those areas designated by the President in the major disaster declaration.

7. Activities undertaken with funds obligated by this Agreement shall be governed by the specific conditions in section III. until the specific conditions are modified or removed in writing by HUD (changes may be made unilaterally by HUD in accordance with 2 CFR 200.208). If the "Amendment" box on page 1 is checked, the following requirement applies: as of the date HUD signs the amendment, specific conditions in section III. of the amendment shall supersede all specific conditions previously imposed. Activities undertaken after HUD signs the amendment shall be governed by the specific conditions in the amendment until modified or removed by HUD in writing.
8. Before submitting this signed Agreement to HUD, the Grantee shall attach a schedule of its indirect cost rate(s) in the format set forth in Attachment 1. The Grantee shall provide HUD with a revised schedule when any change is made to the rate(s) described in the schedule. The schedule and any revisions HUD receives from the Grantee are and shall be incorporated herein and made a part of the Agreement, as amended, provided that the rate(s) described comply with 2 CFR part 200, subpart E.
9. HUD and the Grantee agree that this Agreement shall be electronically signed, and that any electronic signatures appearing on this Agreement are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility. The Grantee shall maintain this Agreement, including any amendments, in its files.
10. Data Sharing Agreements and Computer Matching Agreements between HUD and the Grantee (which may include the Federal Emergency Management Agency as a signatory) for the purpose of sharing Federal Emergency Management Agency data pertaining to major disasters assisted by this grant, when signed (including data sharing and computer matching agreements signed or modified after this Agreement is signed), are and shall be wholly incorporated into and made a part of this Agreement. Grant requirements enforceable under the terms of 24 CFR part 570, subpart O or I include the Grantee's duties and responsibilities under such Data Sharing Agreements and Computer Matching Agreements.
11. The Grantee may use up to five percent of its allocation under the Appropriations Act for program administrative costs related to the use of funds for this grant and program administrative costs of other CDBG-DR, CDBG-Mitigation (MIT), and CDBG- National

Disaster Resilience (NDR) grants without regard to a particular disaster. The Grantee must track and document payments of program administrative costs so that HUD may distinguish which program administrative costs are charged to this Federal award (grant) and which program administrative costs were paid for by grant funds obligated under prior or future CDBG-DR, CDBG-MIT, and CDBG-NDR grants. The Grantee must comply with requirements published in the *Federal Register* or on HUD's website for the use of funds for administrative costs across multiple grants, including the requirements in paragraph III.A.2. at 88 Fed. Reg. 32049, as may be modified from time to time, which requires (as of the date of this Agreement) that if the Grantee "chooses to exercise this authority, the grantee must have appropriate financial controls to comply with the requirement that the amount of grant administration expenditures for each CDBG-DR or CDBG-MIT grant will not exceed five percent of the total grant award for each grant (plus five percent of program income generated by the grant), review and modify its financial management policies and procedures regarding the tracking and accounting of administration costs, as necessary, and address the adoption of this treatment of administrative costs in the applicable portions of its Financial Management and Grant Compliance submissions as referenced in section III.A.1 of the Consolidated Notice."

III. Specific Conditions

The following specific conditions correspond to the degree of risk assessed by HUD. These specific conditions may be adjusted post-award in accordance with paragraph II.7. when merited by a re-evaluation of risk factors identified in 2 CFR 200.206 and 200.208. The specific conditions will be removed once the conditions that prompted them have been satisfied.

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THE UNDERSIGNED, as authorized officials on behalf of the Grantee and the Secretary, hereby enter this **COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY (CDBG-DR) GRANT AGREEMENT**, which shall be effective as of the date it is signed by the Secretary.

Florida Department of Commerce

GRANTEE

BY: Caroline Womack
(Signature)

Caroline Womack

(Name)

Chief Financial Officer

(Title)

December 5, 2023

(Date)

HOUSING AND URBAN DEVELOPMENT

BY: _____
(Signature)

Tennille Smith Parker

(Name)

Director, Office of Disaster Recovery

(Title)

December 18, 2023

(Date)

Attachment 1

The Grantee shall submit a schedule of its indirect cost rate(s) in the format set forth. The Grantee shall provide HUD with a revised schedule when any change is made to the rate(s) described in the schedule.

