

STATE OF VERMONT GRANT AGREEMENT

Part 1 - Grant Award Detail

SECTION I - GENERAL GRANT INFORMATION

¹ Grant #: IG-2014-Williston-00003		² Original <input checked="" type="checkbox"/> Amendment # _____	
³ Grant Title: 95 North Avenue			
⁴ Amount Previously Awarded: \$ 0.00		⁵ Amount Awarded This Action: \$ 580,000.00	
⁶ Total Award Amount: \$ 580,000.00			
⁷ Award Start Date: 2/12/2015		⁸ Award End Date: 12/31/17	
⁹ Subrecipient Award: YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>			
¹⁰ Vendor #: 40170		¹¹ Grantee Name: Town of Williston	
¹² Grantee Address: 7900 Williston Road			
¹³ City: Williston		¹⁴ State: VT	
¹⁵ Zip Code: 05495-5261			
¹⁶ State Granting Agency: Agency of Commerce and Community Development-DHCD			¹⁷ Business Unit: 07110
¹⁸ Performance Measures: YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		¹⁹ Match/In-Kind: \$7,019,204 Description: See Attachment B - Payment Provisions and Project Budget, 4. Sources and Uses	
²⁰ If this action is an amendment, the following is amended: Amount: <input type="checkbox"/> Funding Allocation: <input type="checkbox"/> Performance Period: <input type="checkbox"/> Scope of Work: <input type="checkbox"/> Other: <input type="checkbox"/>			

SECTION II - SUBRECIPIENT AWARD INFORMATION

²¹ Grantee DUNS #: 028964815		²² Indirect Rate: N/A		²³ FFATA: YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	
²⁴ Grantee Fiscal Year End Month (MM format): 6/30		_____ % <small>(Approved rate or de minimis 10%)</small>		²⁵ R&D: <input type="checkbox"/>	
²⁶ DUNS Registered Name (if different than VISION Vendor Name in Box 11):					

SECTION III - FUNDING ALLOCATION

STATE FUNDS

Fund Type	²⁷ Awarded Previously	²⁸ Award This Action	²⁹ Cumulative Award	³⁰ Special & Other Fund Descriptions
General Fund	\$0.00	\$0.00	\$0.00	
Special Fund	\$0.00	\$0.00	\$0.00	
Global Commitment (non-subrecipient funds)	\$0.00	\$0.00	\$0.00	
Other State Funds	\$0.00	\$0.00	\$0.00	

FEDERAL FUNDS

(includes subrecipient Global Commitment funds)

Required Federal Award Information

³¹ CFDA #	³² Program Title	³³ Awarded Previously	³⁴ Award This Action	³⁵ Cumulative Award	³⁶ FAIN	³⁷ Federal Award Date	³⁸ Total Federal Award
14.228	Community Development Block Grant (CDBG)	\$0.00	\$530,833.00	\$530,833.00	B.DC.14.50.0001	7/8/2014	\$530,833.00
³⁹ Federal Awarding Agency: U.S. Department of Housing and Urban Development (HUD)		⁴⁰ Federal Award Project Descr: CDBG - 2014					
		\$0.00	\$33,572.00	\$33,572.00	B.DC.12.50.0001	8/27/12	\$33,572.00
³⁹ Federal Awarding Agency: U.S. Department of Housing and Urban Development (HUD)		⁴⁰ Federal Award Project Descr: CDBG - 2012					
		\$0.00	\$10,909.00	\$10,909.00	B.DC.11.50.0001		\$10,909.00
³⁹ Federal Awarding Agency: U.S. Department of Housing and Urban Development (HUD)		⁴⁰ Federal Award Project Descr: CDBG - 2011					
		\$0.00	\$46.00	\$46.00	B.DC.10.50.0001		\$46.00
³⁹ Federal Awarding Agency: U.S. Department of Housing and Urban Development (HUD)		⁴⁰ Federal Award Project Descr: CDBG - 2010					
		\$0.00	\$4,640.00	\$4,640.00	B.DC.09.50.0001		\$4,640.00
³⁹ Federal Awarding Agency: U.S. Department of Housing and Urban Development (HUD)		⁴⁰ Federal Award Project Descr: CDBG - 2009					
Total Awarded - All Funds		\$0.00	\$580,000	\$580,000.00			

SECTION IV - CONTACT INFORMATION

STATE GRANTING AGENCY NAME: Claire Forbes TITLE: Community Development Specialist PHONE: 802-828-1256 EMAIL: Claire.Forbes@vermont.gov	GRANTEE NAME: Karen Allen TITLE: Development Coordinator PHONE: 802-863-8424 EMAIL: karen@hvt.org
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GRANT AGREEMENT # 07110-IG-2014-WILLISTON-00003


- 1. **Parties:** This is a Grant Agreement between State of Vermont Agency of Commerce and Community Development (hereinafter called "State" or "Agency") and Town of Williston with principal place of business at 7900 Williston Road, Williston VT 05495 (hereinafter called "Grantee"). It is the grantee's responsibility to contact the Vermont Department of Taxes to determine if, by law, the grantee is required to have a Vermont Department of Taxes Business Account Number. The grantee is required by law to have a Federal ID# and it is 03-6000768.
- 2. **Subject Matter:** The subject matter of this Grant Agreement is Community Development Block Grant.
- 3. **Award Details:** Amounts, dates and other award details are as shown in the attached *Grant Agreement Part 1-Grant Award Detail*. A detailed scope of work covered by this award is described in Attachment A.
- 4. **Amendment:** No changes, modifications, or amendments in the terms and conditions of this Grant Agreement shall be effective unless reduced to writing, numbered, and signed by the duly authorized representative of the State and Grantee.
- 5. **Cancellation:** This Grant Agreement may be suspended or cancelled by either party by giving written notice at least 30 days in advance.
- 6. **Attachments:** This Grant consists of 27 pages including the following attachments that are incorporated herein:


- Attachment A – Scope of Work to Be Performed and Special Conditions
- Attachment B – Payment Provisions and Project Budget
- Attachment C – Customary State Grant Provisions
- Attachment D – Other Provisions (CDBG Standard Provisions)
- Attachment E – Certifications

WE THE UNDERSIGNED PARTIES AGREE TO BE BOUND BY THIS GRANT AGREEMENT.

By the State of Vermont:

By the Grantee:

Date: 2/4/2016
 Signature: 

Date: 2/11/16
 Signature: 

Name: Noelle MacKay, Commissioner
 Department of Housing and Community Development
 for
 Patricia Moulton, Secretary
 Agency of Commerce and Community Development

Name: Rick McGuire, Town Manager
 Town of Williston

SCOPE OF WORK AND SPECIAL CONDITIONS

(A) Definitions - The following definitions shall apply throughout:

Administrator: Housing Vermont, 123 St. Paul Street, Burlington VT 05401-8411
(DUNS #781703830 and Federal ID #03-0315075) and
Committee on Temporary Shelter (COTS), PO Box 1616, Burlington VT
05402-1616 (DUNS #360834360 and Federal ID #03-0285606)

Program Manager: Housing Vermont

Borrower: 95 North Avenue Limited Partnership, 123 St. Paul Street, Burlington VT
05401-8411 (DUNS #080033891 and Fed ID #47-5043069)

Program Income (PI): As defined at 24 CFR 570.489(e)

(B) **Project Description:**

The Grantee will provide a \$575,000 deferred **loan** of VCDP Funds together with Other Resources, as set out in the *Attachment B, Payment Provisions and Project Budget, 4. Sources and Uses*, to 95 North Avenue Limited Partnership for 30 years at 0% interest. The project, which is located at 95 North Avenue and 7 Haswell Street, Burlington, Vermont 05401-2928, involves acquisition of two properties. One property will be demolished, to accommodate the expansion of the other into one three-story building. When complete the project will contain 14 units of affordable housing, the Committee on Temporary Shelter (COTS) Daystation program, and administrative offices. The 14 housing units will be located on the second floor and will consist of 12 efficiency units, and two one-bedroom units each with their own bathroom and kitchen. Tenants will sign six-month leases. The Daystation and COTS Housing Resource Center will be located on the first floor. They will provide resources for homeless individuals in Chittenden County. These will include a noontime meal, free access to computers and telephones, a place to connect with case managers, a daytime sleeping room, a laundry facility, and a place to participate in job groups or attend trainings. Although the project is located in Burlington, the Town of Williston is applying for the grant as a non-entitlement jurisdiction since the project will serve the Chittenden County area beyond Burlington's city limits.

