Supplemental paragraph which may be included in Modernization Project Grant Amendment to Consolidated Annual Contributions Contract, Forms HUD-53009A and HUD-53009B, for large Troubled PHAs.

The PHA acknowledges that major management deficiencies exist in its operation of public housing and that these deficiencies must be remedied as a condition of receiving comprehensive modernization funding. The PHA agrees that it will enter into a Memorandum of Agreement, acceptable to HUD, for the purpose of remedying such deficiencies and will comply with its obligations thereunder and under any other Memorandum of Agreement heretofore or hereafter entered into. The PHA further agrees to accept any modifications to, or extensions of, any such Memorandum of Agreement determined by HUD to be necessary for so long as it is a large Troubled PHA, as determined by HUD, and is receiving comprehensive modernization funding. The PHA understands that any failure on its part to enter into, modify or extend a Memorandum of Agreement, as required by HUD, or to comply with its obligations thereunder shall be a basis for termination of work under paragraph 13 of this Amendment.