

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

This Amended and Restated Community Development Block Grant Disaster Recovery Grant Agreement is between United States Department of Housing and Urban Development (the “Department” or “HUD”) and the State of Arkansas (“the Grantee”).

I. Recitals

The Disaster Relief Supplemental Appropriations Act, 2025 (Pub. L. 118-158, Division B) (“the Appropriations Act”) approved on December 21, 2024, appropriated funds to assist in long term recovery from disasters that occurred in 2023 and 2024.

HUD notified the public of allocations of funds appropriated by the Appropriations Act in a press release 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 (UN AAN)* which was published at 90 FR 4759 on January 16, 2025 (the “Allocation Announcement Notice”). The Allocation Announcement Notice subjects the allocations to requirements in a Federal Register Notice, *Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Disaster Recovery Grantees: The Universal Notice* published at 90 FR 1754 on January 8, 2025, as amended (the “Universal Notice”).

On March 19, 2025, HUD published Memorandum 25-02 titled, “Revisions made to the Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Disaster Recovery Grantees: The Universal Notice published in the Federal Register (90 FR 1754) and Clarifications to the Allocations for Community Development Block Grant Disaster Recovery and Implementation of the CDBG–DR Consolidated Waivers and Alternative Requirements Notice Published in the Federal Register (90 FR 4759),” which included revisions to the Universal Notice to align requirements with the President’s executive orders.

On March 31, 2025, HUD published Memorandum 25-03 titled, “Revisions made to the Common Application, Waivers, Alternative Requirements for Community Development Block Grant Disaster Recovery Grantees: The Universal Notice published in the Federal Register (90 FR 1754),” to revise two additional sections of the Universal Notice to align with 2 CFR 200.340 and one additional executive order.

HUD and the Grantee previously entered into a Community Development Block Grant Disaster Recovery (CDBG-DR) Grant Agreement obligating Appropriations Act funds for program administrative costs. The initial agreement obligates and governs the entirety of the Grantee’s allocation of funds under the Appropriations Act, but limits the Grantee’s use of the funds to program administrative costs, so HUD and Grantee wish to amend and restate the grant agreement.

Under the authority of the Appropriations Act, the Grantee and HUD therefore amend and restate the COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY (CDBG-DR) GRANT AGREEMENT between the Grantee and HUD, signed by HUD on 04/28/2025, to read in its entirety as follows:

II. General Federal Award Information

Grantee's Name: State of Arkansas

Tax ID Number: 71-0847443

Grantee's unique entity identifier [UEI]: J93WN7LTZID5

Unique Federal Award Identification Number (FAIN): B-25-DU-05-0001

Appropriation Account: 86X0162

Program Accounting Code: MAU

Federal Award Date: 04/28/2025

Period of Performance and Budget Period Start Date: 04/28/2025

Period of Performance and Budget Period End Date: 04/27/2031

Date Use of Funds May Begin: 03/31/2023

Amount of Federal Funds Obligated by this Action: \$56,095,600

Amount of Federal Funds Previously Obligated: \$2,952,400

Dates of Prior Obligation (if applicable): 04/28/2025

Total Amount of the Federal Award: \$59,048,000

Federal awarding agency: Department of Housing and Urban Development

Contact information for HUD: David G. Blick, Director, Office of Community Planning and Development, U.S. Department of Housing and Urban Development, 600 West Capitol Ave., Suite #A400, Little Rock, Arkansas 72201