(1) **Acquisition – Public Facilities (Activity #1001)**

The Borrower will use Other Resources, as set out in the *Attachment B, Payment Provisions and Project Budget, 4. Sources and Uses*, to purchase the two properties at 95 North Avenue and 7 Haswell Street and cover associated demolition costs. The public facility portion includes the Daystation and administrative offices.

(2) **New Construction – Public Facilities (Activity #1021)**

The Borrower will use VCDP funds together with Other Resources, as set out in the *Attachment B, Payment Provisions and Project Budget, 4. Sources and Uses* to rehabilitate and reconfigure the existing structure (95 North Avenue) as well as construct an addition for the Daystation and administrative offices portion of the project.

(3) Acquisition – Housing (Activity #3001)

The Borrower will use Other Resources, as set out in the *Attachment B, Payment Provisions and Project Budget, 4. Sources and Uses*, to purchase the two properties at 95 North Avenue and 7 Haswell Street for the housing portion of the project.

(4) New Construction – Housing (Activity #3021)

The Borrower will use VCDP funds together with Other Resources, as set out in the *Attachment B, Payment Provisions and Project Budget, 4. Sources and Uses*, to rehabilitate and reconfigure the existing structure (95 North Avenue) as well as construct an addition for the housing portion of the project (14 units).

(5) Program Management – Public Facilities/Housing (Activity #1013 & #3013)

The Grantee will use other resources, as set out in *Attachment B, Payment Provisions and Project Budget, 4. Sources and Uses*, to perform Program Management including but not necessarily limited to, activities relating to securing release of funds under the environmental regulations, activities relating to securing compliance with labor standards (including Davis-Bacon wage rates), permit assistance, procurement standards, contracts management, construction oversight and coordination, and legal services.

(C) General Administration (Activity #5013)

The Grantee shall use **VCDP funds**, as set out in *Attachment B, Payment Provisions and Project Budget, 4. Sources and Uses*, for the general administration of the grant. General administration responsibilities include, but are not limited to, setting up and maintaining financial management records, completing progress reports, ensuring that the terms and conditions of this *Agreement* are carried out, and for eligible costs of audit.

(D) National Objective

The National Objective will be met by 1) the rehabilitation and construction of new space for the COTS Daystation which will serve 100 homeless persons who are presumed to be LMI; and 2) the construction of 14 new perpetually affordable rental housing units for homeless individuals or those in danger of eviction. All of the 14 units will be perpetually affordable serving 14 households with low to moderate income households earning between 30% and 50% of median income. The project will benefit a total of 114 persons and/or households of low and moderate income.

Activity	National Objective	Performance Indicator(s)	Proposed
Public Facilities – New Construction	Low & Moderate Income	Number of Project(s)/Center(s) Assisted	1
		Number of Persons Served	100
		Number of Low or Moderate Income Persons Served	100
Housing – New Construction	Low & Moderate Income	Number of Units	14
		Number of Households	14
		Number of Low to Moderate Income Households	14
		Number of Persons Served	14
		Number of Low or Moderate Income Persons Served	14

- (E) The following documents shall be filed with the Agency at the times specified:
- (1) Prior to the first requisition of funds under this Agreement, as required by **Attachment D, Section II(D)**, Grantee shall provide copies of the management forms and municipal policies or a certification that all required policies previously have been adopted and filed with the Agency.
 - (2) Prior to the first requisition of funds, Grantee shall provide evidence of a firm commitment of Other Resources called for by **Attachment B, Section 4**.
 - (3) Prior to the first requisition of funds, a copy of the fully executed **Contract for Administrative Services** (Activity #5013).
 - (4) Prior to the first requisition of funds, a copy of the fully executed **Contract for Program Management** (Activity #1013 & #3013).
 - (5) Prior to the first requisition of funds, a copy of the final executed **Loan and Security Agreement** between the Grantee and the Borrower, together with such other documents as may be required to secure compliance with the conditions of the loan, such as the UCC Financial Statement, Mortgage and Promissory Note. The Loan and Security Agreement shall require, at a minimum, that Borrower secure its obligations thereunder by providing Grantee a mortgage on the real property.
 - (6) Prior to the first requisition of funds, certification that all permits needed for the project have been identified and those needed to commence activities have been secured.
 - (7) Prior to the first requisition of funds, the Grantee shall provide an opinion of counsel, satisfactory to the Agency, that each of the documents provided pursuant to Paragraphs (E)(3) through (5) hereof is a legal, valid, and binding instrument, enforceable in accordance with its terms; that such documents meet the requirements of this Agreement and provide for use of the VCDP funds in compliance with this Agreement; and that the **Borrower** has met all conditions required under such documents which must predate the first requisition.
 - (8) Prior to executing the **Loan and Security Agreement** with the Borrower, Grantee shall ensure that the Borrower has obtained a DUNS number with the System for Award Management (“SAM”) at <https://www.sam.gov/portal/public/SAM/> and Grantee shall provide evidence of said registration to the Agency.
 - (9) Within one year of Award Date, a member of the legislative body, municipal CEO, municipal manager/administrator or a municipal designee responsible for housing issues within a municipality such as members of planning commissions, zoning boards of appeal, development review boards or local housing committees, as approved by the legislative body, shall attend an Agency-approved Fair Housing Training.
 - (10) Prior to the receipt of Program Income or the Completion Date, whichever is sooner, the Grantee must inform the Agency whether Grantee will be entering into a Closeout Agreement with the Agency or whether it will be assigning the loan to a Non-Profit Community Development Organization approved by the Agency.

- (F) Grantee shall comply and shall require **Borrower** to comply with all conditions set forth in the Environmental Review Release Letter dated May 16, 2014 and shall **upload** documentation demonstrating compliance.
- (G) The **Administrative Services Contract** between Grantee and Administrator shall carry provisions which incorporate by reference this Agreement and include, at a minimum, the applicable provisions of “Sample Contract for Administrative Services” (*VCDP Grants Management Guide*).
- (H) The **Program Management Contract** between Grantee and Program Manager shall carry provisions which incorporate by reference this Agreement and include, at a minimum, the applicable provisions of “Sample Contract for Program Management” (*VCDP Grants Management Guide*).
- (I) The **Loan and Security Agreement** between the Grantee and the Borrower shall carry provisions which incorporate by reference this Agreement and include, at a minimum, the applicable provisions of sample “Loan and Security Agreement” (*VCDP Grants Management Guide*, Chapter 4) and language to provide for the following:
- (1) Require Borrower to certify that, as of the date of execution of the **Loan and Security Agreement** the organization is authorized to do business in the State of Vermont.
 - (2) Require Borrower to certify that, as of the date of execution of the **Loan and Security Agreement**, the organization is in good standing with respect to, or in full compliance with a plan to pay, any and all federal, state and local taxes.
 - (3) Require Borrower to certify that, as of the date of execution of the **Loan and Security Agreement**, the organization is current on or is in full compliance with a plan to pay, any and all financial obligations.
 - (4) Require Borrower to certify that, as of the date of execution of the **Loan and Security Agreement**, the organization is not listed in the Exclusions portion of Performance Information in the System for Award Management (“SAM”) at www.sam.gov; nor named on the State’s debarment list at: <http://bgs.vermont.gov/purchasing/debarment>.
 - (5) Require Borrower to certify that, as of the date of execution of the **Loan and Security Agreement**, all permits needed for the project have been identified and those needed to commence activities have been secured.
 - (6) Require Borrower to provide a firm commitment of all Other Resources.
 - (7) Require Borrower to secure its obligations hereunder by providing Grantee a mortgage and promissory note on the real property.
 - (8) Require the Borrower to comply with Section 3 requirements in accordance with 24 CFR 135 to provide economic opportunities in connection with this project, to the greatest extent feasible, to low and very low income persons residing within the area in which the project is located and to Section 3 businesses. Section 3 requirements shall be included in bid documents, and “the Section 3 Clause” shall be attached to all contracts executed in connection with this project. For more information and the Section 3 Clause see [HUD Regulations](#).

