

SUBRECIPIENT AGREEMENT

THIS AGREEMENT, entered into this 22nd day of May, 2019 by and between GREENE COUNTY, a municipal corporation organized and existing under and by virtue of the laws of the State of New York and having its principal offices at 411 Main Street, Catskill, New York 12414, and hereinafter called "County", and the GREENE COUNTY ECONOMIC DEVELOPMENT CORPORATION, a not-for-profit corporation organized and existing under and by virtue of the laws of the State of New York and having its principal offices at 411 Main Street, Catskill, New York 12414, and hereinafter called "Corporation",

WITNESSETH THAT:

WHEREAS, County maintains certain assets in the form of Community Development Block Grant (hereinafter "CDBG") program income funds and loans receivable (such program income funds, collectively with any future net revenues derived from such loans receivable, to be hereinafter referred to as "HUD CDBG Funds"); and

WHEREAS, such CDBG assets were derived from grants received from the United States Department of Housing and Urban Development (hereinafter "HUD") and are subject to certain rules and regulations promulgated by HUD regarding their use, and

WHEREAS, such CDBG assets may be used to implement community and economic development activities within or benefiting Greene County, New York, and

WHEREAS, County is desirous of continuing the use of its HUD CDBG Program Income to implement an economic development revolving loan fund and other CDBG-eligible activities that will create or retain employment opportunities and provide other community and economic benefits to Greene County and its residents, and

WHEREAS, Corporation has the capacity to implement such loan fund and activities in the best interests of County and to accomplish the associated program delivery and administrative requirements of the CDBG program, and

WHEREAS, County, by a Resolution dated March 20, 2019 has authorized the provision of the HUD CDBG Program Income to Corporation under the terms and conditions as herein provided,

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto do mutually agree as follows:

Section 1. Definitions

Unless specifically provided otherwise or the context otherwise requires, when used in this Agreement:

"CDBG" means Community Development Block Grant, a program of the United States Department of Housing and Urban Development.

"CDBG Loans" or "CDBG Notes" means certain notes receivable and associated loan

documents derived from County's implementation of the Loan Program (as such term is hereinafter defined), such notes being more fully described in Exhibit A to this Agreement.

"CDBG Program" means the Community Development Block Grant Program, a program of the United States Department of Housing and Urban Development.

"CDBG Program Income" means income derived from the use of CDBG funds and as such term is more particularly defined at 24 CFR 570.500(a).

"HUD" means the United States Department of Housing and Urban Development.

"HUD CDBG Funds" means CDBG Funds derived from grants originally provided to County by HUD and including (i) cash funds currently in the possession of County; (ii) cash funds received by County that are derived from the liquidation of the notes receivable detailed at Exhibit A to this Agreement; and (iii) all cash funds received by Corporation that are derived from any activities undertaken by Corporation using HUD CDBG Funds provided to it by County pursuant to this Agreement, and which are defined as CDBG Program Income pursuant to the regulations at 24 CFR Part 570.500(a).

"Loan Program" means the Greene County Economic Development Loan Program (also familiarly referred to as The Quantum Fund) and the Policies and Procedures for its operation, revised as of March 20, 2019, such Policies and Procedures being incorporated herein and attached hereto as Exhibit B.

Section 2. Statement of Work – Loan Program Implementation

2.1 Corporation may use HUD CDBG Funds to implement the Loan Program in a manner consistent with the Policies and Procedures included at Exhibit B to this Agreement and any subsequent revisions thereto.

2.2 If it elects to use HUD CDBG Funds to implement the Loan Program, Corporation shall be responsible for the following activities as appropriate:

- (a) Marketing of the Loan Program to existing and prospective businesses;
- (b) Development of appropriate forms and systems for commercial loan processing;
- (c) Procurement of appropriate loan application materials from prospective borrowers;
- (d) Performance of a written credit analysis and the presentation of loans to the Corporation Board;
- (e) Documentation of the CDBG underwriting process consistent with the regulations at 24 CFR 570.209 and Appendix A to 24 CFR Part 570 "Guidelines and Objectives for Evaluating Project Costs and Financial Requirements";
- (f) Maintenance of all relevant information regarding the loan review process;

- (g) All actions necessary to effect Loan Program loan closings including, but not limited to the preparation of loan agreements, security agreements, promissory notes, guarantees, and other legal documents as appropriate and in a form consistent with standard commercial lending practices and with applicable rules, regulations, and policies of the CDBG program;
- (h) Assurance that all requisite HUD approvals are received prior to funding CDBG activities;
- (i) Disbursement of loan proceeds in a manner consistent with the rules, regulations, and policies of the CDBG program and standard commercial lending practices, and procurement of appropriate documentation to evidence and support such disbursements;
- (j) Performance of loan management functions in a manner consistent with standard commercial lending practices and the rules, regulations, and policies of the CDBG program;
- (k) Performance of all administrative activities required pursuant to the use of CDBG funds including, but not limited to environmental review requirements, maintenance of books of account, procurement and maintenance of requisite statistical information, citizen participation, and periodic reporting. With respect to CDBG environmental review requirements, the parties hereto acknowledge that County shall retain the ultimate responsibility for compliance, but that Corporation shall cooperate with County in procuring requisite information, performing requisite reviews, and obtaining requisite governmental approvals and clearances.
- (l) Development of appropriate forms and systems for the reporting and documentation of Loan Program costs, employment, and all other information required to be maintained pursuant to the rules, regulations, and policies of the CDBG program;
- (m) For each loan made by Corporation with HUD CDBG Funds pursuant to this Agreement, procurement of appropriate documentation to evidence the borrower's compliance with the loan conditions respecting employment, the borrower's Loan Program expenditures and financing, and such other information as may be required pursuant to the rules, regulations, and policies of the CDBG program; and
- (n) Such other reasonable actions as may be necessary to implement and administer the Loan Program in a manner consistent with the laws, regulations, and policies of the CDBG program.

Section 3. Statement of Work – Other CDBG Activities

3.1 In addition to implementing the Loan Program pursuant to Section 2.2 herein and incurring grant administration costs, Corporation may use HUD CDBG Funds to assist any other activity eligible for CDBG funding pursuant to the laws and regulations governing the HUD-administered CDBG program where such use has been approved in writing by the Greene County Director of Economic Development, Tourism & Planning. For such activities, the following shall apply:

- (a) Corporation shall not obligate or expend HUD CDBG Funds until each of

the following has occurred:

(i) Corporation shall have provided to County a memorandum that includes, at a minimum, the following:

(A) A description of the activity to be assisted with HUD CDBG Funds that includes the nature, location, scope, cost, and beneficiaries of the activity, and such other information as County may request; and

(B) Information sufficient to allow County to undertake the requisite federal environmental review of the activity.

(ii) If applicable, Corporation shall have provided to County information sufficient to allow County to undertake a public hearing regarding the implementation of the activity, and shall have cooperated with County in conducting such public hearing.

(iii) County shall have, by written authorization from the Greene County Director of Economic Development, Tourism & Planning, approved Corporation's use of HUD CDBG Funds for the activity.

(iv) County shall have completed a federal environmental review of the activity and, if applicable, shall have received a release of CDBG funds.

(b) The requisition and disbursement of HUD CDBG Funds for the assisted activity shall be subject to the provisions of Section 6.1 (subsections a, b, e, and f) and Section 6.2 of this Agreement.

Section 4. Statement of Work – General Provisions

4.1 All activities undertaken by Corporation with CDBG Funds pursuant to this Agreement shall be eligible activities pursuant to the regulations at 24 CFR Part 570.

4.2 Corporation shall make its best efforts to accomplish the Statement of Work as described in this Agreement in an expeditious manner.

4.3 To the extent applicable, Corporation's services shall be subject to the provisions attached hereto as Exhibit C, "Federal Contract Provisions". Corporation shall include such provisions in any contracts executed in accomplishing the Statement of Work as described in this Agreement.

4.4 County shall provide sufficient staff resources to Corporation to allow Corporation to effectively implement and administer the Loan Program and to assist Corporation in meeting its obligations hereunder for any activity undertaken by Corporation pursuant to this Agreement.

4.5 In accomplishing the Statement of Work as described herein, Corporation may use County staff as provided for in Section 4.4 herein and/or contracted services. To the extent that contracted services are used, such use shall be in accordance with the provisions of 2 CFR Part 200. Corporation may be reimbursed for costs incurred in accomplishing the Statement of Work where such costs represent eligible CDBG program costs pursuant to 24 CFR Part 570

and are necessary, reasonable, and directly related to the work performed in accordance with this Agreement. For the reimbursement of such costs, the following shall apply:

(a) Direct costs of Corporation must be documented by invoices or other appropriate information to evidence the nature of the cost. Such costs may include, but are not limited to actual costs of materials, equipment, bonding, insurance, and services incurred by Corporation.

(b) Indirect costs of Corporation may be reimbursed only where a written plan for the charging of such costs has been approved by HUD. Such costs are those which are charged as a percentage of direct costs and may include occupancy and equipment costs (including depreciation), maintenance, repair, and similar costs which are to be charged on a prorated basis.

(c) All eligible costs incurred by Corporation pursuant to this Agreement shall be charged in conformance with 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards."

