

CDBG 18-610 Clear Creek County BLF

EXHIBIT A – APPLICABLE LAWS

Federal laws and regulations incorporated into this Grant include, without limitation:

1. 2 C.F.R. 220, Cost Principles for Education Institutions
2. 2 C.F.R. 225, Cost Principles for State, Local and Indian Tribal Governments
3. 2 C.F.R. 230, Cost Principles for Non-Profit Organizations
4. 24 C.F.R. Subtitle A, Parts 0-82, et seq., as amended, Housing and Urban Development
5. 24 C.F.R. Subtitle B, Chapter I – XXV, et seq., as amended, Housing and Urban Development
6. 40 C.F.R. 1500-1508, as amended, Council on Environmental Quality Regulations Implementing NEPA
7. 41 C.F.R. Chapter 60, as amended, Executive Order 11246
8. 49 C.F.R. Part 24, as amended, Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970
9. 2 U.S.C. Chapter 26, et seq., as amended, Disclosure of Lobbying Activities
10. 5 U.S.C. 552a, as amended, Privacy Act of 1974
11. 8 U.S.C. 1101, Immigration and Nationality Act
12. 12 U.S.C. §§1701- 1701z-15, et seq., as amended, National Housing Act
13. 15 U.S.C. Chapter 49, et seq., as amended, Fire Prevention and Control
14. 16 U.S.C. Chapters 1-83, et seq., as amended, Conservation
15. 20 U.S.C. 1681-1688, Title IX, as amended, Education Amendment of 1972
16. 29 U.S.C. Chapter 14, §§621-634, et seq., as amended, Age Discrimination in Employment
17. 29 U.S.C. Chapter 16, §§793-794, et seq., as amended, Vocational Rehabilitation and Other Rehabilitation Services
18. 29 U.S.C. Chapter 8, §§201, 206, et seq., as amended, Labor
19. 31 U.S.C. Subtitle I – VI, et seq., as amended, Money and Finance
20. 40 U.S.C. Subtitle I, et seq., as amended, Federal Property and Administrative Services
21. 40 U.S.C. Subtitle II, et seq., as amended, Public Buildings and Works
22. 41 U.S.C. 35 et seq., Walsh-Healey Public Contracts Act
23. 41 U.S.C. 701, et seq., Drug Free Workplace Act of 1988
24. 42 U.S.C. Chapter 21, et seq., as amended, Civil Rights
25. 42 U.S.C. Chapter 45, et seq., as amended, Fair Housing
26. 42 U.S.C. Chapter 50, et seq., as amended, National Flood Insurance
27. 42 U.S.C. Chapter 55, et seq., as amended, National Environmental Policy
28. 42 U.S.C. Chapter 63, et seq., as amended, Lead-Based Paint Poisoning Prevention
29. 42 U.S.C. Chapter 69, et seq., as amended, Community Development
30. 42 U.S.C. Chapter 6A, et seq., as amended, Public Health Services
31. 42 U.S.C. Chapter 76, et seq., as amended, Age Discrimination in Federally Assisted Programs
32. 42 U.S.C. Chapter 89, et seq., as amended, Congregate Housing Services
33. 42 U.S.C. Chapter 85, et seq., as amended, Air Pollution Prevention and Control
34. 42 U.S.C. Chapter 126, et seq., as amended, Equal Opportunity for Individuals with Disabilities
35. 42 U.S.C. Chapter 130, et seq., as amended, National Affordable Housing
36. C.R.S. 24-34-501 - 510, et seq., as amended, Colorado Housing Act of 1970
37. C.R.S. 24-75-601 et seq., as amended, Legal Investment of Public Funds
38. Executive Order 11063, HUD Equal Opportunity in Housing, as amended by Executive Order 12259, Leadership and Coordination of Fair Housing in Federal Programs
39. Executive Order 11593, Protection and Enhancement of the Cultural Environment
40. Executive Order 11988, Floodplain Management
41. OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations

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**EXHIBIT B – STATEMENT OF PROJECT
Business Loan Fund**

1. GENERAL DESCRIPTION OF THE PROJECT(S)

1.1. General Description. This Project consists of providing Community Development Block Grant (CDBG) funds to the Grantee to continue a Business Loan Fund (BLF), the primary purpose of which is to encourage economic diversification and job creation and/or retention which addresses the program objective of benefit to Low and Moderate Income Persons, as defined in §2.1 below. **CLEAR CREEK COUNTY** is designated as the Lead County or Grantee. CDBG funds may be used to operate a business loan fund program, provide micro-enterprise business financial and/or technical assistance, or provide funding for feasibility/planning studies. Details of allowable activities and related requirements are outlined in the remainder of this **Exhibit B**.