The schedule and any revisions HUD receives from the Grantee shall be incorporated and made a part of the grant agreement (the Agreement as may be amended from time to time), provided that the rate(s) described comply with 2 CFR part 200, subpart E.

<u>Administering Department/Agency</u>	<u>Indirect Cost Rate</u>	<u>Direct Cost Base</u>
See attached	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____
_____	_____ %	_____

Instructions: The Grantee must identify each agency or department of the Grantee that will carry out activities under the grant, that will carry out activities under the grant, the indirect cost rate applicable to each department/agency (including if the de minimis rate is used per 2 CFR §200.414(f)), and the type of direct cost base to which the rate will be applied (for example, Modified Total Direct Costs (MTDC)). Do not include indirect cost rates for subrecipients.

Attachment 2

Attachment 2 is the *Federal Register* notice, *Allocations for Community Development Block Grant Disaster Recovery and Implementation of the CDBG-DR Consolidated Waivers and Alternative Requirements Notice*, which was published at 88 Fed. Reg. 32046 on May 18, 2023, referred to as the “Allocation Announcement Notice” in this Agreement. Additional or amended grant requirements published in the *Federal Register* or on HUD’s website apply and are incorporated into this grant agreement even if this grant agreement (including this Attachment 2) is not updated.

NEGOTIATED INDIRECT COST RATE AGREEMENT (NICRA)

NON-FEDERAL ENTITY
 Florida Department of Economic
 Opportunity
 Caldwell Building
 107 E. Madison Street
 Tallahassee, FL 32399

EIN: 36-4706134

DATE: 1/24/2023
FILE REFERENCE: This
 replaces the agreement dated
 11/3/2021

The indirect cost rate(s) contained in this Agreement are for use on grants, contracts, and other agreements with the Federal Government. This Agreement was negotiated by **Florida Department of Economic Opportunity** (non-Federal entity) and the **U.S. Department of Labor** in accordance with the authority contained in the Federal Acquisition Regulation (FAR) for commercial entities, or Title 2 of the Code of Federal Regulations, Part 200 for nonprofit and state/local entities. This Agreement is subject to the limitations in Section II, A, below.

When applicable, the rates presented in this Agreement may only be applied to: (1) cost-reimbursement contracts and (2) actual costs for materials in time-and-materials (T&M) contracts. Any indirect rates for labor costs in T&M, labor-hour and fixed-price contracts must be negotiated with the Contracting Officer during pre-award in accordance with FAR Part 15.404-1(c).

SECTION I: RATES

<u>TYPE</u>	<u>APPROVAL</u>	<u>FROM</u>	<u>TO</u>	<u>RATE</u>	<u>BASE</u>	<u>LOCATION</u>	<u>APPLY TO</u>
Indirect	Final	07/01/2021	06/30/2022	28.99%	SW-1	Loc-1	AP-2
Indirect	Final	07/01/2021	06/30/2022	39.99%	SW-1	Loc-1	AP-3
Indirect	Final	07/01/2021	06/30/2022	5.22%	SW-1	Loc-1	AP-4
Indirect	Provisional	07/01/2022	06/30/2023	32.23%	SW-1	Loc-1	AP-2
Indirect	Provisional	07/01/2022	06/30/2023	45.55%	SW-1	Loc-1	AP-3
Indirect	Provisional	07/01/2022	06/30/2023	6.19%	SW-1	Loc-1	AP-4
Indirect	Provisional	07/01/2023	06/30/2024	32.23%	SW-1	Loc-1	AP-2
Indirect	Provisional	07/01/2023	06/30/2024	45.55%	SW-1	Loc-1	AP-3
Indirect	Provisional	07/01/2023	06/30/2024	6.19%	SW-1	Loc-1	AP-4

(SEE SPECIAL REMARKS)

BASE

SW-1: Total direct salaries and wages including vacation, holiday, sick pay, other paid absences, and all applicable fringe benefits.