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: 1

III. General Terms and Conditions

1. This agreement is a federal award (grant), which governs the funds awarded to the Grantee as identified in Section II. The grant is subject to all requirements in this agreement, including the requirement that the Grantee agrees to use the grant funds in accordance with this agreement, as may be amended from time to time. If the amendment box in section II is checked, the amended agreement governs the grant prospectively 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 this agreement: requirements of (1) the Appropriations Act; (2) title I of the Housing and Community Development Act of 1974 (HCDA or HCD Act) (42 USC 5301 et seq.); (3) regulations at 24 CFR part 570, as modified by waivers and alternative requirements published in the Allocation Announcement Notice and other applicable notices in the *Federal Register* or memorandums on HUD's website (Pub. L. 118-158, which applies certain terms and conditions of Pub. L. 117-43 to the funds, allows HUD to publish waivers and alternative requirements via notice on the HUD website); and (4) other requirements published in the Allocation Announcement Notice and other applicable notices in the *Federal Register* or memorandums on HUD's website.
3. The period of performance/budget period for this grant is specified in section II. 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, 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, February 22, 2021, and October 1, 2024. 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 this 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 section III.B.18 of the Universal Notice, and subject to applicable grant requirements, the Grantee may use CDBG-DR funds that the Grantee was awarded under prior appropriations and funds governed 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. HUD may establish and adjust specific conditions for this grant as provided for in section III.F.2.b. of the Universal Notice and 2 CFR 200.206 and 200.208. HUD shall provide the Grantee with the notice required by 2 CFR 200.208(d) prior to imposing specific conditions and shall promptly remove specific conditions once the conditions that prompted them have been satisfied, as required by 2 CFR 200.208(e).
8. Activities undertaken with funds governed by this agreement shall be governed by the specific conditions in section IV of this agreement until the specific conditions are modified or removed in writing by HUD, including as required by 2 CFR 200.208(e). If the "Amendment" box in section II is checked, the following requirement applies: as of the date HUD signs the amendment, specific conditions in section IV 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 this amendment until modified or removed by HUD in writing.
9. The Grantee must use the grant funds only for costs (including indirect costs) that meet the applicable requirements in 2 CFR part 200 (including appendices), as may be amended from time to time. The Grantee's indirect cost rate information is as provided in Attachment 1 to this agreement. The Grantee must immediately notify HUD upon any change in the Grantee's indirect cost rate, so that HUD can amend this agreement to reflect the change if necessary.
10. The Computer Matching Agreement between United States Department of Homeland Security (DHS), Federal Emergency Management Agency (FEMA), HUD and the Grantee for the purpose of sharing FEMA data pertaining to major disasters assisted by this grant, including 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 Computer Matching Agreements.

11. Waste, Fraud, Abuse, and Whistleblower Protections. In accordance with 2 CFR 200.113, grantees and subrecipients of CDBG-DR must promptly inform in writing the OIG and HUD when it has credible evidence of violations of Federal criminal law involving fraud, bribery, or gratuities or a violation of the civil False Claims Act that could potentially affect the Federal award at <https://www.hudoig.gov/hotline/report-fraud> (a subrecipient of CDBG-DR must also inform the CDBG-DR grantee that awarded it funding). All other instances of fraud, waste, and abuse should be referred to the HUD OIG Fraud Hotline (phone: 1-800-347-3735 or email: hotline@hudoig.gov). You must comply with 41 U.S.C. § 4712, which includes informing your employees in writing of their rights and remedies, in the predominant native language of the workforce. Under 41 U.S.C. § 4712, employees of a government contractor, subcontractor, grantee, and subgrantee—as well as a personal services contractor—who make a protected disclosure about a Federal grant or contract cannot be discharged, demoted, or otherwise discriminated against as long as they reasonably believe the information they disclose is evidence of: (1) Gross mismanagement of a Federal contract or grant; (2) Waste of Federal funds; (3) Abuse of authority relating to a Federal contract or grant; (4) Substantial and specific danger to public health and safety; or (5) Violations of law, rule, or regulation related to a Federal contract or grant.
12. 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.B.3.a of the Universal Notice, 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 (i) 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); (ii) review and modify its financial management policies and procedures regarding the tracking and accounting of administration costs, as necessary; and (iii) 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 II.A” of the Universal Notice.
13. The Grantee:
 - a. shall not use grant funds to promote “gender ideology,” as defined in E.O. 14168, Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government;
 - b. agrees that its compliance in all respects with all applicable Federal anti-discrimination laws is material to the U.S. Government's payment decisions for

purposes of section 3729(b)(4) of title 31, United States Code;