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- (9) Require Borrower to commit to meet the national objectives called for under the *Federal Act* by:
- (a) achieving the benefits called for in Attachment A of this Agreement, and
 - (b) maintaining documentation as may be necessary to clearly demonstrate that said benefits have been met.
- (10) Require the Borrower, at a minimum, to secure its obligations under the **Loan and Security Agreement** by providing a copy of the perfected UCC financing statement(s).
- (11) Contain a provision that for a period beginning with the execution of the **Loan and Security Agreement**, and continuing for its term, Borrower shall obtain, pay for, and keep in force, insurance on the facility assisted using VCDP funds against such risks, in such amounts, and with an insurance carrier as may be reasonably acceptable to Grantee; and that such policy will contain a loss payable clause acceptable to the Grantee; and requiring the Borrower to furnish the Grantee satisfactory evidence of such insurance.
- (12) Require for a period of five (5) years from the Completion Date, compliance with the provisions of "Change of Use of Real Property," 24 CFR 570.489(j), including that timely notice shall be given to the Grantee and the Agency should there be the anticipation of a sale of all or a portion of the facility assisted using VCDP funds to any person or entity who will use it for any changed purpose, of discontinuance of operation of all or a portion of the facility, or of material alteration or expansion of its purpose or function, including the loss of affordability of the housing units. The Grantee shall have such remedies that are available under the law, up to and including full recovery of the VCDP funds.
- (13) Require the term of the Loan to be 30 years at 0% interest.
- (14) Require Borrower to, *at a minimum*, secure its obligations to Grantee by granting Grantee a security interest in the items purchased with the Grant Funds awarded under this Agreement.
- (J) In conformance with **Standard Provisions § XIV, Program Income**, any program income generated by VCDP funds will be placed in a Revolving Loan Fund (RLF), managed by the Grantee or its designated regional nonprofit community development organization ("NCDO"), for support of future activities eligible under the Federal Act.
- (1) Said RLF shall, at a minimum, comply with the applicable provisions of the VCDP *Grants Management Guide*, Chapter 14 and Appendix A, Agency Procedures, Chapter 22.
 - (2) Prior to the receipt of Program Income under this Agreement or the Completion Date, whichever is sooner, Grantee must inform the Agency whether it will be entering into a Closeout Agreement with the Agency or whether it will be assigning the loan to a certified NCDO, approved by the Agency, which will enter into a new, or amend an existing, Closeout Agreement with the Agency.

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- (3) The use of Program Income from the RLF shall be governed by a Closeout Agreement between the Grantee, or its designated NCDO, and the Agency, as set out below in Paragraph J.
- (K) A **Closeout Agreement** between the Grantee, or its designated NCDO, and the Agency specifying how Program Income is to be used shall be executed prior to the withdrawal or disbursement of funds from the RLF or the issuance by the Agency of a Certification of Program Completion, whichever is sooner. It is understood and agreed that the Federal Act requires that Grantee record, track, and report Program Income for as long as such exists.
- (1) Closeout Agreements shall be in substantially the same form as contained in the Grants Management Guide in effect at the beginning of the Fiscal Year in which it is executed.
 - (2) The return to the Agency of any income generated under a Closeout Agreement, whether as an assessment or as a recapture of inactive funds, shall be governed by the provisions of the **Agency Procedures** in effect at the beginning of the Fiscal Year in which the income is first received.
- (L) The Grantee shall, as part of the Final Program Report, as well as under the Closeout Agreement, secure from the Borrower, on an annual basis, the actual operating statements on the project. These statements will be used for comparison purposes with the assumptions made in the pro-forma Net Cash Worksheet dated December 7, 2015, submitted subsequent to submitting the application, and labeled Housing Vermont Development Pro Forma.

PAYMENT PROVISIONS AND PROJECT BUDGET

1. Payment Requisitions

The Agency will process requisitions on or about the first and fifteenth of the month. Grantee must submit requisitions a minimum of seven (7) business days prior to processing.

Grantee shall submit requisition requests through the Intelligrants Management System. For reimbursement for **Grantee's or Borrower's personnel**, the supporting documentation must detail the expenditures by identifying the personnel, the time worked, the rate being charged per each respective individual, and a description of the work that was performed. For any other costs that are billed directly to **Grantee or Borrower**, Grantee shall identify the expenditures and attach copies of supporting invoices.

2. Reporting Requirements

The Grantee shall submit Progress and Financial Reports through the Intelligrants Management System **annually** to the Agency detailing the status of the **Borrower's** work and the status of the Project, and in particular the activities described in Attachment A. The First Reporting period shall end **December 31, 2016** and the report shall be due no later than **January 31, 2017**. All subsequent reports shall be due no later than thirty (30) days following the end of the reporting period.

The Grantee shall develop an overall financial management system sufficient to demonstrate the tracking of all expenditures and receipts.

3. General Provisions

In no event will the total funds provided by the Agency exceed the Total Award. Any additional funds required to complete the activities set forth in this Agreement will be the responsibility of the Grantee.

4. Sources and Uses

The Other Resources total \$7,019,204, derived as follows:

Other Resources	Type	Amount	Status
Affordable Housing Program Federal Home Loan Bank of Boston (AHP)	Loan	\$400,000	Committed
Bank Financing (BANK)	Loan	\$700,000	Committed
Other (Other)	Loan	\$29,310	Committed
HOME Investments Partnerships (HOME)	Loan	\$250,000	Committed
Low Income Housing Tax Credit (LIHTC)	Equity	\$2,910,600	Committed
Vermont Housing & Conservation Board (VHCB)	Loan	\$420,000	Committed
Other (Other) - Burlington Housing Trust Fund	Loan	\$100,000	Committed
Other (Other) - COTS equity	Loan	\$1,469,945	Committed
Other (Other) - COTS loan	Loan	\$216,000	Committed
Other (Other) - COTS parking easement loan	Loan	\$165,000	Committed
Other (Other) - Developer loan	Loan	\$358,349	Committed

Activity	Program Area	Code	VCDP Amount	HOME	VHCB	AHP	LIHTC	BANK	Other	Activity Costs
Acquisition - Real Property	Public Facilities	1001	\$0				\$429,929		\$313,352	\$743,281
Program Management	Public Facilities	1013	\$0				\$378,832		\$358,349	\$737,181
New Construction	Public Facilities	1021	\$400,000				\$454,195	\$700,000	\$1,469,945	\$3,024,140
General Administration	Housing	5013	\$5,000							\$5,000
Acquisition - Real Property	Housing	3001	\$0		\$420,000		\$27,961		\$67,648	\$515,609
Program Management	Housing	3013	\$0				\$505,524			\$505,524
New Construction	Housing	3021	\$175,000	\$250,000		\$400,000	\$1,114,159		\$129,310	\$2,068,469
Total Costs			\$580,000	\$250,000	\$420,000	\$400,000	\$2,910,600	\$700,000	\$2,338,604	\$7,599,204
Percentage of Total			8%	3%	6%	5%	38%	9%	31%	

5. Funding Sources for Project

Federal Funds: 54%; State/Local Funds: 7%; Private Funds: 39%

**STANDARD STATE PROVISIONS
FOR CONTRACTS AND GRANTS (3/1/2015 Version)**

1. **Entire Agreement:** This Agreement, whether in the form of a Contract, State Funded Grant, or Federally Funded Grant, represents the entire agreement between the parties on the subject matter. All prior agreements, representations, statements, negotiations, and understandings shall have no effect.
2. **Applicable Law:** This Agreement will be governed by the laws of the State of Vermont.
3. **Definitions:** For purposes of this Attachment, "Party" shall mean the Contractor, Grantee or Subrecipient, with whom the State of Vermont is executing this Agreement and consistent with the form of the Agreement.
4. **Appropriations:** If this Agreement extends into more than one fiscal year of the State (July 1 to June 30), and if appropriations are insufficient to support this Agreement, the State may cancel at the end of the fiscal year, or otherwise upon the expiration of existing appropriation authority. In the case that this Agreement is a Grant that is funded in whole or in part by federal funds, and in the event federal funds become unavailable or reduced, the State may suspend or cancel this Grant immediately, and the State shall have no obligation to pay Subrecipient from State revenues.
5. **No Employee Benefits For Party:** The Party understands that the State will not provide any individual retirement benefits, group life insurance, group health and dental insurance, vacation or sick leave, workers compensation or other benefits or services available to State employees, nor will the state withhold any state or federal taxes except as required under applicable tax laws, which shall be determined in advance of execution of the Agreement. The Party understands that all tax returns required by the Internal Revenue Code and the State of Vermont, including but not limited to income, withholding, sales and use, and rooms and meals, must be filed by the Party, and information as to Agreement income will be provided by the State of Vermont to the Internal Revenue Service and the Vermont Department of Taxes.
6. **Independence, Liability:** The Party will act in an independent capacity and not as officers or employees of the State.