LOCATION

Loc-1: All Locations

APPLY TO

AP-2: DEO In-House Programs

Loc-1: All Locations

AP-3: DEO Oversight

Loc-1: All Locations

AP-4: Workforce Jointly-Managed Programs

TREATMENT OF FRINGE BENEFITS: Fringe benefits are specifically identified to each employee and/or are charged individually as direct or indirect cost (as applicable). See Special Remarks section of this Agreement for more details.

TREATMENT OF PAID ABSENCES: Vacation, holiday, sick leave pay and other paid absences are included in salaries and wages and are claimed on grants, contracts and other agreements as part of the normal cost for salaries and wages. Separate claims are not made for the cost of these paid absences.

SECTION II: GENERAL

A. LIMITATIONS

Use of the rate(s) contained in the Agreement is subject to all statutory or administrative limitations and is applicable to a given Federal award or contract only to the extent that funds are available. Acceptance of the rate(s) agreed to herein is predicated upon the following conditions:

1. No costs other than those incurred by the non-Federal entity or contractor were included in its indirect cost pool as finally accepted and that such incurred costs are legal obligations of the non-Federal entity and allowable under the governing cost principles.
2. The same costs that have been treated as indirect costs have not been claimed as direct costs.
3. Similar types of costs have been accorded consistent treatment.
4. The information provided by the non-Federal entity or contractor which was used as a basis for acceptance of the rate(s) agreed to herein is not subsequently found to be materially inaccurate by the Federal government. In such situations, the rate(s) may be subject to renegotiation at the discretion of the Federal government.
5. The rates cited in this Agreement are subject to audit.
6. Indirect costs charged to Federal grants/contracts by means other than the rate(s) cited in this Agreement should be adjusted to the applicable rate(s) cited herein and be applied to the appropriate base to identify the proper amount of indirect costs allocable to the program.
7. Contracts/grants providing for ceilings as to the indirect cost rate(s) or amount(s) which are indicated in Section I above, will be subject to the ceilings stipulated in the contract or grant agreements. The ceiling rate or the rate(s) cited in this Agreement, whichever is lower, will be used to determine the maximum allowable indirect cost on the contract or grant agreement.
8. Administrative costs consist of all Direct and Indirect costs associated with the management of a non-Federal entity's programs. Non-Federal entities should refer to their contracts/grants terms and specific program legislation for the applicable definition of Administrative Costs and any related limitations.

B. ACCOUNTING CHANGES

This agreement is based on the accounting system purported by the non-Federal entity or contractor to be in effect during the Agreement period. Changes to the method of accounting for costs which affect the amount of reimbursement resulting from the use of this Agreement require prior approval from the Cost & Price Determination Division (CPDD). Such changes include, but are not limited to changes in the charging of a particular type of cost from indirect to direct. Failure to obtain approval may result in cost disallowances.

C. NOTIFICATION TO FEDERAL AGENCIES

A copy of this document (original, and revised (if applicable)) is to be provided by the non-Federal entity or contractor to other Federal funding sources as a means of notifying them of the Agreement contained herein.

D. DEFINITION OF RATES

1. Final rate means an indirect cost rate applicable to a specified past period which is based on the actual costs of the period. A final rate is not subject to adjustment.
2. Provisional rate or billing rate means a temporary indirect cost rate applicable to a specified period which is used for funding, interim reimbursement, and reporting indirect costs on Federal awards pending the establishment of a final rate for the period.
3. Predetermined rate means an indirect cost rate, applicable to a specified current or future period, usually the organization's fiscal year. The rate is based on an estimate of the costs to be incurred during the period. A predetermined rate is not subject to adjustment.
4. Fixed rate means an indirect cost rate which has the same characteristics as a predetermined rate, except that the difference between the estimated costs and the actual costs of the period covered by the rate is carried forward as an adjustment to the rate computation of a subsequent period.

The Special Remarks section of this agreement may include a carry forward amount(s) for the applicable fiscal year(s).

5. G&A rate – If published in Section I, it is the acronym for “General and Administrative” type of indirect expenses. G&A means any management, financial, and other expense which is incurred by, or allocated to, a business unit and which is for the general management and administration of the business unit as a whole.