1.2. Eligible Expenses. The activities allowed under this Grant shall be those listed under this subsection and §7 below.

1.2.1. Business and Micro-Enterprise Financial Assistance. Eligible expenses include, but are not limited to, costs associated with working capital, operating expenses, machinery and equipment, land and/or building acquisition, and construction. The State shall provide specific approval for the type of expenses that shall be eligible for payment with CDBG funds when Grantee, as specified in §6.2.3, makes a specific request for such approval and such request is submitted to the State for its review/consideration.

1.2.2. Micro-Enterprise Business Technical Assistance. Eligible expenses include costs associated with the BLF's provision of technical assistance through a third party provider to a business, including but not limited to marketing, accounting and/or operational technical assistance. Technical assistance may be authorized in conjunction with financial assistance provided under a locally developed and state approved micro-enterprise assistance program. The State shall provide specific approval for the type of expenses that shall be eligible for payment with CDBG funds when Grantee makes a specific request for such approval and such request is submitted to the State for its review/consideration.

1.2.3. Feasibility/Planning Studies. Eligible expenses include, but are not limited to, costs associated with market research, development of a capital structure, and development of a legal structure. Funding for this activity is typically in the form of a grant; however, on a case-by-case basis, the State may approve alternative structures including the use of loans, loan guarantees or equity interests. Grantee shall ensure the study(ies) be in accordance with the State's approved terms and conditions and with the requirements outlined in the CDBG Guidebook, which is available on DOLA's website. If the study results in the proposed project moving forward, the Grantee shall ensure that a minimum of 51% Low and Moderate Income Persons benefit from the project in accordance with §2.1 and §3.2 below.

1.2.4. General Administration. Eligible expenses include, but are not limited to the costs of performing general Project activities related to compliance with this Grant, financial management, loan packaging and review, and loan servicing necessary for operation of the BLF program. General Administration funds are subject to the following requirements:

1.2.4.1. CDBG Administrative Cap. Grantee shall ensure that administrative expenses do not exceed 16% of the total CDBG costs (sum of administrative, business financial assistance, feasibility/planning, and business technical assistance costs) under this Grant. Compliance shall be determined at the termination date of this Grant. At that time, if the administrative funds drawn exceed the percentage specified herein, Grantee shall repay the excess amount to the State unless the Governor's Financial Review Committee (GFRC), has approved a waiver of this requirement.

1.2.4.2. Equipment Purchase. Grantee shall submit requests for the use of CDBG administrative funds to purchase equipment over \$5,000 to DOLA staff at the Office of Economic Development and International Trade (OEDIT) for review and approval prior to such purchases.

1.2.4.3. Contribution toward General Administration. Grantee and/or its Subgrantee shall inject a minimum contribution of \$10,000 for the administration of the BLF on an annual basis. However in no event shall the use of CDBG miscellaneous income, as defined in **§1.5.3** below, retained by its Subgrantee exceed \$35,000 on an annual basis for this purpose.