4.6 Corporation's procurement and use of third-party services in accomplishing the Statement of Work shall be consistent with the provisions of 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards."

Section 5. County Reservation of HUD CDBG Funds

5.1 County shall make HUD CDBG Funds available to Corporation in the following manner:

(a) County shall establish, or shall have established, a cash account of HUD CDBG Funds (hereinafter the "HUD CDBG Funds Account") for the purpose of accounting for and reserving HUD CDBG Funds to be used to fund activities undertaken by Corporation pursuant to this Agreement.

(b) County shall increase the HUD CDBG Funds Account by depositing to it all CDBG Program Income received by County from the CDBG Notes subsequent to the effective date of this Agreement.

Section 6. Requisition and Disbursement of CDBG Funds

6.1 Corporation's requisition and County's disbursement of HUD CDBG Funds shall be subject to the following:

(a) In funding activities undertaken and costs incurred in accomplishing the Statement of Work, Corporation shall first use its HUD CDBG Funds cash-on-hand.

(b) If Corporation does not have sufficient HUD CDBG Funds on hand to pay costs incurred in accomplishing the Statement of Work, Corporation may requisition the required amount of HUD CDBG Funds from County.

(c) Corporation's initial requisition of HUD CDBG Funds for each loan to be

disbursed shall include, at a minimum, the following:

(i) A memorandum that includes the name of the assisted business, a narrative description of the project to be assisted with HUD CDBG Funds, the total project costs, the amount and repayment terms (if applicable) of HUD CDBG Funds being used, the projected employment impact of the project (including the number and percentage of employment positions involving low- and moderate-income persons), and a summary of the requisite Federal environmental review findings and any related compliance issues and actions;

(ii) A certification, in a form acceptable to County, signed by an officer of Corporation (or such other designee of Corporation acceptable to County) that states the following:

(A) That the CDBG-funded activity represents an eligible use of funds pursuant to the laws, rules, and regulations governing the CDBG program;

(B) That, if applicable, Corporation has performed the underwriting analysis required at 24 CFR 570.209; and

(C) That the project to be assisted with HUD CDBG Funds meets one of the national objectives of the CDBG program set forth at 24 CFR 570.208(a).

(iii) The amount of HUD CDBG Funds being requisitioned.

(d) If Corporation has submitted an initial requisition of HUD CDBG Funds for a loan disbursement and the related submissions required at Section 6.1(c) herein, then subsequent requisitions of HUD CDBG Funds for that loan disbursement shall only be accompanied by an accounting of the HUD CDBG Funds received to date for that loan, the amount currently being requisitioned, and any amount remaining to be requisitioned.

(e) Corporation shall submit all requisitions for HUD CDBG Funds to the Greene County Director of Economic Development, Tourism & Planning or to such other person or office as the County may designate.

(f) County shall disburse requisitioned HUD CDBG Funds to Corporation no later than five (5) business days after its receipt of a requisition and all related submissions required by this Section 6.1. County may withhold such disbursement only where it determines that the proposed use of HUD CDBG Funds does not represent an eligible CDBG activity, does not meet a national objective of the CDBG program pursuant to applicable laws and regulations, or is otherwise not in conformance with the provisions of this Agreement. In such event, County shall promptly notify Corporation in writing of the reason(s) for its determination.

6.2 Corporation shall disburse HUD CDBG Funds requisitioned and received by Corporation for the purpose of making loan disbursements, funding other eligible activities, or paying third-party costs as soon as possible after their receipt from County. In the event that Corporation has not disbursed HUD CDBG Funds within twenty-one (21) calendar days of their receipt from County, Corporation shall immediately inform County by telephone and in writing of the delay, the reasons for the delay, and the anticipated date of disbursement. In such event, County shall have the right to demand, and Corporation shall have the obligation to make, recoupment of the funds at a date and in a manner prescribed by County.

6.3 Notwithstanding any other provision of this Section 6, County shall not be obligated to disburse to Corporation any funds in excess of the cash balance available in the HUD CDBG Funds Account.

Section 7. Financial Management

7.1 Corporation shall comply with the "Standards for Financial Management Systems" set forth at 2 CFR Part 200, Subpart D.

7.2 Corporation shall comply with the audit requirements of 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards".

7.3 Except as otherwise provided in 24 CFR 570.502, Corporation shall comply with the administrative requirements of 2 CFR Part 200, "Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards".

7.4 All cash balances of HUD CDBG Funds shall be maintained by Corporation in an interest-bearing account or accounts pursuant to the provisions of 24 CFR 570.500(b). Any bank interest earned on such account(s) during the period from October 1 through September 30 shall be paid to County by Corporation no later than fifteen (15) days following the respective accounting period.

Section 8. Reports and Information

8.1 At such time and in such forms as HUD or County directs, Corporation shall submit to HUD, County, or their respective agents any statements, records, reports, data and information required by HUD or County pertaining to matters covered by this Agreement.

8.2 Corporation shall provide to County an annual report covering the period October 1 through September 30, such report to be delivered to County no later than October 21st of each year and to include the following:

(a) An accounting of HUD CDBG Funds that includes, at a minimum, the cash balance and a listing of the loans and loan amounts receivable as of the beginning and end of the reporting period;

(b) An accounting of Program Income received by Corporation and a detailed listing of loan disbursements, grant disbursements, and expenses incurred and paid with HUD CDBG Funds during the reporting period;

(c) An estimate of the amount of CDBG Program Income expected to be received by Corporation during the subsequent reporting period;

(d) For Loan Program activities, each of the following:

(i) Detail of all loans closed during the reporting period that includes the loan recipient, the amount of the loan, the loan repayment terms, the anticipated employment impact, and a brief narrative description of the activities financed with HUD CDBG

Funds;

(ii) Detail regarding all loans approved during the reporting period, but not closed as of the September 30 reporting date, including the amount of HUD CDBG Funds approved and the business to be assisted;

(iii) Detail regarding job applicants and employment for each assisted business in the manner prescribed at 24 CFR 570.208(a)(4); and

(iv) For assistance provided to a microenterprise, as such term is defined at 24 CFR 570.201(o), documentation regarding the low- and moderate-income status of the business owner as required at 24 CFR 570.208(a)(2)(iii).

(e) For other CDBG activities undertaken pursuant to Section 3 of this Agreement, detail of each project or activity assisted with HUD CDBG Funds during the reporting period that includes the entity assisted, the nature and amount of the assistance, a description of the manner in which a CDBG statutory objective was met pursuant to 24 CFR 570.208, and a brief narrative description of the project or activity assisted with HUD CDBG Funds.

Section 9. Inspection of Records

9.1 At any time during normal business hours and as often as County may deem necessary, Corporation shall make available to County, HUD, or their respective agents all of its records with respect to matters covered by this Agreement, and Corporation shall permit County, HUD, or their respective agents to audit, examine and make excerpts or transcripts from such records and to make audits of all contracts, invoices, materials, and other data relating to all matters covered by this Agreement.

Section 10. Assignment by Corporation

10.1 Except for the provisions at Section 17.1 herein, Corporation shall not assign any of its rights, obligations, or duties under this Agreement in whole or in part without the prior written consent of County.

Section 11. Additional Provisions of Law to be Complied With

11.1 The parties hereto agree to comply with applicable federal, state and local laws, rules and regulations, and any future revisions thereto, in the performance of this Agreement.

Section 12. CDBG Program Income

12.1 Except as otherwise provided by this Agreement or by any other written agreement between the parties, any CDBG Program Income received by Corporation shall be retained by Corporation and used to fund activities included in the Statement of Work set forth at Sections 2 and 3 of this Agreement and related costs, all such activities and costs to be consistent with the eligibility requirements at 24 CFR Part 570. All provisions of this Agreement

shall apply to expenditures of, and activities undertaken with, CDBG Program Income funds.

12.2 Income generated by Corporation's use of HUD CDBG Funds pursuant to this Agreement that is not CDBG Program Income shall be deemed unrestricted funds and may be retained and used by Corporation without restriction.

Section 13. Supersedure of Prior Agreements

13.1 This Agreement shall supersede all prior agreements, both written and oral, between the parties respecting the use of County's HUD CDBG Funds by Corporation.

Section 14. Amendments

14.1 This Agreement may be amended only by the mutual written consent of County and Corporation.

Section 15. Notices

15.1 All notices, requests and demands to or upon the respective parties hereto shall be deemed to have been given or made if mailed, three (3) days after deposit in the mail, postage prepaid, in the case of delivery by overnight delivery service, one (1) day after delivery to the delivery service, or in the case of personal delivery, when delivered, addressed as set forth below or to such other address as may be hereafter designated in writing by the respective parties hereto:

County: Chair, Greene County Legislature
411 Main Street
Catskill, New York 12414

Corporation: Chair, Greene County Economic Development Corporation
411 Main Street
Catskill, New York 12414

Section 16. Term of Agreement

16.1 This Agreement shall become effective as of the date first above written.

16.2 This Agreement may be terminated by Corporation at any time without cause to be effected by written notification. Such termination shall become effective immediately upon the delivery of such notice.

16.3 This Agreement may be terminated by County for cause upon Corporation's failure to comply with any provision of this Agreement. County shall effect such termination in the following manner:

(a) County shall provide written notice to Corporation stating the specific instance(s) of noncompliance. Such notice shall specify a date that is not less than thirty (30)

days after the date of delivery of such notice (the "Response Date") by which Corporation may cure, mitigate, or otherwise address the instance(s) of noncompliance.