E. SPECIAL REMARKS

1. Provisional/Final Rate approval and impact to closeout adjustments:
When seeking initial reimbursement of indirect costs using the provisional/final rate methodology, a provisional proposal must be submitted within 90 days of receiving a Federal award (financial assistance, grants, cooperative agreements, and cost reimbursable contracts) that requires accounting for actual costs incurred. The non-Federal entity or contractor must submit an indirect cost rate proposal within six (6) months after the end of their fiscal year to establish a final rate.

Once a final rate is negotiated, billings and charges to Federal awards must be adjusted if the final rate varies from the provisional rate. If the final rate is greater than the provisional rate and there are no funds available to cover the additional indirect costs, the non-Federal entity or contractor may not recover all indirect costs. Conversely, if the final rate is less than the provisional rate, the non-Federal entity or contractor will be required to reimburse the funding agency for the excess billings.

Non-Federal entities or contractors receiving a Federal cost reimbursable contract(s) - Must adhere with FAR 52.216-7(d)(2)(v), to settle final indirect cost rates typically on an annual basis:

“The contractor shall update the billings on all contracts to reflect the final settled rates and update the schedule of cumulative direct and indirect costs claimed and billed, as required in paragraph (d)(2)(iii)(I) of this sections, within 60 days after settlement of final indirect cost rates.”

In addition, the contractor shall provide to the Contracting Officer the noted cumulative costs schedule within 60 days of the execution of this agreement.

If the non-Federal entity or contractor has completed performance under any of the contracts covered by this Agreement, a final invoice or voucher must be submitted no later than 120 days from the date on which this Agreement is executed, following guidance from FAR 52.216-7(d)(5) and FAR 52.216-7(h).

Non-Federal entities receiving Federal awards (financial assistance, grants, and cooperative agreements) – Note that even if Federal awards are administratively closed prior to the settlement of final indirect cost rates, non-Federal entities still must comply with the following 2 CFR Part 200 clauses stating, in part:

§200.344 Post-closeout adjustments and continuing responsibilities

(a) The closeout of a Federal award does not affect any of the following:

- (1) The right of the Federal awarding agency or pass-through entity to disallow costs and recover funds on the basis of a later audit or other review. The Federal awarding agency or pass-through entity must make any cost disallowance determination and notify the non-Federal entity within the record retention period.
- (2) The obligation of the non-Federal entity to return any funds due as a result of later refunds, corrections, or other transactions including final indirect cost rate adjustments.

§200.345 Collection of amounts due

- (a) Any funds paid to the non-Federal entity in excess of the amount to which the non-Federal entity is finally determined to be entitled under the terms of the Federal award constitute a debt to the Federal Government.
- (b) Except where otherwise provided by statutes or regulations, the Federal awarding agency

will charge interest on an overdue debt in accordance with the Federal Claims Collection Standards (31 CFR parts 900 through 999). The date from which interest is computed is not extended by litigation or the filing of any form of appeal.

2. Fringe benefits include the following: Retirement, Social Security, Group Health Insurance, Life Insurance, Senior Management Disability Insurance, and Pre-Tax Benefits.
3. Equipment is defined as tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition. The capitalization threshold for equipment is \$5,000.
4. The indirect salaries approved as part of the Rate/CAP in Section I comply with the applicable ETA TEGL 5-06 and/or Job Corps salary and bonus restrictions.

ACCEPTANCE

BY THE NON-FEDERAL ENTITY

Florida Department of Economic Opportunity
Caldwell Building
107 E. Madison Street
Tallahassee, FL 32399

(Non-Federal Entity)

Allyce Moriak

(Signature)

Allyce Moriak

(Name)

Chief Financial Officer

(Title)

1/24/2023

(Date)

**BY THE COGNIZANT AGENCY FOR
INDIRECT COSTS, ON BEHALF OF THE
U.S. FEDERAL GOVERNMENT**

U.S. Department of Labor
Cost & Price Determination Division
200 Constitution Ave., N.W., S-1510
Washington, DC 20210

(U.S. Federal Government Agency)

D.L. Tomchick

(Signature)

for

Victor M. López

(Name)

Chief, Cost & Price Determination Division

(Title)

1/24/2023

(Date)

Negotiated By: Damon Tomchick
Office Phone: (240) 475-2786
Email: tomchick.damon@dol.gov