- 1.3. Leveraged Funds.** Grantee is required to seek leveraged funds provided by private entities, including but not limited to the assisted businesses, banks, investors, individuals, and public entities. Such funds shall generally comprise the majority of funds used to assist businesses receiving CDBG assistance. Unless otherwise authorized in writing by the State, Grantee shall be responsible for meeting the required leveraged funds for this Project, as specified in **§7** below, during the term of this Grant. Leveraged funds shall not be considered matching funds for federal program purposes. The State recognizes that utilization of the micro-enterprise program may make this leverage criterion unattainable. To the extent that CDBG funds are utilized to provide assistance to micro-enterprises, Grantee's share of leveraged funds may be reduced on a pro-rata basis.
- 1.4. Program Income.** If Grantee has not entered into a subgrantee agreement for the administration of the BLF, all revenues received by the Grantee which result directly from the CDBG-assisted activity, including but not limited to principal and interest payments, origination fees, servicing charges, interest earned and proceeds from the sale of acquired assets, shall be considered to be program income and subject to CDBG requirements.
- 1.5. Subgrant.** This subsection is, or is not applicable. When applicable, the terms and provisions of this Grant may also pertain to Subgrantee, whether Subgrantee is specifically mentioned or not. Grantee is not released from its obligations under this Grant even if it has contracted out the administration of the BLF.
- 1.5.1. Subgrantee.** Grantee has entered into a subgrantee agreement with **Clear Creek Economic Development Corp** ("CCEDC" or "Subgrantee"), a qualifying non-profit organization, for the administration of the BLF, as allowed under Section 105(a)(15) of the Housing and Community Development Act of 1974.
- 1.5.2. Approval of Subgrantee Agreement.** Grantee shall submit its subgrantee agreement to DOLA staff at OEDIT and obtain the State's approval of such subgrantee agreement prior to disbursement of Grant funds. Subgrantee agreement shall clearly delineate contractual responsibilities of the Grantee and Subgrantee.
- 1.5.3. Miscellaneous Income.** All revenues received by Subgrantee which result directly from the CDBG-assisted activity, including but not limited to principal and interest payments, origination fees, servicing charges, interest earned and proceeds from the sale of acquired assets shall be considered to be miscellaneous income.
- 1.5.3.1. Use of Funds.** Unless otherwise authorized in writing by the State, all miscellaneous income shall be retained by Subgrantee and used to continue the operation of the BLF, specifically making loans to businesses and micro-enterprise businesses and paying reasonable and necessary general administrative costs associated with the BLF.
- 1.5.3.2. Limitation on use of Miscellaneous Income for Administrative Expenses.** The maximum amount of miscellaneous income that can be used for administrative costs shall not exceed \$70,000 during the Initial term of this Grant. At the termination of the Grant, if the amount of miscellaneous income used exceeds the amount specified above, Subgrantee shall repay the excess amount to the BLF's account, unless the GFRC has approved a waiver of this requirement.
- 1.5.3.3. Post Grant Termination Requirements.** Upon the expiration of this Grant, Subgrantee shall ensure that it has entered into a separate agreement with the State pertaining to the anticipated amount of miscellaneous income funds to be used for general administrative costs related to the operation of the BLF on an annual basis. Subgrantee shall notify the State if the anticipated amount was exceeded by more than 10% in any given year, if Subgrantee would like to request an amendment to such agreement to change the stated amount of general administrative funds, or if Subgrantee would like to request an amendment related to eligible uses of funds. Miscellaneous income loses its federal identity and is generally not required to meet federal or state program requirements except to the degree delineated in this provision.

In consideration of the State approving the Miscellaneous Income designation for such funds, Grantee and Subgrantee shall provide accurate, complete, and timely disclosure of the BLF's performance results for all current and prior CDBG BLF grants in accordance with reporting requirements set forth in §6.1.1 below.

- 1.6. Davis Bacon Fair Labor Standards.** When applicable, Grantee and Subgrantee(s) shall comply with all the requirements of the Davis Bacon Fair Labor Standards in accordance with the CDBG Guidebook. Documentation shall be submitted to DLG at the time of occurrence.
- 1.7. Section 3 of the HUD Act of 1968.** When applicable, Grantee and Subgrantee(s) shall, to the greatest extent feasible, provide opportunities for training and employment that arise through HUD-financed projects and will be given to lower-income persons in the Project area, and contracts awarded to businesses located in the project area or to businesses owned in substantial part, by residents of the Project area.
- 1.8. Federal Funding Accountability and Transparency Act of 2006, (Pub L. 109-282) (Transparency Act , also known as FFATA).** Grantee and subgrantees are required to report award information on the government Website and register with U.S. Government System for Award Management (SAM) at <http://www.sam.gov>. See **Exhibit C** – Supplemental Provisions for Federally Funded Contracts, Grants, and Purchase Orders Subject to the Federal Funding Accountability and Transparency Act of 2006 (FFATA), As Amended as of 03-20-13, for specific information.

2. TERMINOLOGY

- 2.1. Low and Moderate Income Person.** This subsection is, or is not applicable. Grantee shall verify every household's income eligibility, using the income certification forms prescribed by the State and the maximum income limits established by HUD, and retain such documentation in its files. Person is defined as:
- 2.1.1.** Those persons who are members of low- and moderate-income households as set forth in the HUD User Income Limits Documentation System. See https://www.huduser.gov/portal/datasets/il.html#2018_query. Select Click Here for 2018 IL Documentation, under Access Individual Income Limits Areas.
- 2.1.2.** Those persons who have been determined by HUD, based upon most recent Census data, to be low- and moderate-income persons.
- 2.1.3.** Those persons belonging to clientele groups who are generally presumed by HUD to be low and moderate-income persons.
- 2.2. Abbreviations.**
- 2.2.1.** "BLF" means Business Loan Fund.
- 2.2.2.** "CDBG" means Community Development Block Grant.
- 2.2.3.** The "CDBG Guidebook" or "the Guidebook" means CDBG Guidebook for Public Facilities and Construction Projects. It is updated periodically and available on the Department's website.
- 2.2.4.** "DLG" means the Division of Local Government in the Department of Local Affairs (DOLA) located at 1313 Sherman Street, Room 521, Denver, Colorado 80203.
- 2.2.5.** "FRC" or "GFRC" means the Governor's Financial Review Committee. This committee is designated by an Executive Order of the Governor to approve all economic development projects funded with CDBG funds.
- 2.2.6.** "HUD" means the U.S. Department of Housing and Urban Development.
- 2.2.7. Lead County"** means the county acting as the Grantee for this Project.
- 2.2.8.** "OEDIT" means the Colorado Office of Economic Development and International Trade located at 1600 Broadway, Suite 2500, Denver, Colorado 80202.
- 2.2.9.** "State" means the State of Colorado.