(b) Upon Corporation's failure to cure, mitigate, or otherwise address the instance(s) of noncompliance to the satisfaction of County by the Response Date, County may, at its option, provide written notice to Corporation effecting termination of this Agreement. Such termination shall become effective immediately upon the delivery of such notice.

16.4 Upon a termination of this Agreement for cause pursuant to Section 16.3 herein, County shall have the right to take the following actions:

(a) Whatever action at law or in equity as may appear necessary or desirable to enforce the performance or observance of any obligations, agreements, or covenants of Corporation under this Agreement; and

(b) Where a finding shall have been made by HUD respecting Corporation's use of HUD CDBG Funds that has resulted in a monetary obligation of County to any program or agency, County shall have the right to demand from Corporation, and Corporation shall have the obligation to immediately provide to County, a cash payment in an amount not to exceed the amount of such monetary obligation.

16.5 This Agreement may be terminated by County for cause upon Corporation's failure to use HUD CDBG Funds in a timely manner as evidenced by Corporation's HUD CDBG Funds cash balance remaining above the sum of one hundred thousand dollars (\$100,000.00) for a continuous period of at least twenty-four (24) months.

16.6 This Agreement shall terminate immediately upon a termination of the award of HUD CDBG Funds to County by HUD pursuant to 2 CFR 200.339(a).

16.7 Except as allowed pursuant to Section 16.8 herein, upon a termination of this Agreement, Corporation shall not henceforth obligate or expend HUD CDBG Funds.

16.8 Upon a termination of this Agreement, Corporation may use HUD CDBG Funds to pay costs resulting from obligations of HUD CDBG Funds made by Corporation pursuant to this Agreement where such obligations were made prior to the date of termination and in a manner consistent with the terms and conditions of this Agreement.

16.9 Notwithstanding any other provision of this Section 16, the following shall apply upon a termination of this Agreement for any reason:

(a) Corporation shall provide to County all reports and information respecting Corporation's use of HUD CDBG Funds as required pursuant to Section 8 of this Agreement.

(b) Corporation shall permit the inspection of its records with respect to its use of HUD CDBG Funds in the manner prescribed at Section 9 of this Agreement for a period of four (4) years after the termination date of this Agreement.

Section 17. Reversion of Assets

17.1 Upon termination of this Agreement, and in accordance with the provisions at 24

CFR 570.503(b)(7), Corporation shall transfer to County all cash HUD CDBG Funds in its possession and any loans and accounts receivable attributable to the use of HUD CDBG Funds. Such transfer shall include an assignment to County of all Corporation's agreements, documents, and rights respecting loans made with HUD CDBG Funds. Such transfer of HUD CDBG Funds and loans and accounts receivable shall be made no later than thirty (30) days after the termination date. Any real property under Corporation's control that was acquired or improved in whole or in part with HUD CDBG Funds in excess of \$25,000 shall be either:

(a) Used to meet one of the national objectives at 24 CFR 570.208 until at least five years after the expiration of this Agreement; or

(b) If the use of the property ceases to conform to the provisions of Section 17.1(a) of this Agreement prior to the expiration of the five-year period, Corporation shall pay to County an amount equal to the current market value of the property less any portion of the value attributable to expenditures of non-HUD CDBG Funds for acquisition of, or improvement to, the property. Such payment shall be made in full no later than one hundred eighty (180) calendar days after the date that the use of the property ceases to conform to the provisions of Section 17.1(a) of this Agreement.

17.2 Upon termination of this Agreement, Corporation shall transfer to County any furnishings, fixtures, and equipment purchased in whole with HUD CDBG Funds. Such transfer shall be made no later than five (5) business days after the termination date and shall be made at County's expense in a manner prescribed by County. For furnishings, fixtures, and equipment purchased in part with HUD CDBG Funds, Corporation shall either (i) pay to County an amount equal to the fair market value of such furnishings, fixtures, and equipment at the time of termination, less any portion of the value attributable to expenditures of non-HUD CDBG Funds for acquisition of such assets, such payment to be made by Corporation no later than thirty (30) calendar days after the termination date; or (ii) transfer such furnishings, fixtures, and equipment to County no later than five (5) business days after the termination date.

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COUNTY OF GREENE, NEW YORK

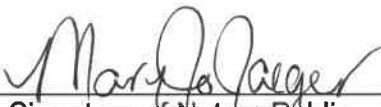
GREENE COUNTY ECONOMIC DEVELOPMENT CORPORATION

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ACKNOWLEDGMENT OF SIGNATORY(IES)

State of New York)
)ss
County of Greene)


On the 10 day of June in the year 2019 before me, the undersigned, a Notary Public in and for said state, personally appeared Patrick S Linger, to me known or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity, and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.



Signature of Notary Public
MARYJO JAEGER
Notary Public, State of New York
Registration No. 01JA4802427
Qualified in Greene County
Commission Expires Sept. 30, 2020

State of New York)
)ss
County of Greene)

On the 7th day of June in the year 2019 before me, the undersigned, a Notary Public in and for said state, personally appeared Mark MARAGLIU, to me known or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity, and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.



Signature of Notary Public

WARREN H. GRITMON
Notary Public, State of New York
Qualified in Greene County
Registration No. 4618102
Commission Expires October 31, 2021

EXHIBIT A
CDBG NOTES

COMMUNITY DEVELOPMENT
PROGRAM, STATE OF
MISSISSIPPI, 2014
REGISTERED IN 2014
COMMUNITY DEVELOPMENT
PROGRAM

COMMUNITY DEVELOPMENT
PROGRAM, STATE OF
MISSISSIPPI, 2014
REGISTERED IN 2014
COMMUNITY DEVELOPMENT
PROGRAM

EXHIBIT B
GREENE COUNTY ECONOMIC DEVELOPMENT LOAN PROGRAM
POLICIES AND PROCEDURES

EXHIBIT C

FEDERAL CONTRACT PROVISIONS

Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts Under Federal Awards

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable.

(A) Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

(B) All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.

(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

(G) Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

(H) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

(I) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

(J) See §200.322 Procurement of recovered materials.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75888, Dec. 19, 2014]

SUBRECIPIENT AGREEMENT

THIS AGREEMENT, entered into this 22nd day of May, 2019 by and between GREENE COUNTY, a municipal corporation organized and existing under and by virtue of the laws of the State of New York and having its principal offices at 411 Main Street, Catskill, New York 12414, and hereinafter called "County", and the GREENE COUNTY ECONOMIC DEVELOPMENT CORPORATION, a not-for-profit corporation organized and existing under and by virtue of the laws of the State of New York and having its principal offices at 411 Main Street, Catskill, New York 12414, and hereinafter called "Corporation",

WITNESSETH THAT:

WHEREAS, County maintains certain assets in the form of Community Development Block Grant (hereinafter "CDBG") program income funds and loans receivable (such program income funds, collectively with any future net revenues derived from such loans receivable, to be hereinafter referred to as "HUD CDBG Funds"); and

WHEREAS, such CDBG assets were derived from grants received from the United States Department of Housing and Urban Development (hereinafter "HUD") and are subject to certain rules and regulations promulgated by HUD regarding their use, and

WHEREAS, such CDBG assets may be used to implement community and economic development activities within or benefiting Greene County, New York, and

WHEREAS, County is desirous of continuing the use of its HUD CDBG Program Income to implement an economic development revolving loan fund and other CDBG-eligible activities that will create or retain employment opportunities and provide other community and economic benefits to Greene County and its residents, and

WHEREAS, Corporation has the capacity to implement such loan fund and activities in the best interests of County and to accomplish the associated program delivery and administrative requirements of the CDBG program, and

WHEREAS, County, by a Resolution dated March 20, 2019 has authorized the provision of the HUD CDBG Program Income to Corporation under the terms and conditions as herein provided,

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto do mutually agree as follows:

Section 1. Definitions

Unless specifically provided otherwise or the context otherwise requires, when used in this Agreement:

"CDBG" means Community Development Block Grant, a program of the United States Department of Housing and Urban Development.

"CDBG Loans" or "CDBG Notes" means certain notes receivable and associated loan

documents derived from County's implementation of the Loan Program (as such term is hereinafter defined), such notes being more fully described in Exhibit A to this Agreement.

"CDBG Program" means the Community Development Block Grant Program, a program of the United States Department of Housing and Urban Development.

"CDBG Program Income" means income derived from the use of CDBG funds and as such term is more particularly defined at 24 CFR 570.500(a).

"HUD" means the United States Department of Housing and Urban Development.

"HUD CDBG Funds" means CDBG Funds derived from grants originally provided to County by HUD and including (i) cash funds currently in the possession of County; (ii) cash funds received by County that are derived from the liquidation of the notes receivable detailed at Exhibit A to this Agreement; and (iii) all cash funds received by Corporation that are derived from any activities undertaken by Corporation using HUD CDBG Funds provided to it by County pursuant to this Agreement, and which are defined as CDBG Program Income pursuant to the regulations at 24 CFR Part 570.500(a).