The Party shall defend the State and its officers and employees against all claims or suits arising in whole or in part from any act or omission of the Party or of any agent of the Party. The State shall notify the Party in the event of any such claim or suit, and the Party shall immediately retain counsel and otherwise provide a complete defense against the entire claim or suit.

After a final judgment or settlement the Party may request recoupment of specific defense costs and may file suit in Washington Superior Court requesting recoupment. The Party shall be entitled to recoup costs only upon a showing that such costs were entirely unrelated to the defense of any claim arising from an act or omission of the Party.

The Party shall indemnify the State and its officers and employees in the event that the State, its officers or employees become legally obligated to pay any damages or losses arising from any act or omission of the Party.

7. **Insurance:** Before commencing work on this Agreement the Party must provide certificates of insurance to show that the following minimum coverages are in effect. It is the responsibility of the Party to maintain current certificates of insurance on file with the state through the term of the Agreement. No warranty is made that the coverages and limits listed herein are adequate to

cover and protect the interests of the Party for the Party's operations. These are solely minimums that have been established to protect the interests of the State.

Workers Compensation: With respect to all operations performed, the Party shall carry workers' compensation insurance in accordance with the laws of the State of Vermont.

General Liability and Property Damage: With respect to all operations performed under the contract, the Party shall carry general liability insurance having all major divisions of coverage including, but not limited to:

Premises - Operations
Products and Completed Operations
Personal Injury Liability
Contractual Liability

The policy shall be on an occurrence form and limits shall not be less than:

\$1,000,000 Per Occurrence
\$1,000,000 General Aggregate
\$1,000,000 Products/Completed Operations Aggregate
\$ 50,000 Fire/ Legal/Liability

Party shall name the State of Vermont and its officers and employees as additional insureds for liability arising out of this Agreement.

Automotive Liability: The Party shall carry automotive liability insurance covering all motor vehicles, including hired and non-owned coverage, used in connection with the Agreement. Limits of coverage shall not be less than: \$1,000,000 combined single limit.

Party shall name the State of Vermont and its officers and employees as additional insureds for liability arising out of this Agreement.

8. **Reliance by the State on Representations:** All payments by the State under this Agreement will be made in reliance upon the accuracy of all prior representations by the Party, including but not limited to bills, invoices, progress reports and other proofs of work.

9. **Requirement to Have a Single Audit:** In the case that this Agreement is a Grant that is funded in whole or in part by federal funds, the Subrecipient will complete the Subrecipient Annual Report annually within 45 days after its fiscal year end, informing the State of Vermont whether or not a Single Audit is required for the prior fiscal year. If a Single Audit is required, the Subrecipient will submit a copy of the audit report to the granting Party within 9 months. If a single audit is not required, only the Subrecipient Annual Report is required.

For fiscal years ending before December 25, 2015, a Single Audit is required if the subrecipient expends \$500,000 or more in federal assistance during its fiscal year and must be conducted in accordance with OMB Circular A-133. For fiscal years ending on or after December 25, 2015, a Single Audit is required if the subrecipient expends \$750,000 or more in federal assistance during its fiscal year and must be conducted in accordance with 2 CFR Chapter I, Chapter II, Part 200, Subpart F. The Subrecipient Annual Report is required to be submitted within 45 days, whether or not a Single Audit is required.

10. **Records Available for Audit:** The Party shall maintain all records pertaining to performance under this agreement. "Records" means any written or recorded information, regardless of physical form or characteristics, which is produced or acquired by the Party in the performance

of this agreement. Records produced or acquired in a machine readable electronic format shall be maintained in that format. The records described shall be made available at reasonable times during the period of the Agreement and for three years thereafter or for any period required by law for inspection by any authorized representatives of the State or Federal Government. If any litigation, claim, or audit is started before the expiration of the three year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved.

11. **Fair Employment Practices and Americans with Disabilities Act:** Party agrees to comply with the requirement of Title 21 V.S.A. Chapter 5, Subchapter 6, relating to fair employment practices, to the full extent applicable. Party shall also ensure, to the full extent required by the Americans with Disabilities Act of 1990, as amended, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the Party under this Agreement. Party further agrees to include this provision in all subcontracts.
12. **Set Off:** The State may set off any sums which the Party owes the State against any sums due the Party under this Agreement; provided, however, that any set off of amounts due the State of Vermont as taxes shall be in accordance with the procedures more specifically provided hereinafter.
13. **Taxes Due to the State:**
 - a. Party understands and acknowledges responsibility, if applicable, for compliance with State tax laws, including income tax withholding for employees performing services within the State, payment of use tax on property used within the State, corporate and/or personal income tax on income earned within the State.
 - b. Party certifies under the pains and penalties of perjury that, as of the date the Agreement is signed, the Party is in good standing with respect to, or in full compliance with, a plan to pay any and all taxes due the State of Vermont.
 - c. Party understands that final payment under this Agreement may be withheld if the Commissioner of Taxes determines that the Party is not in good standing with respect to or in full compliance with a plan to pay any and all taxes due to the State of Vermont.
 - d. Party also understands the State may set off taxes (and related penalties, interest and fees) due to the State of Vermont, but only if the Party has failed to make an appeal within the time allowed by law, or an appeal has been taken and finally determined and the Party has no further legal recourse to contest the amounts due.
14. **Child Support:** (Applicable if the Party is a natural person, not a corporation or partnership.) Party states that, as of the date the Agreement is signed, he/she:
 - a. is not under any obligation to pay child support; or
 - b. is under such an obligation and is in good standing with respect to that obligation; or
 - c. has agreed to a payment plan with the Vermont Office of Child Support Services and is in full compliance with that plan.

Party makes this statement with regard to support owed to any and all children residing in Vermont. In addition, if the Party is a resident of Vermont, Party makes this statement with regard to support owed to any and all children residing in any other state or territory of the United States.

15. **Sub-Agreements:** Party shall not assign, subcontract or subgrant the performance of this Agreement or any portion thereof to any other Party without the prior written approval of the State. Party also agrees to include in all subcontract or subgrant agreements a tax certification in accordance with paragraph 13 above.
16. **No Gifts or Gratuities:** Party shall not give title or possession of any thing of substantial value (including property, currency, travel and/or education programs) to any officer or employee of the State during the term of this Agreement.
17. **Copies:** All written reports prepared under this Agreement will be printed using both sides of the paper.
18. **Certification Regarding Debarment:** Party certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, neither Party nor Party's principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in federal programs, or programs supported in whole or in part by federal funds.

Party further certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, Party is not presently debarred, suspended, nor named on the State's debarment list at: <http://bgs.vermont.gov/purchasing/debarment>
19. **Certification Regarding Use of State Funds:** In the case that Party is an employer and this Agreement is a State Funded Grant in excess of \$1,001, Party certifies that none of these State funds will be used to interfere with or restrain the exercise of Party's employee's rights with respect to unionization.
20. **Internal Controls:** In the case that this Agreement is an award that is funded in whole or in part by Federal funds, in accordance with 2 CFR Part II, §200.303, the Party must establish and maintain effective internal control over the Federal award to provide reasonable assurance that the Party is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States and the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
21. **Mandatory Disclosures:** In the case that this Agreement is an award funded in whole or in part by Federal funds, in accordance with 2CFR Part II, §200.113, Party must disclose, in a timely manner, in writing to the State, all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Failure to make required disclosures may result in the imposition of sanctions which may include disallowance of costs incurred, withholding of payments, termination of the Agreement, suspension/debarment, etc.
22. **Conflict of Interest:** Party must disclose in writing any potential conflict of interest in accordance with Uniform Guidance §200.112, Bulletin 5 Section IX and Bulletin 3.5 Section IV.B.

