December 20, 2016

Mr. Garry Causey, Director
Community Planning and Development Division, 4HD
U.S. Department of Housing and Urban Development
Charles Bennett Federal Building
400 West Bay Street, Suite 1015
Jacksonville, Florida 32202-4410

Re: Fiscal Year 2016 Funding Approval/Agreement B-16-DC-12-0001

Dear Mr. Causey:

On behalf of the State of Florida, the Department of Economic Opportunity is pleased to accept the Small Cities Community Development Block Grant (CDBG) funding for Federal Fiscal Year 2016. As requested, enclosed is a signed original Funding Approval/Agreement Form and the requested information regarding the Department’s indirect cost rate.

We look forward to working with you and our local government partners in the upcoming program year. The CDBG funds are instrumental in addressing needed economic development, infrastructure and housing projects that target Florida’s rural, low to moderate income families. If additional information is required, please contact Ms. Sherri Martin, Bureau Chief, Division of Community Development at 850-717-8520 or by email at sherri.martin@deo.myflorida.com.

Sincerely,

Taylor Teepell, Director
Division of Community Development

TT/cm

Enclosures

Cc: Kerineth M. Pinnix, Community Planning and Development Representative
Funding Approval/Agreement
Title I of the Housing and Community Development Act (Public Law 930383) HI-00515R of 20515R

1. Name of Grantee (as shown in Item 5 of Standard Form 424)
   Florida Department of Economic Opportunity
   107 East Madison St.
   Tallahassee, FL 32399-0001

2. Grantee's Complete Address (as shown in Item 5 of Standard Form 424)
   Florida Department of Economic Opportunity
   107 East Madison St.
   Tallahassee, FL 32399-0001

Grantee Name
Florida

3a. Grantee's 9-digit Tax ID Number
   593451366

3b. Grantee's 9-digit DUNS Number
   809396450

4. Date of funds may begin
   (mm/dd/yyyy)
   10/01/2016

5a. Project/Grant No. 1
   B-16-DC-12-0001

5b. Project/Grant No. 2

6a. Amount Approved
   $24,108,644.00

6b. Amount Approved

Grant Agreement: This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above-named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended (42 USC 5301 et seq.). The Grantee's submissions for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any special conditions, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make the funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred after the date specified in item 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adhering to the Agreement by subdivision entities to which it makes funding assistance hereunder available.

U.S. Department of Housing and Urban Development (By Name)
Gary Causey
HUD Community Planning and Development Director

Date (mm/dd/yyyy)
11/03/2016

Title
Grantee

Date (mm/dd/yyyy)
10/01/16

7. Category of Title I Assistance for this Funding Action
   (check only one)
   ☑ a. Entitlement, Sec 106(b)
   ❏ b. State-Administered, Sec 106(d)(1)
   ❏ c. HUD-Administered Small Cities, Sec 106(d)(2)(B)
   ❏ d. Indian CDBG Programs, Sec 106(a)(1)
   ❏ e. Surplus Urban Renewal Funds, Sec 112(b)
   ❏ f. Special Purpose Grants, Sec 107
   ❏ g. Loan Guarantee, Sec 108

8. Special Conditions
   (check one)
   ❏ a. None
   ☑ b. Attached

9a. Date HUD Received Submission
   (mm/dd/yyyy)
   10/17/2016

9b. Date Grantee Notified
   (mm/dd/yyyy)
   10/18/2016

9c. Date of Start of Program Year
   (mm/dd/yyyy)
   07/01/2016

11. Amount of Community Development Block Grant

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<th>FY (2016)</th>
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12a. Amount of Loan Guarantee Commitment now being Approved
   N/A

Loan Guarantee Acceptance Provisions for Designated Agencies:
The public agency hereby accepts the Grant Agreement executed by the Department of Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of HUD now or hereafter in effect, pertaining to the assistance provided.

12b. Name and complete Address of Public Agency
   Florida Department of Economic Opportunity
   107 East Madison St.
   Tallahassee, FL 32399-0001

12c. Name of Authorized Official for Designated Public Agency

HUD Accounting use Only

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24 CFR 570

form HUD-7082 (4/93)
NEGOTIATED INDIRECT COST RATE AGREEMENT (NICRA)
STATE DEPARTMENT/AGENCY

DEPARTMENT/AGENCY: EIN: 36-4706134
State of Florida Department of Economic Opportunity (DEO) DATE: October 31, 2016
Caldwell Building, 107 East Madison Street FILE REF: This replaces
Tallahassee, Florida 32399-4120 the agreement dated

November 6, 2015

The indirect cost rate(s) contained herein are for use on grants and contracts with the Federal Government. 2 CFR Part 200, Subpart E applies subject to the limitations contained in Section II, A, below. The rate(s) were negotiated between the State of Florida, Department of Economic Opportunity (DEO) and the U. S. Department of Labor in accordance with the authority contained in 2 CFR Part 200, Appendix VII, D.1.

SECTION I: RATES

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See the Special Remarks section for abbreviation explanations and additional information.

*BASE
(a) Total direct salaries and wages including all applicable fringe benefits.
(b) Total direct salaries and wages including all applicable fringe benefits plus flow-through funding.

TREATMENT OF FRINGE BENEFITS: Fringe benefits are specifically identified to each employee and are charged individually as direct costs. The directly claimed fringe benefits are listed in the Special Remarks Section of this Agreement.

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 for the cost of these paid absences are not made.
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) that 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) that the same costs that have been treated as indirect costs have not been claimed as direct costs,

(3) that similar types of costs have been accorded consistent treatment, and

(4) that 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.