"Loan Program" means the Greene County Economic Development Loan Program (also familiarly referred to as The Quantum Fund) and the Policies and Procedures for its operation, revised as of March 20, 2019, such Policies and Procedures being incorporated herein and attached hereto as Exhibit B.

Section 2. Statement of Work – Loan Program Implementation

2.1 Corporation may use HUD CDBG Funds to implement the Loan Program in a manner consistent with the Policies and Procedures included at Exhibit B to this Agreement and any subsequent revisions thereto.

2.2 If it elects to use HUD CDBG Funds to implement the Loan Program, Corporation shall be responsible for the following activities as appropriate:

- (a) Marketing of the Loan Program to existing and prospective businesses;
- (b) Development of appropriate forms and systems for commercial loan processing;
- (c) Procurement of appropriate loan application materials from prospective borrowers;
- (d) Performance of a written credit analysis and the presentation of loans to the Corporation Board;
- (e) Documentation of the CDBG underwriting process consistent with the regulations at 24 CFR 570.209 and Appendix A to 24 CFR Part 570 "Guidelines and Objectives for Evaluating Project Costs and Financial Requirements";
- (f) Maintenance of all relevant information regarding the loan review process;

- (g) All actions necessary to effect Loan Program loan closings including, but not limited to the preparation of loan agreements, security agreements, promissory notes, guarantees, and other legal documents as appropriate and in a form consistent with standard commercial lending practices and with applicable rules, regulations, and policies of the CDBG program;
- (h) Assurance that all requisite HUD approvals are received prior to funding CDBG activities;
- (i) Disbursement of loan proceeds in a manner consistent with the rules, regulations, and policies of the CDBG program and standard commercial lending practices, and procurement of appropriate documentation to evidence and support such disbursements;
- (j) Performance of loan management functions in a manner consistent with standard commercial lending practices and the rules, regulations, and policies of the CDBG program;
- (k) Performance of all administrative activities required pursuant to the use of CDBG funds including, but not limited to environmental review requirements, maintenance of books of account, procurement and maintenance of requisite statistical information, citizen participation, and periodic reporting. With respect to CDBG environmental review requirements, the parties hereto acknowledge that County shall retain the ultimate responsibility for compliance, but that Corporation shall cooperate with County in procuring requisite information, performing requisite reviews, and obtaining requisite governmental approvals and clearances.
- (l) Development of appropriate forms and systems for the reporting and documentation of Loan Program costs, employment, and all other information required to be maintained pursuant to the rules, regulations, and policies of the CDBG program;
- (m) For each loan made by Corporation with HUD CDBG Funds pursuant to this Agreement, procurement of appropriate documentation to evidence the borrower's compliance with the loan conditions respecting employment, the borrower's Loan Program expenditures and financing, and such other information as may be required pursuant to the rules, regulations, and policies of the CDBG program; and
- (n) Such other reasonable actions as may be necessary to implement and administer the Loan Program in a manner consistent with the laws, regulations, and policies of the CDBG program.

Section 3. Statement of Work – Other CDBG Activities

3.1 In addition to implementing the Loan Program pursuant to Section 2.2 herein and incurring grant administration costs, Corporation may use HUD CDBG Funds to assist any other activity eligible for CDBG funding pursuant to the laws and regulations governing the HUD-administered CDBG program where such use has been approved in writing by the Greene County Director of Economic Development, Tourism & Planning. For such activities, the following shall apply:

- (a) Corporation shall not obligate or expend HUD CDBG Funds until each of

the following has occurred:

(i) Corporation shall have provided to County a memorandum that includes, at a minimum, the following:

(A) A description of the activity to be assisted with HUD CDBG Funds that includes the nature, location, scope, cost, and beneficiaries of the activity, and such other information as County may request; and

(B) Information sufficient to allow County to undertake the requisite federal environmental review of the activity.

(ii) If applicable, Corporation shall have provided to County information sufficient to allow County to undertake a public hearing regarding the implementation of the activity, and shall have cooperated with County in conducting such public hearing.

(iii) County shall have, by written authorization from the Greene County Director of Economic Development, Tourism & Planning, approved Corporation's use of HUD CDBG Funds for the activity.

(iv) County shall have completed a federal environmental review of the activity and, if applicable, shall have received a release of CDBG funds.

(b) The requisition and disbursement of HUD CDBG Funds for the assisted activity shall be subject to the provisions of Section 6.1 (subsections a, b, e, and f) and Section 6.2 of this Agreement.

Section 4. Statement of Work – General Provisions

4.1 All activities undertaken by Corporation with CDBG Funds pursuant to this Agreement shall be eligible activities pursuant to the regulations at 24 CFR Part 570.

4.2 Corporation shall make its best efforts to accomplish the Statement of Work as described in this Agreement in an expeditious manner.

4.3 To the extent applicable, Corporation's services shall be subject to the provisions attached hereto as Exhibit C, "Federal Contract Provisions". Corporation shall include such provisions in any contracts executed in accomplishing the Statement of Work as described in this Agreement.

4.4 County shall provide sufficient staff resources to Corporation to allow Corporation to effectively implement and administer the Loan Program and to assist Corporation in meeting its obligations hereunder for any activity undertaken by Corporation pursuant to this Agreement.

4.5 In accomplishing the Statement of Work as described herein, Corporation may use County staff as provided for in Section 4.4 herein and/or contracted services. To the extent that contracted services are used, such use shall be in accordance with the provisions of 2 CFR Part 200. Corporation may be reimbursed for costs incurred in accomplishing the Statement of Work where such costs represent eligible CDBG program costs pursuant to 24 CFR Part 570

and are necessary, reasonable, and directly related to the work performed in accordance with this Agreement. For the reimbursement of such costs, the following shall apply:

(a) Direct costs of Corporation must be documented by invoices or other appropriate information to evidence the nature of the cost. Such costs may include, but are not limited to actual costs of materials, equipment, bonding, insurance, and services incurred by Corporation.

(b) Indirect costs of Corporation may be reimbursed only where a written plan for the charging of such costs has been approved by HUD. Such costs are those which are charged as a percentage of direct costs and may include occupancy and equipment costs (including depreciation), maintenance, repair, and similar costs which are to be charged on a prorated basis.

(c) All eligible costs incurred by Corporation pursuant to this Agreement shall be charged in conformance with 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards."

4.6 Corporation's procurement and use of third-party services in accomplishing the Statement of Work shall be consistent with the provisions of 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards."

Section 5. County Reservation of HUD CDBG Funds

5.1 County shall make HUD CDBG Funds available to Corporation in the following manner:

(a) County shall establish, or shall have established, a cash account of HUD CDBG Funds (hereinafter the "HUD CDBG Funds Account") for the purpose of accounting for and reserving HUD CDBG Funds to be used to fund activities undertaken by Corporation pursuant to this Agreement.

(b) County shall increase the HUD CDBG Funds Account by depositing to it all CDBG Program Income received by County from the CDBG Notes subsequent to the effective date of this Agreement.

Section 6. Requisition and Disbursement of CDBG Funds

6.1 Corporation's requisition and County's disbursement of HUD CDBG Funds shall be subject to the following:

(a) In funding activities undertaken and costs incurred in accomplishing the Statement of Work, Corporation shall first use its HUD CDBG Funds cash-on-hand.

(b) If Corporation does not have sufficient HUD CDBG Funds on hand to pay costs incurred in accomplishing the Statement of Work, Corporation may requisition the required amount of HUD CDBG Funds from County.

(c) Corporation's initial requisition of HUD CDBG Funds for each loan to be

disbursed shall include, at a minimum, the following:

(i) A memorandum that includes the name of the assisted business, a narrative description of the project to be assisted with HUD CDBG Funds, the total project costs, the amount and repayment terms (if applicable) of HUD CDBG Funds being used, the projected employment impact of the project (including the number and percentage of employment positions involving low- and moderate-income persons), and a summary of the requisite Federal environmental review findings and any related compliance issues and actions;

(ii) A certification, in a form acceptable to County, signed by an officer of Corporation (or such other designee of Corporation acceptable to County) that states the following:

(A) That the CDBG-funded activity represents an eligible use of funds pursuant to the laws, rules, and regulations governing the CDBG program;

(B) That, if applicable, Corporation has performed the underwriting analysis required at 24 CFR 570.209; and

(C) That the project to be assisted with HUD CDBG Funds meets one of the national objectives of the CDBG program set forth at 24 CFR 570.208(a).

(iii) The amount of HUD CDBG Funds being requisitioned.

(d) If Corporation has submitted an initial requisition of HUD CDBG Funds for a loan disbursement and the related submissions required at Section 6.1(c) herein, then subsequent requisitions of HUD CDBG Funds for that loan disbursement shall only be accompanied by an accounting of the HUD CDBG Funds received to date for that loan, the amount currently being requisitioned, and any amount remaining to be requisitioned.

(e) Corporation shall submit all requisitions for HUD CDBG Funds to the Greene County Director of Economic Development, Tourism & Planning or to such other person or office as the County may designate.

(f) County shall disburse requisitioned HUD CDBG Funds to Corporation no later than five (5) business days after its receipt of a requisition and all related submissions required by this Section 6.1. County may withhold such disbursement only where it determines that the proposed use of HUD CDBG Funds does not represent an eligible CDBG activity, does not meet a national objective of the CDBG program pursuant to applicable laws and regulations, or is otherwise not in conformance with the provisions of this Agreement. In such event, County shall promptly notify Corporation in writing of the reason(s) for its determination.

