The Honorable Ray Stephanson  
Mayor of Everett  
Wall Street Building  
2930 Wetmore Avenue, Suite 10-A  
Everett, WA 98201

Dear Mayor Stephanson:

SUBJECT: Annual Action Plan Approval

I am pleased to inform you that the 2017 Annual Action Plan submitted by the City of Everett has been reviewed and is hereby approved. The Annual Action Plan describes the activities the City of Everett will undertake with 2017 program year grant funds. The approval of the plan is based on the specific review criteria at 24 CFR 91.500. As a result of our review, we conclude that the plan is consistent with the purposes of the Cranston-Gonzales National Affordable Housing Act, that it is substantially complete, and that the accompanying certifications are acceptable.

Based on this approval, enclosed is the funding agreement for the city’s 2017 program year Community Development Block Grant (CDBG) grant in the amount of $813,967.00. We have executed three copies of the agreement. Please sign all copies of the agreement (in original signature), return two copies to the Office of Community Planning and Development, 909 First Avenue, Suite 300, Seattle, WA 98104-1000, and retain one copy for your records. Please complete this action within two weeks.

Please note that the agreement contains a special condition requiring the submission of additional information if grant funds will be used for payment of indirect costs. Please include this information with the signed copies of the agreement returned to our office, if applicable.

This plan approval is not a concurrent determination that the eligibility requirements and statutory objectives of the authorizing legislation will be met by the proposed activities. It is primarily the responsibility of the city to ensure that funded activities meet these and all other applicable program requirements.

We look forward to working with you and your staff on the effective implementation of the activities described in your Annual Action Plan. If you have questions, please contact John W. Peters, Director, Office of Community Planning and Development at (206) 220-5268. Your staff can receive technical information by calling Lori Martin at (206) 220-5373.

Sincerely,

Michael Look  
Deputy Regional Administrator

Enclosure
Funding Approval/Agreement
Title I of the Housing and Community Development Act (Public Law 930383)
HI-00515R of 20515R

U.S. Department of Housing and Urban Development
Office of Community Planning and Development
Community Development Block Grant Program

1. Name of Grantee (as shown in item 5 of Standard Form 424)
City Of Everett

2. Grantee's Complete Address (as shown in Item 5 of Standard Form 424)
2930 Wetmore Ave Ste 6C
Everett, WA 98201-4044

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 adherence to the Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

U.S. Department of Housing and Urban Development (By Name)
John W. Peters

Grantee Name
City Of Everett

HUD Community Planning and Development Director

Signature
[Signature]
Date (mm/dd/yyyy) SEP 22 2017

Mayor

[Signature]
Date (mm/dd/yyyy) 09/24/2017

7. Category of Title I Assistance for this Funding Action:
Entitlement, Sec 106(b)

8. Special Conditions (check one)
☐ None
☒ Attached

9a. Date HUD Received Submission
(mm/dd/yyyy) 09/09/2017

9b. Date Grantee Notified
(mm/dd/yyyy) 09/09/2017

9c. Date of Start of Program Year
(07/01/2017)

10. check one
☐ a. Original Funding Approval
☐ b. Amendment Amendment Number

11. Amount of Community Development Block Grant
FY (2017) $813,899.00
FY (2016) $68.00
FY ( )

a. Funds Reserved for this Grantee
$813,899.00

b. Funds now being Approved
$68.00

c. Reservation to be Cancelled
(11a minus 11b)

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 it.

12b. Name and complete Address of Public Agency
City Of Everett
2930 Wetmore Ave Ste 6C
Everett, WA 98201

12c. Name of Authorized Official for Designated Public Agency

HUD Accounting use Only

Batch TAC Program Y A Reg Area Document No. Project Number Category Amount Effective Date (mm/dd/yyyy) F

1 153

136

Project Number Amount

Project Number Amount

Date Entered PAS (mm/dd/yyyy) Date Entered LOCCS (mm/dd/yyyy) Batch Number Transaction Code Entered By Verified By

City Clerk

24 CFR 570

approved AS TO FORM
JAMES D. ILES, City Attorney
8. Special Conditions.

(a) The period of performance for the funding assistance specified in the Funding Approval ("Funding Assistance") shall begin on the date specified in item 4 and shall end on September 1, 2024. The Grantee shall not incur any obligations to be paid with such assistance after September 1, 2024.

(b) If Funding Assistance will be used for payment of indirect costs pursuant to 2 CFR 200, Subpart E - Cost Principles, attach a schedule in the format set forth below to the executed Grant Agreement that is returned to HUD. 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.

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(c) In addition to the conditions contained on form HUD 7082, the grantee shall comply with requirements established by the Office of Management and Budget (OMB) concerning the Dun and Bradstreet Data Universal Numbering System (DUNS), the System for Award Management (SAM.gov), and the Federal Funding Accountability and Transparency Act as provided in 2 CFR part 25, Universal Identifier and Central Contractor Registration, and 2 CFR part 170, Reporting Subaward and Executive Compensation Information.

(d) The grantee shall ensure that no CDBG funds are used to support any Federal, State, or local projects that seek to use the power of eminent domain, unless eminent domain is employed only for a public use. For the purposes of this requirement, public use shall not be construed to include economic development that primarily benefits private entities. Any use of funds for mass transit, railroad, airport, seaport or highway projects as well as utility projects which benefit or serve the general public (including energy-related, communication-related, water-related and wastewater-related infrastructure), other structures designated for use by the general public or which have other common-carrier or public-utility functions that serve the general public and are
subject to regulation and oversight by the government, and projects for
the removal of an immediate threat to public health and safety or
brownfield as defined in the Small Business Liability Relief and
Brownfields Revitalization Act (Public Law 107–118) shall be
considered a public use for purposes of eminent domain.

(e) The Grantee or unit of general local government that indirectly receives
CDBG funds 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
activities eligible under title I of the Act.

(f) E.O. 12372-Special Contract Condition - Notwithstanding any other
provision of this agreement, no funds provided under this agreement
may be obligated or expended for the planning or construction of water
or sewer facilities until receipt of written notification from HUD of the
release of funds on completion of the review procedures required under
Executive Order (E.O.) 12372, Intergovernmental Review of Federal
Programs, and HUD's implementing regulations at 24 CFR Part 52. The
recipient shall also complete the review procedures required under E.O.
12372 and 24 CFR Part 52 and receive written notification from HUD of
the release of funds before obligating or expending any funds provided
under this agreement for any new or revised activity for the planning or
construction of water or sewer facilities not previously reviewed under
E.O. 12372 and implementing regulations.

(g) CDBG funds may not be provided to a for-profit entity pursuant to
section 105(a)(17) of the Act unless such activity or project has been
evaluated and selected in accordance with Appendix A to 24 CFR 570 -
“Guidelines and Objectives for Evaluating Project Costs and Financial
Requirements.” (Source - P.L. 113-235, Consolidated and Further
Continuing Appropriations Act, 2015, Division K, Title II, Community
Development Fund).