(End of Standard Provisions)

OTHER PROVISIONS (CDBG STANDARD PROVISIONS)

I. Subject Matter:

(A) This Agreement is funded, in whole or in part, through a grant provided to the Agency by the United States Department of Housing and Urban Development (HUD) under Title I of the federal Housing and Community Development Act of 1974, as amended, 42 U.S.C. § 5301 *et seq.* (the “Federal Act”). Pursuant to the Federal Act, the State of Vermont has elected to administer the federal program of Community Development Block Grants (CDBG) through the Agency. The Agency, in accordance with the provisions of the Vermont Community Development Act, 10 V.S.A. chapter 29 (the “State Act”), has awarded VCDP funds for the purpose of supporting the Grantee’s community development program. This Agreement shall be governed by all applicable provisions, as amended, contained in the Federal Act, the State Act, and the Grants Management Guide, including the Agency Procedures contained therein, whether specifically referred to in this Agreement or not.

II. Obligations of Grantee.

(A) Agreements to be in Writing. The activities required by this Agreement shall be performed by the Grantee or one or more subrecipients, such as a subgrantee or borrower, or one or more third parties such as a contractor or subcontractor, pursuant to one or more written contracts consistent with this Agreement. When the term “subrecipient” is used herein it shall mean a person or entity that receives a subgrant or loan from the Grantee hereunder to contribute to the achievement of the National Objective set out in Attachment A.

(B) Liability of Grantee. The Grantee shall remain fully liable and obligated for compliance with this Agreement notwithstanding the subgranting, lending or contracting with any third party(s). The Grantee shall require any third party to comply with all applicable provisions of this Agreement, shall provide a copy of this Agreement to any such third party, and shall, when appropriate, attach and incorporate by reference this Agreement to any contract with such third party.

(C) Documents. The Grantee understands that the filing of documents with the Agency does not require that the Agency review and comment upon any such documents. It shall be the Grantee’s sole responsibility. Filing of such documents with the Agency or use of model documents provided by the Agency shall in no way diminish Grantee’s obligations hereunder.

(D) Municipal Policies and Forms.

(1) Grantee shall have duly adopted municipal policies as set forth below, and shall file copies of such policies with the Agency:

- (a) Equal Employment Opportunity
- (b) Fair Housing
- (c) Use of Excessive Force
- (d) Use of VCDP Funds for Federal Lobbying
- (e) Drug-Free Workplace
- (f) Code of Ethics
- (g) Subrecipient Oversight Monitoring Policy

The Grantee may have previously adopted the above policies and filed copies of the same with the Agency. No duplicate filing shall be required if Grantee certifies such facts.

- (2) Grantee shall duly adopt and file the following with the Agency: Form PM-1:
Resolution to Accept the Grant Agreement

(E) Public Hearing. The Grantee shall hold a public hearing prior to the Completion Date to afford its residents the opportunity to review and comment on the program results and overall performance. The hearing shall be publicly warned at least fifteen (15) days in advance, stating the purpose of the hearing, with the notice appearing in a newspaper of general circulation in the municipality. Written minutes and a summary of public comments shall be filed with the Agency with the Final Program report.

(F) Publicity. If the Grantee or Subrecipient issues a press release or public communication pertaining to the Project assisted by this Agreement, it shall include a statement that the project is funded by a VCDP grant awarded by the Agency of Commerce and Community Development, and shall reference the Total Award amount. Any construction sign posted at the Project Site shall identify that funding is provided by the U.S. Department of Housing and Urban Development through a VCDP grant awarded by the Agency of Commerce and community Development.

(G) Continuing Obligations. Grantee's obligations under Sections XI (Monitoring and Reporting), XII (Audits), XIII (Completion Certificate) and XIV (Retention of and Access to Records) shall survive the termination of this Agreement.

III. Program Costs.

(A) Allowable Costs. The Grantee may incur only such costs as are reasonable and necessary for the Project and are allocable and allowable under the Agency Procedures, Chapters 5 through 7. Expenditures not specifically authorized may not be incurred without prior written approval by the Agency.

(B) Cash-in Kind. Cash and cash-in-kind contributions made by the Grantee shall follow the criteria established by the Agency Procedures, Chapter 8.

- (C) Impermissible Expenditures Pending Environmental Review. The Grantee shall not incur costs for Project activities, except as provided in Subparagraph (D) below, until the Environmental Review required by §104(g) of the Federal Act has been completed and the Agency has issued the "Notice of Release of Funds."
- (D) Allowable Expenditures Pending Grant Agreement. As of the Award Date (Award Start Date), reasonable costs may be incurred for Environmental Studies, Planning, General Administration, Program Engineering and Design, and Public Information. Any Project activities performed by the Grantee in the period between the Award Date and the execution of this Agreement shall be performed at the sole risk of the Grantee.
- (E) Completion Date. All costs other than general administration must be obligated or expended prior to the Completion Date (Award End Date), and must be liquidated or paid within thirty (30) days thereafter. No VCDP funds may be obligated after the Completion Date except for those General Administration activities required to prepare the Final Program Report, the Final Audit Report, and the Closeout Agreement.
- (F) Agency Review of Expenses. At any time during the performance of this Agreement, or upon receipt of the Final Program Report and the Final Audit Report, the Agency may review any or all costs incurred by the Grantee and any or all payments made. Upon such review the Agency shall disallow any items of expense which are determined to be in excess of approved expenditures and shall inform the Grantee of any such disallowance by written notice.
- (G) Disallowance of Expenses. If the Agency disallows costs for which payment has not yet been made, it shall refuse to pay such costs. If payment has been made with respect to costs which are subsequently disallowed, the Agency may deduct and/or withhold the amount of disallowed costs from any future payments under this Agreement or require that such costs be refunded to the Agency.

IV. Requisition of VCDP Funds.

- (A) VCDP funds may be requisitioned as advances and/or reimbursements, except as provided in paragraph (C), below. The Grantee shall establish procedures to ensure that any VCDP funds in excess of \$5,000 are expended within ten (10) calendar days of receipt in Grantee's depository account, and shall ensure that any subrecipient shall conform to such procedures.
- (B) The Grantee shall not requisition VCDP funds for amounts that are withheld from contractors or subcontractors to assure satisfactory completion of the work. These amounts may be requisitioned when the Grantee makes final payment, including the amounts withheld.

- (C) The Secretary may suspend the requisition of advances should it be determined that the Grantee is unwilling or unable to establish and comply with procedures to minimize the time period between cash advances and disbursement. Payments to the Grantee shall then be made only as reimbursement for actual cash disbursements.
- (D) The Grantee shall expend VCDP funds on a pro rata basis with Other Resources, unless otherwise authorized by the Agency.
- (E) If VCDP funds are needed prior to their availability due to VCDP requirements or conditions, the Grantee and/or one of the project parties must seek bridge financing to meet any expenses that cannot be delayed. The expenditure of bridge financing must comply with all VCDP requirements, including the environmental review process.
- (F) If the project's non-general administration budget comes in under budget, VCDP funds in an amount proportionate to the unused portion of the total budget (VCDP fund and Other Resources) shall be returned to the Agency. Such amounts may not be reallocated to other activities.
- (G) If the project's general administration budget comes in under budget, the unused portion shall be returned to the Agency. The expenditure of VCDP funds for General Administration must be maintained at the ratio set out in the Project Budget, Attachment B.

V. Bank Accounts for VCDP Funds.

(A) Depository Accounts.