- c. certifies that it does not operate any programs that violate any applicable Federal anti-discrimination laws, including Title VI of the Civil Rights Act of 1964; and
 - d. shall not use any Grant Funds to fund or promote elective abortions, as required by E.O. 14182, Enforcing the Hyde Amendment.
14. Notwithstanding anything in the Allocation Announcement Notice, this grant shall not be governed by Executive Orders revoked by E.O. 14154, including E.O. 14008, or Allocation Announcement Notice requirements implementing Executive Orders that have been revoked.
 15. The Grantee must administer its grant in accordance with all applicable immigration restrictions and requirements, including the eligibility and verification requirements that apply under title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, as amended ([8 U.S.C. 1601-1646](#)) (PRWORA) and any applicable requirements that HUD, the Attorney General, or the U.S. Center for Immigration Services may establish from time to time to comply with PRWORA, [Executive Order 14218](#), or other Executive Orders or immigration laws.
 16. If applicable, no state or unit of general local government that receives funding under this grant may use that funding in a manner that by design or effect facilitates the subsidization or promotion of illegal immigration or abets policies that seek to shield illegal aliens from deportation.
 17. Unless excepted by PRWORA, the Grantee must use SAVE, or an equivalent verification system approved by the Federal government, to prevent any Federal public benefit from being provided to an ineligible alien who entered the United States illegally or is otherwise unlawfully present in the United States.
 18. Faith-based organizations may be subrecipients of funds under this agreement on the same basis as any other organization. The Grantee may not, in the selection of subrecipients, discriminate against an organization based on the organization's religious character, affiliation, or exercise.

IV. 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 section III.7 of this agreement 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.

N/A.

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Attachment 1

Grantee Indirect Cost Rate(s)

As the duly authorized representative of the Grantee, I certify that the Grantee:

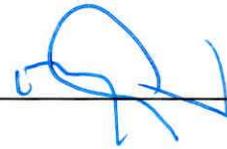
- Will not use an indirect cost rate to calculate and charge indirect costs under the grant.
- Will calculate and charge indirect costs under the grant by applying a *de minimis* rate as provided by 2 CFR 200.414(f), as may be amended from time to time.
- Will calculate and charge indirect costs under the grant using the indirect cost rate(s) listed below, and each rate listed is included in an indirect cost rate proposal developed in accordance with the applicable appendix to 2 CFR part 200 and, *if required*, was approved by the cognizant agency for indirect costs.

Agency/department/major function	Indirect cost rate	Type of Direct Cost Base
	%	
	%	
	%	

Name of Authorized Official:

ROBERT ARRINGTON

Signature:

X 

Date (mm/dd/yyyy):

26, 26

Title:

PRESIDENT

LLB

Instructions for the Grantee's Authorized Representative:

You must mark the one (and only one) checkbox above that best reflects how the Grantee's indirect costs will be calculated and charged under the grant. Do not include indirect cost rate information for subrecipients.

The table following the third box must be completed only if that box is checked. When listing a rate in the table, enter both the percentage amount (e.g., 10%) and the type of direct cost base to be used. For example, if the direct cost base used for calculating indirect costs is Modified Total Direct Costs, then enter "MTDC" in the "Type of Direct Cost Base" column.

If using the Simplified Allocation Method for indirect costs, enter the applicable indirect cost rate and type of direct cost base in the first row of the table.

If using the Multiple Allocation Base Method, enter each major function of the organization for which a rate was developed and will be used under the grant, the indirect cost rate applicable to that major function, and the type of direct cost base to which the rate will be applied.

If the Grantee is a government and more than one agency or department will carry out activities under the grant, enter each agency or department that will carry out activities under the grant, the indirect cost rate(s) for that agency or department, and the type of direct cost base to which each rate will be applied.

To learn more about the indirect cost requirements, see 2 CFR part 200, subpart E; and Appendix VII to Part 200 (for state and local governments).

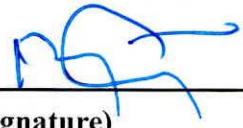
THE UNDERSIGNED, as authorized officials on behalf of the Grantee and the Secretary, hereby enter this **COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY (CDBG-DR) GRANT AGREEMENT**, which shall be effective as of the date it is signed by the Secretary.

GRANTEE

**ARKANSAS DEVELOPMENT FINANCE
AUTHORITY**

LB

ROBERT ARRINTON, PRESIDENT

BY: 
(Signature)

2/6/24
(Date)

HOUSING AND URBAN DEVELOPMENT

BY: _____
(Signature)

David Blick

(Name)

CPD Director

(Title)

2/11/2026

(Date)