6.2 Corporation shall disburse HUD CDBG Funds requisitioned and received by Corporation for the purpose of making loan disbursements, funding other eligible activities, or paying third-party costs as soon as possible after their receipt from County. In the event that Corporation has not disbursed HUD CDBG Funds within twenty-one (21) calendar days of their receipt from County, Corporation shall immediately inform County by telephone and in writing of the delay, the reasons for the delay, and the anticipated date of disbursement. In such event, County shall have the right to demand, and Corporation shall have the obligation to make, recoupment of the funds at a date and in a manner prescribed by County.

6.3 Notwithstanding any other provision of this Section 6, County shall not be obligated to disburse to Corporation any funds in excess of the cash balance available in the HUD CDBG Funds Account.

Section 7. Financial Management

7.1 Corporation shall comply with the "Standards for Financial Management Systems" set forth at 2 CFR Part 200, Subpart D.

7.2 Corporation shall comply with the audit requirements of 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards".

7.3 Except as otherwise provided in 24 CFR 570.502, Corporation shall comply with the administrative requirements of 2 CFR Part 200, "Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards".

7.4 All cash balances of HUD CDBG Funds shall be maintained by Corporation in an interest-bearing account or accounts pursuant to the provisions of 24 CFR 570.500(b). Any bank interest earned on such account(s) during the period from October 1 through September 30 shall be paid to County by Corporation no later than fifteen (15) days following the respective accounting period.

Section 8. Reports and Information

8.1 At such time and in such forms as HUD or County directs, Corporation shall submit to HUD, County, or their respective agents any statements, records, reports, data and information required by HUD or County pertaining to matters covered by this Agreement.

8.2 Corporation shall provide to County an annual report covering the period October 1 through September 30, such report to be delivered to County no later than October 21st of each year and to include the following:

(a) An accounting of HUD CDBG Funds that includes, at a minimum, the cash balance and a listing of the loans and loan amounts receivable as of the beginning and end of the reporting period;

(b) An accounting of Program Income received by Corporation and a detailed listing of loan disbursements, grant disbursements, and expenses incurred and paid with HUD CDBG Funds during the reporting period;

(c) An estimate of the amount of CDBG Program Income expected to be received by Corporation during the subsequent reporting period;

(d) For Loan Program activities, each of the following:

(i) Detail of all loans closed during the reporting period that includes the loan recipient, the amount of the loan, the loan repayment terms, the anticipated employment impact, and a brief narrative description of the activities financed with HUD CDBG

Funds;

(ii) Detail regarding all loans approved during the reporting period, but not closed as of the September 30 reporting date, including the amount of HUD CDBG Funds approved and the business to be assisted;

(iii) Detail regarding job applicants and employment for each assisted business in the manner prescribed at 24 CFR 570.208(a)(4); and

(iv) For assistance provided to a microenterprise, as such term is defined at 24 CFR 570.201(o), documentation regarding the low- and moderate-income status of the business owner as required at 24 CFR 570.208(a)(2)(iii).

(e) For other CDBG activities undertaken pursuant to Section 3 of this Agreement, detail of each project or activity assisted with HUD CDBG Funds during the reporting period that includes the entity assisted, the nature and amount of the assistance, a description of the manner in which a CDBG statutory objective was met pursuant to 24 CFR 570.208, and a brief narrative description of the project or activity assisted with HUD CDBG Funds.

Section 9. Inspection of Records

9.1 At any time during normal business hours and as often as County may deem necessary, Corporation shall make available to County, HUD, or their respective agents all of its records with respect to matters covered by this Agreement, and Corporation shall permit County, HUD, or their respective agents to audit, examine and make excerpts or transcripts from such records and to make audits of all contracts, invoices, materials, and other data relating to all matters covered by this Agreement.

Section 10. Assignment by Corporation

10.1 Except for the provisions at Section 17.1 herein, Corporation shall not assign any of its rights, obligations, or duties under this Agreement in whole or in part without the prior written consent of County.

Section 11. Additional Provisions of Law to be Complied With

11.1 The parties hereto agree to comply with applicable federal, state and local laws, rules and regulations, and any future revisions thereto, in the performance of this Agreement.

Section 12. CDBG Program Income

12.1 Except as otherwise provided by this Agreement or by any other written agreement between the parties, any CDBG Program Income received by Corporation shall be retained by Corporation and used to fund activities included in the Statement of Work set forth at Sections 2 and 3 of this Agreement and related costs, all such activities and costs to be consistent with the eligibility requirements at 24 CFR Part 570. All provisions of this Agreement

shall apply to expenditures of, and activities undertaken with, CDBG Program Income funds.

12.2 Income generated by Corporation's use of HUD CDBG Funds pursuant to this Agreement that is not CDBG Program Income shall be deemed unrestricted funds and may be retained and used by Corporation without restriction.

Section 13. Superseding of Prior Agreements

13.1 This Agreement shall supersede all prior agreements, both written and oral, between the parties respecting the use of County's HUD CDBG Funds by Corporation.

Section 14. Amendments

14.1 This Agreement may be amended only by the mutual written consent of County and Corporation.

Section 15. Notices

15.1 All notices, requests and demands to or upon the respective parties hereto shall be deemed to have been given or made if mailed, three (3) days after deposit in the mail, postage prepaid, in the case of delivery by overnight delivery service, one (1) day after delivery to the delivery service, or in the case of personal delivery, when delivered, addressed as set forth below or to such other address as may be hereafter designated in writing by the respective parties hereto:

County: Chair, Greene County Legislature
411 Main Street
Catskill, New York 12414

Corporation: Chair, Greene County Economic Development Corporation
411 Main Street
Catskill, New York 12414

Section 16. Term of Agreement

16.1 This Agreement shall become effective as of the date first above written.

16.2 This Agreement may be terminated by Corporation at any time without cause to be effected by written notification. Such termination shall become effective immediately upon the delivery of such notice.

16.3 This Agreement may be terminated by County for cause upon Corporation's failure to comply with any provision of this Agreement. County shall effect such termination in the following manner:

(a) County shall provide written notice to Corporation stating the specific instance(s) of noncompliance. Such notice shall specify a date that is not less than thirty (30)

days after the date of delivery of such notice (the "Response Date") by which Corporation may cure, mitigate, or otherwise address the instance(s) of noncompliance.

(b) Upon Corporation's failure to cure, mitigate, or otherwise address the instance(s) of noncompliance to the satisfaction of County by the Response Date, County may, at its option, provide written notice to Corporation effecting termination of this Agreement. Such termination shall become effective immediately upon the delivery of such notice.

16.4 Upon a termination of this Agreement for cause pursuant to Section 16.3 herein, County shall have the right to take the following actions:

(a) Whatever action at law or in equity as may appear necessary or desirable to enforce the performance or observance of any obligations, agreements, or covenants of Corporation under this Agreement; and

(b) Where a finding shall have been made by HUD respecting Corporation's use of HUD CDBG Funds that has resulted in a monetary obligation of County to any program or agency, County shall have the right to demand from Corporation, and Corporation shall have the obligation to immediately provide to County, a cash payment in an amount not to exceed the amount of such monetary obligation.

16.5 This Agreement may be terminated by County for cause upon Corporation's failure to use HUD CDBG Funds in a timely manner as evidenced by Corporation's HUD CDBG Funds cash balance remaining above the sum of one hundred thousand dollars (\$100,000.00) for a continuous period of at least twenty-four (24) months.

16.6 This Agreement shall terminate immediately upon a termination of the award of HUD CDBG Funds to County by HUD pursuant to 2 CFR 200.339(a).

16.7 Except as allowed pursuant to Section 16.8 herein, upon a termination of this Agreement, Corporation shall not henceforth obligate or expend HUD CDBG Funds.

16.8 Upon a termination of this Agreement, Corporation may use HUD CDBG Funds to pay costs resulting from obligations of HUD CDBG Funds made by Corporation pursuant to this Agreement where such obligations were made prior to the date of termination and in a manner consistent with the terms and conditions of this Agreement.

16.9 Notwithstanding any other provision of this Section 16, the following shall apply upon a termination of this Agreement for any reason:

(a) Corporation shall provide to County all reports and information respecting Corporation's use of HUD CDBG Funds as required pursuant to Section 8 of this Agreement.

(b) Corporation shall permit the inspection of its records with respect to its use of HUD CDBG Funds in the manner prescribed at Section 9 of this Agreement for a period of four (4) years after the termination date of this Agreement.

Section 17. Reversion of Assets

17.1 Upon termination of this Agreement, and in accordance with the provisions at 24

CFR 570.503(b)(7), Corporation shall transfer to County all cash HUD CDBG Funds in its possession and any loans and accounts receivable attributable to the use of HUD CDBG Funds. Such transfer shall include an assignment to County of all Corporation's agreements, documents, and rights respecting loans made with HUD CDBG Funds. Such transfer of HUD CDBG Funds and loans and accounts receivable shall be made no later than thirty (30) days after the termination date. Any real property under Corporation's control that was acquired or improved in whole or in part with HUD CDBG Funds in excess of \$25,000 shall be either:

(a) Used to meet one of the national objectives at 24 CFR 570.208 until at least five years after the expiration of this Agreement; or

(b) If the use of the property ceases to conform to the provisions of Section 17.1(a) of this Agreement prior to the expiration of the five-year period, Corporation shall pay to County an amount equal to the current market value of the property less any portion of the value attributable to expenditures of non-HUD CDBG Funds for acquisition of, or improvement to, the property. Such payment shall be made in full no later than one hundred eighty (180) calendar days after the date that the use of the property ceases to conform to the provisions of Section 17.1(a) of this Agreement.