3. DELIVERABLES

- 3.1. Service Area.** The service area for this Project is as follows: Gilpin and Clear Creek Counties in Colorado.

3.2. Outcome.

3.2.1. If the National Objective described in **§3.3.1** below is checked, the Grantee commits that at least 15 full-time equivalent permanent jobs will be directly created and/or retained through the collective provision of CDBG funds. At least 51% of jobs created and/or retained by each business must be filled by persons as selected in **§2.1** above. Grantee shall provide written evidence that the committed number of jobs have been actually created and/or retained by each individual business and that all businesses collectively meet the requirements in this **Exhibit B** and the attached **Exhibit C**. Hiring requirements of persons as selected in **§2.1** above must be achieved by each business as well. In the event that there is any deviation from job creation, retention and/or persons' (as selected in **§2.1** above) hiring requirements, Grantee must submit written documentation to substantiate the reasons for such deficiencies at or prior to Project Close Out. If a deficiency exists, a review by the State will be made to determine the ability to close out this Grant.

3.2.2. If the National Objective described in **§3.3.2** below is checked, the State recognizes that utilization of the micro-enterprise business financial and technical assistance program may make the job creation/retention requirements referenced above in **§3.2.1** unattainable if the micro-enterprise(s) receiving funding meet(s) the definition of Limited Clientele which means that the owners of the micro-enterprise(s) are persons who are Low and Moderate Income Persons as set forth in **§2.1** above. To the extent that CDGB funds are utilized to provide assistance to such owners of micro-enterprises, Grantee's job creation/retention commitment may be reduced on a pro-rata basis. In this case, the Grantee shall provide written documentation that the activity funded is a micro-enterprise activity carried out in accordance with respect to those owners of micro-enterprises assisted under the activity who are Low and Moderate Income Persons. For these purposes, once a person is determined to be a Low and Moderate Income Person, he/she may be presumed to qualify as such for up to a three-year period.

3.3. National Objective. This Project shall meet the following National Objective(s):

3.3.1. **Low/Moderate Income Benefit, jobs.** To the extent that the BLF provides assistance to business(es) that commit to create and/or retain full-time equivalent permanent jobs, the Project will involve the employment of persons, the majority of whom are Low and Moderate Income Persons.

3.3.2. **Low/Moderate Income Benefit, limited clientele.** To the extent that the BLF provides financial and technical assistance to the owners of a micro-enterprise(s) who are Low and Moderate Income Persons as specified in **§2.1** above, the Project will benefit a Limited Clientele.

4. PERSONNEL:

4.1. Responsible Administrator. Grantee's performance hereunder shall be under the direct supervision of **Lindsey Valdez, President, CCEDC, president@clearcreekdc.org**, an employee or agent of Grantee, who is hereby designated as the responsible administrator of this Project.

4.2. BLF Administrator. Grantee's performance hereunder shall be under the direct supervision of **Lindsey Valdez, President, CCEDC, president@clearcreekdc.org**, an employee or agent of Grantee, who is hereby designated as the BLF administrator of this Project.

4.3. Replacement. Grantee shall immediately notify the State if any key personnel specified in **§5** of this **Exhibit B** cease to serve. All notices sent under this subsection shall be sent in accordance with **§15** of the Grant.

4.4. Training. BLF Administrator shall be required to attend all training seminars, including but not limited to the bi-annual BLF meetings unless mutually agreed by the State and the BLF Administrator prior to the training seminar.

5. PAYMENT

Payments shall be made in accordance with the provisions set forth in **§7** of the Grant. Grantee's requests for funds from this Grant shall be for the reimbursement of actual eligible expenditures and if necessary, an estimation of funds for immediate needs.

5.1. Payment Schedule. Grantee shall disburse Grant Funds received from the State within fifteen days of receipt. Excess funds shall be returned to the Department.