- (1) Funds disbursed pursuant this Agreement shall be deposited in a separate, non interest-bearing account, dedicated to VCDP funds, and held in the name of and under the ownership of the Grantee. Any interest earned on funds in the depository account shall be remitted to the State for subsequent return to the United States Treasury. Funds held in the depository account shall be under the control of the Grantee's treasurer, and shall be paid out only on orders drawn by officials authorized by law to draw such orders.
- (2) Accounts established in the name of the Grantee and into which Program Income or housing rehabilitation escrow funds are deposited shall conform to the requirements of subparagraph (A)(1) of this Paragraph, except that such accounts may be interest bearing.
- (3) All depository accounts shall be fully insured by the Federal Deposit Insurance Corporation (FDIC) or its equivalent. Any balance exceeding such coverage must be collaterally secured by U.S. Government obligations.

(B) Fidelity Bond Requirements. All individuals who are authorized to deposit receipts and/or pay out funds from any of the accounts covered by this Paragraph shall have fidelity bond coverage in an amount commensurate with the total losses which might be incurred.

(C) Other Accounts. The Grantee shall require that accounts involved with the activities covered by this Agreement which are established by Subrecipients or entities retained for the purposes of administration of this grant be secured as required in Subparagraph (A)(3) and that persons who are authorized to make deposits into or pay out funds from any such accounts have fidelity coverage as required in Subparagraph (B).

VI. Financial Management.

The Grantee shall establish and maintain a system which assures effective control over and accountability for all funds, property and other assets used for or obtained under this Agreement. Such system shall:

- (A) Maintain separate accounting records and source documentation for the activities funded under this Agreement and provide accurate financial information in the Progress Reports and any other status reports in the form specified by the Agency;
- (B) Provide for accurate, current and complete disclosure of the financial status of the Program and for the expenditure of any Other Resources listed in the Project Budget, Attachment B;
- (C) Establish records of budgets, receipts, and expenditures for each activity and demonstrate the sequence and status of receipts, obligations, disbursements, and fund balance;
- (D) Be consistent with generally accepted accounting principles and support the program and/or single audit(s) requirements set forth in Agency Procedures, Chapter 21; and
- (E) Include a subrecipient monitoring policy that requires the Grantee to exercise oversight monitoring of grant funds that are disbursed to a sub-recipient, to ensure the funds are properly managed (See Agency Procedures, Chapter 19)

VII. Procurement Procedures.

(A) The Grantee may use established procurement procedures which reflect applicable State and local laws and regulations, provided that these procedures meet the requirements of the standards set forth in the Agency Procedures, Chapter 10. This Agreement and the Agency Procedures shall in no way be construed to relieve the Grantee of contractual obligations outside of this Agreement.

(B) Conflict of Interest.

(1) In the procurement of supplies, equipment, construction, and services by the Grantee, all members of the legislative bodies, officers or employees of the Grantee, or their designees, Subrecipients, or agents, or other persons who exercise any functions or responsibilities with respect to the program shall be bound by the provisions of Agency Procedures, Chapters 9 and 10.

(2) The Grantee shall include or cause to be included, provisions covering conflict of interest consistent with the requirements of this Paragraph in all contracts with third parties.

(3) The Grantee shall not employ any employee of the Agency.

(C) The Grantee shall be responsible, in accordance with good administrative practices and sound business judgment, for the settlement of any contractual or other issues arising out of procurement obligations set forth herein.

(D) Prior to entering into agreements with third party recipients (contractor, subcontractor, architect, engineer, etc.), the Grantee and any subrecipient (subgrantee/borrower) shall ensure that each third party recipient of the funds provided under this Agreement is not included on the List of Parties Excluded from Federal Procurement or Non-Procurement Programs (www.sam.gov) in accordance with Executive Orders 12549 and 12689; nor named on the State's debarment list at: <http://bgs.vermont.gov/purchasing/debarment> Documentation of compliance with this requirement shall be kept with other program documents and shall be available for review upon request.

(E) Compliance with Section 3 of the Housing and Urban Development Act of 1968. Grantee and Subgrantees/Borrowers shall ensure that when employment or contracting opportunities are generated because a Covered Project (for more information on what constitutes a Covered Project see link provided below) or activity necessitates the employment of additional persons or the awarding of contracts for work, preference shall be given to low- and very low-income persons or business concerns residing in the community where the project is located. Additional information on Section 3 compliance can be found at: http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opportunity/section3/section3.

(F) Compliance with Davis-Bacon and Related Acts.

Grantee and Subgrantees shall ensure compliance with the Davis Bacon Act, including its prevailing wage and reporting requirements, for construction contracts paid with funds under this Agreement in excess of \$2,000.

Grantee and Subgrantees shall also ensure compliance with all other applicable federal labor requirements including the Copeland Anti-Kickback Act and the Contract Work Hours and Safety Standards Act. Additional information on these and other applicable Federal Labor Standards Requirements can be found in the Agency's Grants Management Guide, Chapter 7 at http://www.accd.vermont.gov/sites/accd/files/Documents/strongcommunities/cd/CDBG-DR1/grants_management/7%20Labor%20Standards.PDF and on HUD's website at: http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/handbooks/sech/13441.

VIII. Bonding Requirements.

- (A) For construction or facility improvement where the contract is for less than \$100,000, the Grantee may follow its established procedures. In the event Grantee has no established procedures in place, the requirements of subparagraph (B) hereof shall be met.
- (B) For contracts or subcontracts exceeding \$100,000, the provisions of the Agency Procedures, Chapter 11 on bonding requirements shall be followed. If bonds are required, they shall be in such form and amount as provided in the Agency Procedures, Chapter 11.

IX. Program Income.

Except as may be provided in Special Conditions (Attachment A), Program Income and Unrestricted Revenue generated by the use of funds granted pursuant to this Agreement will be administered in accordance with the policies set forth in Agency Procedures, Chapter 22.

X. Equal Opportunity and Americans with Disabilities Act.

No person shall on the ground of race, color, religion, national origin, sex, sexual orientation, gender identity, ancestry, place of birth, age, or physical or mental condition, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any of the activities covered by this Agreement.

XI. Monitoring and Reporting.

- (A) The Grantee shall monitor the activities covered by this Agreement, including those of contractors and subcontractors, to assure that all program requirements are met.
- (B) From time to time, as requested in writing by the Agency, the Grantee shall submit such data and other information as the Agency may require. The Grantee shall submit or cause the submission of progress and financial reports to the Agency in a format prescribed by the Agency and according to the schedule required by the Agency.

- (C) The Final Program Report shall be submitted as the report for the period which ends with the Completion Date. The Grantee shall submit a Final Program Report no later than thirty (30) days following the Completion Date. Evidence of a public hearing held in conformance with Paragraph X of this Agreement shall be filed with the Agency as part of the Final Program Report, which shall consist of, at a minimum, the hearing notice and the minutes taken.

XII. Audit(s).

- (A) Grantees must submit a fully completed and signed Subrecipient Annual Report to the Department of Finance & Management within 45 days after Grantee's fiscal year ends. The form may be downloaded from: <http://finance.vermont.gov>. The report must be completed and signed by the Chief Financial Officer, Controller, Business Manager, Treasurer or other person responsible for the financial records of the organization and submitted to the following address: Department of Finance & Management, Financial Operations Division, 109 State Street, 4th Floor, Montpelier, VT 05609-5901.
- (B) The Grantee shall arrange for an independent financial and compliance audit (or audits) of all VCDP costs and activities undertaken during the Period of Performance. In compliance with the Single Audit Act of 1984, as amended, the Uniform Administrative Requirements, Cost Principles, and audit Requirements for Federal Awards, 2 CFR Part 200 (Uniform Guidance, the Compliance Supplement for the Code of Federal Domestic Assistance (CFDA) 14.228, and Agency Procedures, Chapter 21, the Grantee shall determine whether a single audit or a program audit is required.
- (C) The Grantee shall submit to the Agency an Interim Audit Report(s) and/or Final Audit Report covering the Period of Performance under this Agreement. An audit that covers a portion of the Period of Performance, or a portion of all expenditures, is defined as an Interim Audit. A Final Audit is the audit that covers all VCDP grant funds; or if there is an Interim Audit, the audit that covers the balance of any remaining unaudited VCDP funds through the Completion Date, or beyond if necessary.
- (D) Any contract or Agreement entered into by the Grantee and a Subgrantee shall contain language requiring the Subgrantee to comply with the provisions of the Single Audit Act of 1984, as amended, as well as OMB Circular A-133 (for fiscal years ending before December 25, 2015) or the federal Uniform Guidance, 2 CFR Part 200 (for fiscal years ending on or after December 25, 2015).
- (E) If any expenditure is disallowed as a result of any Interim Audit Report(s) and/or Final Audit Report, the obligation for reimbursement to the Agency shall rest with the Grantee.