17.2 Upon termination of this Agreement, Corporation shall transfer to County any furnishings, fixtures, and equipment purchased in whole with HUD CDBG Funds. Such transfer shall be made no later than five (5) business days after the termination date and shall be made at County's expense in a manner prescribed by County. For furnishings, fixtures, and equipment purchased in part with HUD CDBG Funds, Corporation shall either (i) pay to County an amount equal to the fair market value of such furnishings, fixtures, and equipment at the time of termination, less any portion of the value attributable to expenditures of non-HUD CDBG Funds for acquisition of such assets, such payment to be made by Corporation no later than thirty (30) calendar days after the termination date; or (ii) transfer such furnishings, fixtures, and equipment to County no later than five (5) business days after the termination date.

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COUNTY OF GREENE, NEW YORK


GREENE COUNTY ECONOMIC DEVELOPMENT CORPORATION

Page 12 of 18

ACKNOWLEDGMENT OF SIGNATORY(IES)

State of New York)
)ss
County of Greene)


On the 10 day of June in the year 2019 before me, the undersigned, a Notary Public in and for said state, personally appeared Patrick S. Liger to me known or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity, and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.



Signature of Notary Public
MARYJO JAEGER
Notary Public, State of New York
Registration No. 01JA4802427
Qualified in Greene County
Commission Expires Sept. 30, 2022

State of New York)
)ss
County of Greene)

On the 7th day of June in the year 2019 before me, the undersigned, a Notary Public in and for said state, personally appeared MARC MARAGLIO, to me known or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity, and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.



Signature of Notary Public
WARREN H. GRIMON
Notary Public, State of New York
Qualified in Greene County
Registration No. 4618102
Commission Expires October 31, 2021

EXHIBIT A
CDBG NOTES

RECEIVED
CITY OF CHICAGO
OFFICE OF THE COMPTROLLER
OF FINANCE
JAN 14 2014

RECEIVED
CITY OF CHICAGO
OFFICE OF THE COMPTROLLER
OF FINANCE
JAN 14 2014

EXHIBIT B
GREENE COUNTY ECONOMIC DEVELOPMENT LOAN PROGRAM
POLICIES AND PROCEDURES

EXHIBIT C

FEDERAL CONTRACT PROVISIONS

Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts Under Federal Awards

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable.

(A) Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

(B) All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.

(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

(G) Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

(H) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

(I) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

(J) See §200.322 Procurement of recovered materials.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75888, Dec. 19, 2014]

SUBRECIPIENT AGREEMENT

THIS AGREEMENT, entered into this 22nd day of May, 2019 by and between GREENE COUNTY, a municipal corporation organized and existing under and by virtue of the laws of the State of New York and having its principal offices at 411 Main Street, Catskill, New York 12414, and hereinafter called "County", and the GREENE COUNTY ECONOMIC DEVELOPMENT CORPORATION, a not-for-profit corporation organized and existing under and by virtue of the laws of the State of New York and having its principal offices at 411 Main Street, Catskill, New York 12414, and hereinafter called "Corporation",

WITNESSETH THAT:

WHEREAS, County maintains certain assets in the form of Community Development Block Grant (hereinafter "CDBG") program income funds and loans receivable (such program income funds, collectively with any future net revenues derived from such loans receivable, to be hereinafter referred to as "HUD CDBG Funds"); and

WHEREAS, such CDBG assets were derived from grants received from the United States Department of Housing and Urban Development (hereinafter "HUD") and are subject to certain rules and regulations promulgated by HUD regarding their use, and

WHEREAS, such CDBG assets may be used to implement community and economic development activities within or benefiting Greene County, New York, and

WHEREAS, County is desirous of continuing the use of its HUD CDBG Program Income to implement an economic development revolving loan fund and other CDBG-eligible activities that will create or retain employment opportunities and provide other community and economic benefits to Greene County and its residents, and

WHEREAS, Corporation has the capacity to implement such loan fund and activities in the best interests of County and to accomplish the associated program delivery and administrative requirements of the CDBG program, and

WHEREAS, County, by a Resolution dated March 20, 2019 has authorized the provision of the HUD CDBG Program Income to Corporation under the terms and conditions as herein provided,

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto do mutually agree as follows:

Section 1. Definitions

Unless specifically provided otherwise or the context otherwise requires, when used in this Agreement:

"CDBG" means Community Development Block Grant, a program of the United States Department of Housing and Urban Development.

"CDBG Loans" or "CDBG Notes" means certain notes receivable and associated loan

documents derived from County's implementation of the Loan Program (as such term is hereinafter defined), such notes being more fully described in Exhibit A to this Agreement.

"CDBG Program" means the Community Development Block Grant Program, a program of the United States Department of Housing and Urban Development.

"CDBG Program Income" means income derived from the use of CDBG funds and as such term is more particularly defined at 24 CFR 570.500(a).

"HUD" means the United States Department of Housing and Urban Development.

"HUD CDBG Funds" means CDBG Funds derived from grants originally provided to County by HUD and including (i) cash funds currently in the possession of County; (ii) cash funds received by County that are derived from the liquidation of the notes receivable detailed at Exhibit A to this Agreement; and (iii) all cash funds received by Corporation that are derived from any activities undertaken by Corporation using HUD CDBG Funds provided to it by County pursuant to this Agreement, and which are defined as CDBG Program Income pursuant to the regulations at 24 CFR Part 570.500(a).

"Loan Program" means the Greene County Economic Development Loan Program (also familiarly referred to as The Quantum Fund) and the Policies and Procedures for its operation, revised as of March 20, 2019, such Policies and Procedures being incorporated herein and attached hereto as Exhibit B.

Section 2. Statement of Work – Loan Program Implementation

2.1 Corporation may use HUD CDBG Funds to implement the Loan Program in a manner consistent with the Policies and Procedures included at Exhibit B to this Agreement and any subsequent revisions thereto.

2.2 If it elects to use HUD CDBG Funds to implement the Loan Program, Corporation shall be responsible for the following activities as appropriate:

- (a) Marketing of the Loan Program to existing and prospective businesses;
- (b) Development of appropriate forms and systems for commercial loan processing;
- (c) Procurement of appropriate loan application materials from prospective borrowers;
- (d) Performance of a written credit analysis and the presentation of loans to the Corporation Board;
- (e) Documentation of the CDBG underwriting process consistent with the regulations at 24 CFR 570.209 and Appendix A to 24 CFR Part 570 "Guidelines and Objectives for Evaluating Project Costs and Financial Requirements";
- (f) Maintenance of all relevant information regarding the loan review process;

(g) All actions necessary to effect Loan Program loan closings including, but not limited to the preparation of loan agreements, security agreements, promissory notes, guarantees, and other legal documents as appropriate and in a form consistent with standard commercial lending practices and with applicable rules, regulations, and policies of the CDBG program;

(h) Assurance that all requisite HUD approvals are received prior to funding CDBG activities;

(i) Disbursement of loan proceeds in a manner consistent with the rules, regulations, and policies of the CDBG program and standard commercial lending practices, and procurement of appropriate documentation to evidence and support such disbursements;

(j) Performance of loan management functions in a manner consistent with standard commercial lending practices and the rules, regulations, and policies of the CDBG program;

(k) Performance of all administrative activities required pursuant to the use of CDBG funds including, but not limited to environmental review requirements, maintenance of books of account, procurement and maintenance of requisite statistical information, citizen participation, and periodic reporting. With respect to CDBG environmental review requirements, the parties hereto acknowledge that County shall retain the ultimate responsibility for compliance, but that Corporation shall cooperate with County in procuring requisite information, performing requisite reviews, and obtaining requisite governmental approvals and clearances.

(l) Development of appropriate forms and systems for the reporting and documentation of Loan Program costs, employment, and all other information required to be maintained pursuant to the rules, regulations, and policies of the CDBG program;

(m) For each loan made by Corporation with HUD CDBG Funds pursuant to this Agreement, procurement of appropriate documentation to evidence the borrower's compliance with the loan conditions respecting employment, the borrower's Loan Program expenditures and financing, and such other information as may be required pursuant to the rules, regulations, and policies of the CDBG program; and

(n) Such other reasonable actions as may be necessary to implement and administer the Loan Program in a manner consistent with the laws, regulations, and policies of the CDBG program.