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 of the Division of Cost Determination. Such changes include, but are not limited, 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 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. **PROVISIONAL-FINAL RATES AND ADJUSTMENTS:** When seeking initial reimbursement of indirect costs using the provisional/rate methodology, provisional rates must be in established within 90 days of receiving a Federal award (financial assistance, grants, cooperative agreements, and cost reimbursable contracts) requiring to account 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 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 section, 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.

E. SPECIAL REMARKS:

1. Indirect costs charged to Federal grants/contracts by means other than the rate(s) cited in the Agreement should be adjusted to the applicable rate cited herein and be applied to the appropriate base to identify the proper amount of indirect costs allocable to the program.

2. Contracts/grants providing for ceilings as to the indirect cost rates(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.

3. The indirect cost pool consists of allowable, allocable expenses of the following:

   Director's Office          Chief Financial Officer
   General Counsel           Inspector General
   Budget Management         Financial Management
   Human Resources Management General Services
   Shared Costs              Information Technology Services
   Terminal Leave            UC Benefits
   Financial Monitoring & Accountability
   State-wide Cost Allocation Plan Costs

4. Fringe benefits other than paid absences consist of the following:

   Retirement  Social Security
   Group Health Ins  Life Ins
   Senior Mgt. Disab. Ins  Pre-Tax Benefits

5. Explanations of the abbreviations used in Section I, above, are as follows:

   UC  = Unemployment Compensation Programs
   HCP = Housing & Community Programs
   WIA = Workforce Investment Act Programs
   WTS/FSET = Welfare Transition Programs & Food Stamp Employment and Training
   OP = Other Programs (all agency programs not included in another rate entity)
6. The Florida Department of Economic Opportunity maintains and operates a number of state/federal-owned facilities acquired with various sources of federal and state funds. Maintenance and operating costs associated with these facilities are directly billed to users. Billing rates are designed to recover anticipated service costs on a breakeven basis. Direct billings made in accordance with the agency’s “Facilities Services Rate Plan” are hereby approved.

ACCEPTANCE

BY THE ORGANIZATION:

State of Florida
Department of Economic Opportunity (DEO)
Caldwell Building – MSC 120
107 East Madison Street
Tallahassee, Florida 32399

(Grantee/Contractor)

(Signature)

Damon Steffens
(Name)

Chief Financial Officer
(Title)

11-7-16
(Date)

BY THE COGNIZANT AGENCY ON BEHALF OF THE FEDERAL GOVERNMENT:

U.S. DEPARTMENT OF LABOR
Division of Cost Determination
224 Westbridge Place
Mount Airy, NC 27030

(Government Agency)

(Signature)

Victor M. Lopez
(Name)

Chief, Division of Cost Determination
(Title)

October 31, 2016
(Date)

Negotiated By: Damon L Tomchick
Telephone No.: 240-475-2786
November 1st 2016

Honorable Rick Scott
Governor of Florida
State of Florida -The Capital
400 S. Monroe Street
Tallahassee, Florida 32399

SUBJECT: Fiscal Year 2016 Action Plan and Grant Approvals
State of Florida

Dear Governor Scott:

The Fiscal Year 2016 Action Plan submitted by the State of Florida has been reviewed by HUD and approved. Based on this approval, I am pleased to transmit to you Fiscal Year 2016 grant agreements for the following programs contained in your Plan:

**Community Development Block Grant (CDBG)**
B-15-DC-12-0001
$ 24,108,644

**HOME Investment Partnerships Program**
M15-SG120100
$ 13,104,466

**Housing Opportunities For Persons With AIDS (HOPWA)**
FLH15F999
$ 5,554,465

**Emergency Solutions Grant (ESG)**
E14-DC-12-0001
$ 5,098,790

The program year for the above grants is July 1, 2016 through June 30, 2017. Enclosed are two copies of each grant agreement, to be signed and dated by the State of Florida, for the programs contained in your Action Plan. After signing, please return one original of each grant agreement to this office.

*HUD’s mission is to increase homeownership, support community development and increase access to affordable housing free from discrimination.*

The indirect cost rate requirements for this program year have changed. If Funding Assistance will be used for payment of indirect costs pursuant to 2 CFR 200, Subpart E - Cost Principles, you must attach a schedule in the format set forth on the grant agreement or attached special conditions. The schedule shall identify each department/agency that will carry out activities with the Funding Assistance, the indirect cost rate applicable to each department/agency (including if the de minimis rate is charged per 2 CFR §200.414), and the direct cost base to which the rate will be applied. Do not include indirect cost rates for subrecipients. If a rate is not provided on the schedule, indirect costs may not be charged to the program.

The CDBG program continues to improve neighborhoods, provide decent housing, and create new economic opportunities, with special focus on serving low-and moderate-income persons. The program’s success is the result of strong partnerships among elected officials at all levels of government, neighborhood based nonprofit organizations, private sector, and HUD. We thank you for your continued service and cooperation to ensure that the CDBG program thrives far into the future.

As a part of the mandate from Congress to administer the CDBG program, HUD determines annually whether each State is carrying out its activities “in a timely manner”. We are pleased to announce that the State of Florida has once again met this standard. This is a significant accomplishment and we thank you for all of your hard work and dedication.

We also congratulate you and the staff on the preparation of your Action Plan and look forward to working with you over the coming year to accomplish the goals set forth for the State of Florida. If you have any questions or require further information or assistance, please contact, Kenneth M Pinnix, Community Planning and Development Representative at (904) 208-6153 or by email at Kenneth.M.Pinnix@hud.gov.

Very sincerely yours,

Gary A. Causey, Director, Community Planning and Development Division, 4HD

Enclosure: Grant Agreements