XIII. Completion Certificates.

- (A) A Certificate of Program Completion shall be issued to the Grantee when the Agency determines that all required work under this Agreement has been satisfactorily completed, including the execution of a Closeout Agreement if applicable and the submission of the Final Program Report, the Interim Audit Report(s), and/or the Final Audit Report. The Agency must determine that all program and financial compliance issues have been addressed and that the findings and/or concerns, if any, of monitoring reports, program reports, and audit reports have been resolved and cleared in writing.

XIV. Retention of and Access to Records.

- (A) Financial records, supporting documents, statistical records, and all other records pertinent to this VCDP Grant shall be retained in accordance with the Agency Procedures, Chapter 3.
- (B) Authorized representatives of the Agency, HUD, the Inspector General of the United States, or the U.S. General Accounting Office shall have access to all books, accounts, records, reports, files, papers, things, or property belonging to, or in use by, the Grantee pertaining to the receipt and administration of Vermont Community Development Program funds, as may be necessary to make audits, examinations, excerpts, and transcripts.
- (C) Any contract or Agreement entered into by the Grantee that relates or pertains to this VCDP Grant shall contain language comparable to Subparagraph (B) above so as to assure access by an authorized party(s) to the pertinent records of any subrecipient, contractor, or subcontractor.
- (D) The Final Program Report, Interim Audit Report(s) and/or Final Audit Report shall be maintained with other program documents available for public review, and at least one copy must remain in the Grantee's files.

XV. Administrative Sanctions.

- (A) The Grantee shall receive notice from the Agency in the event of a failure to submit a timely progress report. No disbursement of grant funds shall be made if such failure continues after thirty (30) days from the date of notice. The Agency shall, in its discretion, determine whether to disburse funds during the notice period.
- (B) The Grantee shall receive a Notice of Delinquency from the Agency in the event of a failure to submit timely Interim or Final Audits, Final Program Reports, Closeout Agreement Proposals, or Closeout Annual Reports. The Grantee shall not be eligible for

further VCDP funds if such failure continues after thirty (30) days from the date of notice, and, in addition to the remedies provided under this Agreement, may be subject to any action available to the Agency at law or equity.

- (C) Resolution of Monitoring Findings - The Agency shall notify the Grantee of any issues identified through monitoring by providing a monitoring report containing the Agency's monitoring results, including any Findings or Concerns. No further disbursement of grant funds shall be made under this Agreement until the Agency's Findings and Concerns have been resolved in a manner satisfactory to the Agency. Grantee shall not be eligible for further VCDP funds if such resolution is not achieved within thirty (30) days of the date of the monitoring report, and, in addition to the remedies provided under this Agreement, may be subject to any action available to the Agency at law or equity.

XVI. Termination for Convenience.

The Agency and the Grantee may terminate the grant in whole, or in part, when agreed that the continuation of the program would not produce the benefits anticipated hereunder, and shall agree upon the termination conditions, including the effective date and, in the case of partial terminations, the portion to be terminated. The Grantee shall not incur new obligations for the terminated portion after the effective date, and shall cancel as many outstanding obligations as possible. The Agency may allow full credit for non-cancellable obligations, properly incurred prior to termination.

XVII. Suspension or Termination for Cause.

- (A) Upon reasonable notice to the Grantee at any time prior to completion, the Agency may suspend this Agreement in whole or in part, may withhold further payments, or may prohibit the Grantee from incurring additional obligations of VCDP funds if it is determined that the Grantee has failed to substantially comply with the conditions of this Agreement or that the continued costs to be incurred will not produce benefits of comparable value. The Agency shall allow all necessary and proper costs which the Grantee could not reasonably avoid during the period of suspension.
- (B) The Agency may terminate this Agreement at any time prior to completion, after reasonable notice and opportunity for hearing, when it is determined that the Grantee has failed to substantially comply with the conditions of this Agreement or that the continued costs to be incurred will not produce benefits of comparable value. The Agency shall promptly notify the Grantee, in writing, of the determination and reasons for the termination, together with the effective date.

XVIII. Appeals and Waiver of Enforcement.

- (A) Appeals from the decisions or actions of the Agency may be made to the Secretary through the provisions of the Agency Procedures, Chapter 18.
- (B) No waiver by the Secretary of the right to enforce any provision of this Agreement shall be deemed a waiver of the right to enforce such provision upon subsequent breach or default, nor waiver of the right to enforce any other provision hereof.

XIX. Budget Revisions and Amendments.

- (A) Budget Revisions. The Grantee may, after providing written notice and justification to the Agency, make a one-time revision of the amounts listed in the "VCDP Funds" column of the Description Of Activities (Attachment B), provided that:
 - (1) the aggregate impact is no more than ten (10%) percent of the Maximum Amount, listed as the "Total" item in the "VCDP Funds" column;
 - (2) the Maximum Amount is not increased; and
 - (3) there is no change to budgeted amounts for General Administration or Program Management Activities (indicated by VCDP Code suffix of "13") without prior written approval of the Agency.
- (B) Amendments.
 - (1) Any change or deviation from this Agreement not specifically identified in subparagraph (A) hereof, including extensions of time for completion and budget revisions in excess of ten (10%) percent, shall constitute an amendment of this Agreement and shall only be effective when reduced to writing and signed by or on behalf of the Agency and the Grantee. No more than one amendment for changes which in the view of the Agency are not substantial, shall be permissible. The Agency will not allow any amendment which would substitute the funded activity.
 - (2) The Grantee shall notify the Agency if, through the use of Other Resources, there is an intention to expand, enhance, or add to the scope of the program covered by this Agreement, or if there is a proposal to undertake activities that will have an impact upon the buildings, areas, or activities of this VCDP Grant. The Agency reserves the right to require an amendment to this Agreement if such is deemed necessary.

CERTIFICATIONS AND ASSURANCES

The Grantee hereby certifies and assures that Vermont Community Development Program Funds will be utilized in accordance with all the following; to the extent applicable, and that:

Debarment, Suspension, Ineligibility and Voluntary Exclusion from Federal Procurement and Non-procurement Programs

The Chief Executive Officer certifies that the Municipality is not listed in the Exclusions portion of Performance Information in the System for Award Management (“SAM”) at www.sam.gov, in accordance with Executive Orders 12549 and 12689; nor named on the State’s debarment list at <http://bgs.vermont.gov/purchasing/debarment>. In addition, it certifies that no awards will be made to any subgrantees/borrowers, or permit any award at any tier to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in Federal assistance programs.

Legal Authority

- (1) It possesses legal authority as defined in the Vermont Community Development Act [10 VSA 29] to apply for and accept the grant and administer the program.
- (2) The legislative body has duly adopted and passed an official act or resolution authorizing the acceptance of and agreement to the conditions and provisions of this *Agreement*, including all understandings, certifications, and assurances contained herein; and designating and authorizing the Chief Executive Officer or designee to execute this *Agreement* and other such documents as may be necessary.

Benefit to Persons of Low and Moderate Income

- (3) It will comply with the provisions of Section 104(b)(3) of the Federal Act which requires the use of funds to be developed to give maximum feasible priority to those activities which will benefit low and moderate income families, or aid in the prevention or elimination of slums or blight or meet other community development needs having a particular urgency.

Citizens Information

- (4) It held at least one public hearing warned at least 15 days prior to obtain the views of citizens on community development and furnished citizens with information required by the Federal and State Acts.
- (5) It prepared statements of community development and housing needs, including the needs of lower income persons and activities to be undertaken to meet such needs, the objectives and the projected use of community development funds, including information on the past use of such funds, if any, and have given affected citizens an opportunity to examine these statements and furnished a copy to the Agency.
- (6) It allowed citizens an opportunity to examine the application and all supporting documentation and to submit comments thereon and will, in like manner,

provide citizen participation when considering substantial program amendments.