Section 3. Statement of Work – Other CDBG Activities

3.1 In addition to implementing the Loan Program pursuant to Section 2.2 herein and incurring grant administration costs, Corporation may use HUD CDBG Funds to assist any other activity eligible for CDBG funding pursuant to the laws and regulations governing the HUD-administered CDBG program where such use has been approved in writing by the Greene County Director of Economic Development, Tourism & Planning. For such activities, the following shall apply:

(a) Corporation shall not obligate or expend HUD CDBG Funds until each of

the following has occurred:

(i) Corporation shall have provided to County a memorandum that includes, at a minimum, the following:

(A) A description of the activity to be assisted with HUD CDBG Funds that includes the nature, location, scope, cost, and beneficiaries of the activity, and such other information as County may request; and

(B) Information sufficient to allow County to undertake the requisite federal environmental review of the activity.

(ii) If applicable, Corporation shall have provided to County information sufficient to allow County to undertake a public hearing regarding the implementation of the activity, and shall have cooperated with County in conducting such public hearing.

(iii) County shall have, by written authorization from the Greene County Director of Economic Development, Tourism & Planning, approved Corporation's use of HUD CDBG Funds for the activity.

(iv) County shall have completed a federal environmental review of the activity and, if applicable, shall have received a release of CDBG funds.

(b) The requisition and disbursement of HUD CDBG Funds for the assisted activity shall be subject to the provisions of Section 6.1 (subsections a, b, e, and f) and Section 6.2 of this Agreement.

Section 4. Statement of Work – General Provisions

4.1 All activities undertaken by Corporation with CDBG Funds pursuant to this Agreement shall be eligible activities pursuant to the regulations at 24 CFR Part 570.

4.2 Corporation shall make its best efforts to accomplish the Statement of Work as described in this Agreement in an expeditious manner.

4.3 To the extent applicable, Corporation's services shall be subject to the provisions attached hereto as Exhibit C, "Federal Contract Provisions". Corporation shall include such provisions in any contracts executed in accomplishing the Statement of Work as described in this Agreement.

4.4 County shall provide sufficient staff resources to Corporation to allow Corporation to effectively implement and administer the Loan Program and to assist Corporation in meeting its obligations hereunder for any activity undertaken by Corporation pursuant to this Agreement.

4.5 In accomplishing the Statement of Work as described herein, Corporation may use County staff as provided for in Section 4.4 herein and/or contracted services. To the extent that contracted services are used, such use shall be in accordance with the provisions of 2 CFR Part 200. Corporation may be reimbursed for costs incurred in accomplishing the Statement of Work where such costs represent eligible CDBG program costs pursuant to 24 CFR Part 570

and are necessary, reasonable, and directly related to the work performed in accordance with this Agreement. For the reimbursement of such costs, the following shall apply:

(a) Direct costs of Corporation must be documented by invoices or other appropriate information to evidence the nature of the cost. Such costs may include, but are not limited to actual costs of materials, equipment, bonding, insurance, and services incurred by Corporation.

(b) Indirect costs of Corporation may be reimbursed only where a written plan for the charging of such costs has been approved by HUD. Such costs are those which are charged as a percentage of direct costs and may include occupancy and equipment costs (including depreciation), maintenance, repair, and similar costs which are to be charged on a prorated basis.

(c) All eligible costs incurred by Corporation pursuant to this Agreement shall be charged in conformance with 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards."

4.6 Corporation's procurement and use of third-party services in accomplishing the Statement of Work shall be consistent with the provisions of 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards."

Section 5. County Reservation of HUD CDBG Funds

5.1 County shall make HUD CDBG Funds available to Corporation in the following manner:

(a) County shall establish, or shall have established, a cash account of HUD CDBG Funds (hereinafter the "HUD CDBG Funds Account") for the purpose of accounting for and reserving HUD CDBG Funds to be used to fund activities undertaken by Corporation pursuant to this Agreement.

(b) County shall increase the HUD CDBG Funds Account by depositing to it all CDBG Program Income received by County from the CDBG Notes subsequent to the effective date of this Agreement.

Section 6. Requisition and Disbursement of CDBG Funds

6.1 Corporation's requisition and County's disbursement of HUD CDBG Funds shall be subject to the following:

(a) In funding activities undertaken and costs incurred in accomplishing the Statement of Work, Corporation shall first use its HUD CDBG Funds cash-on-hand.

(b) If Corporation does not have sufficient HUD CDBG Funds on hand to pay costs incurred in accomplishing the Statement of Work, Corporation may requisition the required amount of HUD CDBG Funds from County.

(c) Corporation's initial requisition of HUD CDBG Funds for each loan to be

disbursed shall include, at a minimum, the following:

(i) A memorandum that includes the name of the assisted business, a narrative description of the project to be assisted with HUD CDBG Funds, the total project costs, the amount and repayment terms (if applicable) of HUD CDBG Funds being used, the projected employment impact of the project (including the number and percentage of employment positions involving low- and moderate-income persons), and a summary of the requisite Federal environmental review findings and any related compliance issues and actions;

(ii) A certification, in a form acceptable to County, signed by an officer of Corporation (or such other designee of Corporation acceptable to County) that states the following:

(A) That the CDBG-funded activity represents an eligible use of funds pursuant to the laws, rules, and regulations governing the CDBG program;

(B) That, if applicable, Corporation has performed the underwriting analysis required at 24 CFR 570.209; and

(C) That the project to be assisted with HUD CDBG Funds meets one of the national objectives of the CDBG program set forth at 24 CFR 570.208(a).

(iii) The amount of HUD CDBG Funds being requisitioned.

(d) If Corporation has submitted an initial requisition of HUD CDBG Funds for a loan disbursement and the related submissions required at Section 6.1(c) herein, then subsequent requisitions of HUD CDBG Funds for that loan disbursement shall only be accompanied by an accounting of the HUD CDBG Funds received to date for that loan, the amount currently being requisitioned, and any amount remaining to be requisitioned.

(e) Corporation shall submit all requisitions for HUD CDBG Funds to the Greene County Director of Economic Development, Tourism & Planning or to such other person or office as the County may designate.

(f) County shall disburse requisitioned HUD CDBG Funds to Corporation no later than five (5) business days after its receipt of a requisition and all related submissions required by this Section 6.1. County may withhold such disbursement only where it determines that the proposed use of HUD CDBG Funds does not represent an eligible CDBG activity, does not meet a national objective of the CDBG program pursuant to applicable laws and regulations, or is otherwise not in conformance with the provisions of this Agreement. In such event, County shall promptly notify Corporation in writing of the reason(s) for its determination.

6.2 Corporation shall disburse HUD CDBG Funds requisitioned and received by Corporation for the purpose of making loan disbursements, funding other eligible activities, or paying third-party costs as soon as possible after their receipt from County. In the event that Corporation has not disbursed HUD CDBG Funds within twenty-one (21) calendar days of their receipt from County, Corporation shall immediately inform County by telephone and in writing of the delay, the reasons for the delay, and the anticipated date of disbursement. In such event, County shall have the right to demand, and Corporation shall have the obligation to make, recoupment of the funds at a date and in a manner prescribed by County.

6.3 Notwithstanding any other provision of this Section 6, County shall not be obligated to disburse to Corporation any funds in excess of the cash balance available in the HUD CDBG Funds Account.

Section 7. Financial Management

7.1 Corporation shall comply with the "Standards for Financial Management Systems" set forth at 2 CFR Part 200, Subpart D.

7.2 Corporation shall comply with the audit requirements of 2 CFR Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards".

7.3 Except as otherwise provided in 24 CFR 570.502, Corporation shall comply with the administrative requirements of 2 CFR Part 200, "Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards".

7.4 All cash balances of HUD CDBG Funds shall be maintained by Corporation in an interest-bearing account or accounts pursuant to the provisions of 24 CFR 570.500(b). Any bank interest earned on such account(s) during the period from October 1 through September 30 shall be paid to County by Corporation no later than fifteen (15) days following the respective accounting period.

Section 8. Reports and Information

8.1 At such time and in such forms as HUD or County directs, Corporation shall submit to HUD, County, or their respective agents any statements, records, reports, data and information required by HUD or County pertaining to matters covered by this Agreement.

8.2 Corporation shall provide to County an annual report covering the period October 1 through September 30, such report to be delivered to County no later than October 21st of each year and to include the following:

(a) An accounting of HUD CDBG Funds that includes, at a minimum, the cash balance and a listing of the loans and loan amounts receivable as of the beginning and end of the reporting period;

(b) An accounting of Program Income received by Corporation and a detailed listing of loan disbursements, grant disbursements, and expenses incurred and paid with HUD CDBG Funds during the reporting period;

(c) An estimate of the amount of CDBG Program Income expected to be received by Corporation during the subsequent reporting period;

(d) For Loan Program activities, each of the following:

(i) Detail of all loans closed during the reporting period that includes the loan recipient, the amount of the loan, the loan repayment terms, the anticipated employment impact, and a brief narrative description of the activities financed with HUD CDBG

Funds;

(ii) Detail regarding all loans approved during the reporting period, but not closed as of the September 30 reporting date, including the amount of HUD CDBG Funds approved and the business to be assisted;

(iii) Detail regarding job applicants and employment for each assisted business in the manner prescribed at 24 CFR 570.208(a)(4); and

(iv) For assistance provided to a microenterprise, as such term is defined at 24 CFR 570.201(o), documentation regarding the low- and moderate-income status of the business owner as required at 24 CFR 570.208(a)(2)(iii).

(e) For other CDBG activities undertaken pursuant to Section 3 of this Agreement, detail of each project or activity assisted with HUD CDBG Funds during the reporting period that includes the entity assisted, the nature and amount of the assistance, a description of the manner in which a CDBG statutory objective was met pursuant to 24 CFR 570.208, and a brief narrative description of the project or activity assisted with HUD CDBG Funds.

Section 9. Inspection of Records

9.1 At any time during normal business hours and as often as County may deem necessary, Corporation shall make available to County, HUD, or their respective agents all of its records with respect to matters covered by this Agreement, and Corporation shall permit County, HUD, or their respective agents to audit, examine and make excerpts or transcripts from such records and to make audits of all contracts, invoices, materials, and other data relating to all matters covered by this Agreement.

Section 10. Assignment by Corporation

10.1 Except for the provisions at Section 17.1 herein, Corporation shall not assign any of its rights, obligations, or duties under this Agreement in whole or in part without the prior written consent of County.

Section 11. Additional Provisions of Law to be Complied With

11.1 The parties hereto agree to comply with applicable federal, state and local laws, rules and regulations, and any future revisions thereto, in the performance of this Agreement.

Section 12. CDBG Program Income

12.1 Except as otherwise provided by this Agreement or by any other written agreement between the parties, any CDBG Program Income received by Corporation shall be retained by Corporation and used to fund activities included in the Statement of Work set forth at Sections 2 and 3 of this Agreement and related costs, all such activities and costs to be consistent with the eligibility requirements at 24 CFR Part 570. All provisions of this Agreement

shall apply to expenditures of, and activities undertaken with, CDBG Program Income funds.

12.2 Income generated by Corporation's use of HUD CDBG Funds pursuant to this Agreement that is not CDBG Program Income shall be deemed unrestricted funds and may be retained and used by Corporation without restriction.

Section 13. Supersedure of Prior Agreements

13.1 This Agreement shall supersede all prior agreements, both written and oral, between the parties respecting the use of County's HUD CDBG Funds by Corporation.

Section 14. Amendments

14.1 This Agreement may be amended only by the mutual written consent of County and Corporation.

Section 15. Notices

15.1 All notices, requests and demands to or upon the respective parties hereto shall be deemed to have been given or made if mailed, three (3) days after deposit in the mail, postage prepaid, in the case of delivery by overnight delivery service, one (1) day after delivery to the delivery service, or in the case of personal delivery, when delivered, addressed as set forth below or to such other address as may be hereafter designated in writing by the respective parties hereto:

County: Chair, Greene County Legislature
411 Main Street
Catskill, New York 12414

Corporation: Chair, Greene County Economic Development Corporation
411 Main Street
Catskill, New York 12414

Section 16. Term of Agreement

16.1 This Agreement shall become effective as of the date first above written.

16.2 This Agreement may be terminated by Corporation at any time without cause to be effected by written notification. Such termination shall become effective immediately upon the delivery of such notice.

16.3 This Agreement may be terminated by County for cause upon Corporation's failure to comply with any provision of this Agreement. County shall effect such termination in the following manner:

(a) County shall provide written notice to Corporation stating the specific instance(s) of noncompliance. Such notice shall specify a date that is not less than thirty (30)

days after the date of delivery of such notice (the "Response Date") by which Corporation may cure, mitigate, or otherwise address the instance(s) of noncompliance.

(b) Upon Corporation's failure to cure, mitigate, or otherwise address the instance(s) of noncompliance to the satisfaction of County by the Response Date, County may, at its option, provide written notice to Corporation effecting termination of this Agreement. Such termination shall become effective immediately upon the delivery of such notice.

16.4 Upon a termination of this Agreement for cause pursuant to Section 16.3 herein, County shall have the right to take the following actions:

(a) Whatever action at law or in equity as may appear necessary or desirable to enforce the performance or observance of any obligations, agreements, or covenants of Corporation under this Agreement; and

(b) Where a finding shall have been made by HUD respecting Corporation's use of HUD CDBG Funds that has resulted in a monetary obligation of County to any program or agency, County shall have the right to demand from Corporation, and Corporation shall have the obligation to immediately provide to County, a cash payment in an amount not to exceed the amount of such monetary obligation.

16.5 This Agreement may be terminated by County for cause upon Corporation's failure to use HUD CDBG Funds in a timely manner as evidenced by Corporation's HUD CDBG Funds cash balance remaining above the sum of one hundred thousand dollars (\$100,000.00) for a continuous period of at least twenty-four (24) months.

16.6 This Agreement shall terminate immediately upon a termination of the award of HUD CDBG Funds to County by HUD pursuant to 2 CFR 200.339(a).

16.7 Except as allowed pursuant to Section 16.8 herein, upon a termination of this Agreement, Corporation shall not henceforth obligate or expend HUD CDBG Funds.

16.8 Upon a termination of this Agreement, Corporation may use HUD CDBG Funds to pay costs resulting from obligations of HUD CDBG Funds made by Corporation pursuant to this Agreement where such obligations were made prior to the date of termination and in a manner consistent with the terms and conditions of this Agreement.

16.9 Notwithstanding any other provision of this Section 16, the following shall apply upon a termination of this Agreement for any reason:

(a) Corporation shall provide to County all reports and information respecting Corporation's use of HUD CDBG Funds as required pursuant to Section 8 of this Agreement.

(b) Corporation shall permit the inspection of its records with respect to its use of HUD CDBG Funds in the manner prescribed at Section 9 of this Agreement for a period of four (4) years after the termination date of this Agreement.

Section 17. Reversion of Assets

17.1 Upon termination of this Agreement, and in accordance with the provisions at 24

CFR 570.503(b)(7), Corporation shall transfer to County all cash HUD CDBG Funds in its possession and any loans and accounts receivable attributable to the use of HUD CDBG Funds. Such transfer shall include an assignment to County of all Corporation's agreements, documents, and rights respecting loans made with HUD CDBG Funds. Such transfer of HUD CDBG Funds and loans and accounts receivable shall be made no later than thirty (30) days after the termination date. Any real property under Corporation's control that was acquired or improved in whole or in part with HUD CDBG Funds in excess of \$25,000 shall be either:

(a) Used to meet one of the national objectives at 24 CFR 570.208 until at least five years after the expiration of this Agreement; or

(b) If the use of the property ceases to conform to the provisions of Section 17.1(a) of this Agreement prior to the expiration of the five-year period, Corporation shall pay to County an amount equal to the current market value of the property less any portion of the value attributable to expenditures of non-HUD CDBG Funds for acquisition of, or improvement to, the property. Such payment shall be made in full no later than one hundred eighty (180) calendar days after the date that the use of the property ceases to conform to the provisions of Section 17.1(a) of this Agreement.

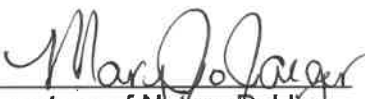
17.2 Upon termination of this Agreement, Corporation shall transfer to County any furnishings, fixtures, and equipment purchased in whole with HUD CDBG Funds. Such transfer shall be made no later than five (5) business days after the termination date and shall be made at County's expense in a manner prescribed by County. For furnishings, fixtures, and equipment purchased in part with HUD CDBG Funds, Corporation shall either (i) pay to County an amount equal to the fair market value of such furnishings, fixtures, and equipment at the time of termination, less any portion of the value attributable to expenditures of non-HUD CDBG Funds for acquisition of such assets, such payment to be made by Corporation no later than thirty (30) calendar days after the termination date; or (ii) transfer such furnishings, fixtures, and equipment to County no later than five (5) business days after the termination date.

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ACKNOWLEDGMENT OF SIGNATORY(IES)

State of New York)
)ss
County of Greene)


On the 10 day of June in the year 2019 before me, the undersigned, a Notary Public in and for said state, personally appeared Patrick S. Linger, to me known or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity, and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.



Signature of Notary Public
MARY JO JAEGER
Notary Public, State of New York
Registration No. 01JA4802427
Qualified in Greene County
Commission Expires Sept. 30, 2022

State of New York)
)ss
County of Greene)

On the 7th day of June in the year 2019 before me, the undersigned, a Notary Public in and for said state, personally appeared Mark Marasovic, to me known or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity, and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.



Signature of Notary Public
WARREN H. GRIFMON
Notary Public, State of New York
Qualified in Greene County
Registration No. 4618102
Commission Expires October 31, 2021

EXHIBIT A
CDBG NOTES

1. The City of Chicago is a member of the
Chicago Area Council on the Environment (CACE).
The City is committed to the principles of
sustainable development and to the goal of
achieving a sustainable future for the City.
The City is committed to the goal of achieving a
sustainable future for the City.

The City of Chicago is a member of the
Chicago Area Council on the Environment (CACE).
The City is committed to the principles of
sustainable development and to the goal of
achieving a sustainable future for the City.
The City is committed to the goal of achieving a
sustainable future for the City.

EXHIBIT B
GREENE COUNTY ECONOMIC DEVELOPMENT LOAN PROGRAM
POLICIES AND PROCEDURES

EXHIBIT C

FEDERAL CONTRACT PROVISIONS

Appendix II to Part 200—Contract Provisions for Non-Federal Entity Contracts Under Federal Awards

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable.

(A) Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

(B) All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.

(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

(G) Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended—Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

(H) Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

(I) Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)—Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

(J) See §200.322 Procurement of recovered materials.

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