Labor

- (7) It will administer and enforce:
 - (a) the Davis-Bacon Act [40 USC 276a et seq.];
 - (b) the Federal Fair Labor Standards Act [29 USC 201 et seq.]; and
 - (c) the Contract Work Hours and Safety Standards Act [40 USC 327-333].
- (8) It will comply with:
 - (a) the Copeland Anti-kickback Act of 1934, [18 USC 874 and 40 USC 276c];
 - (b) Executive Order 11246 (Equal Employment Opportunities) as amended by Executive Orders 11375 and 12086 and the regulations issued pursuant thereto [41 CFR 60]; and
 - (c) Section 3 of the Housing and Urban Development Act of 1968 [12 USC 1701u] as amended, (equal employment and business opportunities) and the regulations at 24 CFR 135.

Environmental and Historic

- (9) The Chief Executive Officer, or other official so designated by the Legislative Body and approved by the Secretary will consent to assume the status of a responsible Federal official under the National Environmental Policy Act (NEPA) of 1969 as amended [42 USC 4321 et seq.] and the regulations found at 24 CFR 58; and the Chief Executive Officer is authorized and consents on behalf of the Applicant and him/herself to accept the jurisdiction of the Federal Courts for the purposes of enforcement of the responsibilities of such official.
- (10) It will ensure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the program are not listed on the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify the Secretary of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by the EPA.
- (11) It will, in connection with its performance of environmental assessments under the National Environmental Policy Act of 1969, comply with:
 - (a) Section 106 of the Historic Preservation Act of 1966 [16 USC 470];
 - (b) Executive Order 11593 (Protection and Enhancement of the Cultural Environment);
 - (c) the Preservation of Archaeological and Historic Data Act of 1974 [16 USC 469 et seq.]; and

(d) the procedures prescribed by the Advisory Council on Historic Preservation found at 36 CFR 800.

(12) It will comply with:

- (a) the National Environmental Policy Act of 1969 [42 USC 4321 et seq. and 24 CFR 58];
- (b) the Endangered Species Act of 1973, as amended [16 USC 153 et seq. and 10 VSA 4046 and Chapter 123];
- (c) Executive Order 11990, Protection of Wetlands;
- (d) the Fish and Wildlife Coordination Act of 1958, as amended [16 USC 661 et seq.];
- (e) the Fragile Areas Registry Act of 1977 [10 VSA 6551];
- (f) the Safe Drinking Water Act of 1974, as amended by the Safe Drinking Water Act of 1977 [21 USC 349 and 42 USC 210 and 300f et seq.] pertaining to sole-source aquifers;
- (g) the Clean Air Act of 1970, as amended [42 USC 7401 et seq.] and Vermont law [10 VSA 551 et seq.] as amended;
- (h) Executive Order 12088 relating to the prevention, control, and abatement of water pollution and the Federal Water Pollution Control Act of 1972, as amended, [33 USC 1251 et seq.] and Vermont law [10 VSA 1251 et seq. and 18 VSA § 101 et seq.];
- (i) the provisions of Executive Order 11988 as amended, relating to evaluation of flood hazards and with the flood insurance purchase requirements of Section 102(e) of the Flood Disaster Protection Act of 1973 [42 USC 4001 et seq.] and Vermont law [10 VSA 751 et seq. and Executive Order No. 17 of 1978];
- (j) the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 [42 USC 6901 et seq.] and Vermont law [24 VSA 2202a]; and
- (k) noise abatement and control regulations [24 CFR 51]

Relocation and Acquisition

(13) It will comply with:

- (a) the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Properties Acquisition Policies Act of 1970, as amended [42 USC 4601 et seq.], referred to as the "Uniform Act;"
- (b) the implementing regulations of the Uniform Act issued by the Department of Housing and Urban Development (CFR Title 49, Part 24) contained in HUD Acquisition and Relocation Handbook 1378; and
- (c) the requirements of the Vermont Community Development Acquisition and Relocation Policy.

Architecture and Construction

(14) It will comply with:

- (a) the Lead-Based Paint Requirements [24 CFR Part 35, Subpart B];
- (b) the Architectural Barriers Act of 1968 [42 USC 4151] and the rules applicable thereto;
- (c) Section 504 of the Rehabilitation Act of 1973 [29 USC 794]; and
- (d) the provisions of Section 104(b)(5) of the Federal Act which restricts recovery of capital costs by assessing any amount against properties owned and/or occupied by persons with lower incomes.

Equal Opportunity and Fair Housing

(15) It will affirmatively further fair housing and will comply with Pub. Law 90-284 [Title VIII of the Civil Rights Act of 1968; 42 USC 3601 known as the "Fair Housing Act"], as amended and the regulations issued pursuant thereto [24 CFR 100 to 115].

(16) It will comply with and will immediately take any measures necessary to effectuate compliance with Pub. L. 88-352 [Title VI of the Civil Rights Act of 1964; 42 USC 2000d] and the regulations at 24 CFR 1.

(17) It will comply with:

- (a) Executive Order 11063 as amended by Executive Order 12259 (Leadership and Coordination of Fair Housing in Federal Programs) and the regulations at 24 CFR 100 and 107;
- (b) Section 109 of the Federal Act [42 USC 5309] and the regulations issued pursuant thereto [24 CFR 570.496(b)];
- (c) the Age Discrimination Act of 1975 [42 USC 6101 et seq.]; and
- (d) the Americans with Disabilities Act of 1990 [42 USC 12010-12213; 42 USC 225-611] and the regulations issued pursuant thereto.

Other Requirements

(18) It will comply with the provisions of the Hatch Act [5 USC 1501 et seq.] which limits the political activities of employees.

(19) It will provide a drug-free workplace according to the requirements set forth in the Drug Free Workplace Act [Public Law 100-690 Title V, Subtitle D, 41 USC 701 et seq.].

(20) It will comply with the Single Audit Act of 1984, as amended, OMB Circular No. A-133, and the State of Vermont Administration Bulletin No. 5, Subrecipient Annual Report.

(21) It will comply with the provisions of 24 CFR Part 570.489(h) which govern Conflict of Interest.

(22) It will comply with the other provisions of The Federal Act [Title I of the Housing and Community Development Act of 1974, as amended; 42 USC 5301 et seq.]; the State Act [10 VSA 29], the Agency Procedures and all other applicable requirements.

GRANT AGREEMENT RESOLUTION - SINGLE GRANTEE

Form PM-1

WHEREAS, the (check one) [] Town [] City [] Village of Williston has applied for funding under the Vermont Community Development Program, as provided for in 10 VSA Ch. 29, and has received an award of funds under said provisions; and



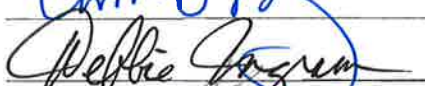

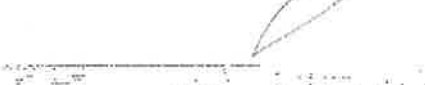
WHEREAS, the Agency of Commerce and Community Development has tendered a Grant Agreement # 07110-IG-2014 to this municipality for said funding:

Now, THEREFORE, BE IT RESOLVED as follows:

- 1) that the legislative body of this municipality accepts and agrees to the terms and conditions of said Grant Agreement;
- 2) that (Name) Susan Lamb Title Finance Director is hereby designated as the person with overall Administrative responsibility for the VCDP activities related to this Grant Agreement; and
- 3) that (Name) Richard McGuire Title Town Manager who is either the Chief Executive Officer (CEO), as defined by 10 VSA §683(8), or is the Town Manager, the City Manager, or the Town Administrator, hereby designated as the Authorizing Official (AO) to execute the Grant Agreement and other such Documents as may be necessary to secure these funds.

Passed this 19th day of January, 2016.

LEGISLATIVE BODY

(Typed Name)	(Signature)
<u>Terry Macaig</u>	
<u>Jeff Fehrs</u>	
<u>Chris Roy</u>	
<u>Debbie Ingram</u>	
<u>Ted Kenney</u>	

For Agency Use:

Processed By: _____ Date: _____