Payment	Amount	
Interim or Final Payment(s)	\$290,000	Paid upon receipt of required supporting documentation and written requests from the Grantee for eligible and approved projects or activities.
Total	\$290,000	

5.2. Interest. Grantee or Subgrantee may keep interest amounts up to \$100 per year for administrative expenses.

6. ADMINISTRATIVE REQUIREMENTS

6.1. Reporting.

6.1.1. Annual Survey Report. Grantee shall submit to DOLA staff at OEDIT (with acknowledgement signatures from Grantee and Subgrantee, if applicable), an annual survey/report containing information on the BLF's historical and current performance in various areas including all CDBG funds and CDBG Miscellaneous Income. Such annual survey/report shall be in State prescribed format and is due on or before March 31st of each calendar year unless an alternate deadline is provided in writing by DOLA staff at OEDIT. The annual survey/report shall be required during the term of this Grant and shall continue to be required on an annual basis thereafter.

6.1.2. Disclosure Reports. Grantee shall provide updated Disclosure Reports, when applicable as required by HUD, to DOLA staff at OEDIT.

6.1.3. Financial Status and Progress Report. Grantee shall provide quarterly financial and program reports to DOLA staff at OEDIT in accordance with the Guidebook.

6.1.4. Jobs Report. Grantee shall continue to report to the State information on all persons which fill jobs created and/or retained by assisted businesses and micro-enterprise businesses (if jobs were committed by the micro-enterprise business) until the number of jobs specified in §3.2 above have been met, but in no event shall the report period be less than one (1) year from the effective date of the business assistance agreement, even if this Grant has expired, unless the Grantee has received a reporting timeframe waiver from the State. In the event the assisted businesses and applicable micro-enterprise businesses meet or exceed the job requirements Grantee shall ensure that at least 51% of **all** jobs created/retained (as a result of CDBG funds) are provided to persons as specified in §2.1 above. In the event that CDBG funds are not fully expended, the State may pro-rate the number of jobs that must be created and/or retained accordingly.

6.1.5. Project Completion Report. This report is due within 90 days after completion of the Project, including information regarding the required public hearing, actions taken to Affirmatively Further Fair Housing, Section 3 Report, Final Financial Status Report, and all other documentation required in the Project Close Out section of the Guidebook, as revised periodically.

6.1.6. Single Audit Report. If Grantee is required to have a single audit, Grantee shall submit a copy of its audit report to DLG within 180 days of its fiscal year-end.

6.2. Businesses Loan Fund Requirements. Grantee shall administer the Business Loan Fund in compliance with applicable laws, regulations, authoritative guidances, program objectives, this Grant, and related reporting requirements.

6.2.1. Policies. BLF assistance shall be provided to businesses and/or micro-enterprise businesses according to specific and separate policies developed by the BLF which define the criteria and manner by which assistance shall be provided to applicants. Grantee shall submit its locally developed BLF program policies and guidelines to DOLA staff at OEDIT for State approval. Varying financial terms and conditions, including loans and/or grants, if so authorized by the State, may be offered by the BLF to micro-enterprise businesses for financial assistance or technical assistance under its approved program policies and guidelines. On a case-by-case basis, the DOLA staff at OEDIT may authorize loan guarantees, equity interest, or royalty payments in exchange for providing financial assistance to a business.

6.2.2. Local BLF Advisory Committee. BLF Advisory Committee, which is representative of economic development organizations, banks, businesses, local governments and/or other related professions in the area served by this Grant, shall review and approve policies and criteria, and shall

directly or through an appointed subcommittee approve all requests for financial assistance prior to submitting to DOLA staff at OEDIT for approval.

- 6.2.3. State Approval of Funding Request.** Grantee shall submit each specific funding request from the BLF and related project descriptions, financial analysis, and terms/conditions to the State in a State prescribed format for review and approval.
- 6.2.4. Fees.** Grantee may charge a business applying for and/or receiving CDBG financial assistance funds reasonable fees associated with processing its application. Application review fee may not exceed \$150 and loan origination fees may not exceed 2% of the approved financial assistance amount. No other fees shall be charged to or collected from the applicant business without express written approval from the DOLA staff at OEDIT. In addition, fees charged to businesses receiving assistance from a micro-enterprise assistance program shall conform to locally approved micro-enterprise program policies and procedures that have also been approved by the State.
- 6.2.5. Participation Agreement.** Grantee shall not expend or draw down CDBG funds from DOLA until the business and/or micro-enterprise business has negotiated agreements with participating banks, individuals, public agencies and investors which set forth the amounts and terms of each party's participation in financing projects and which meet all applicable provisions set forth in this **Exhibit B**. Copies of such agreements shall be obtained by the Grantee/Subgrantee and maintained in its files.
- 6.2.6. Legal Agreement.** Grantee agrees that financial assistance provided to businesses shall be evidenced through legally binding agreements that adhere to federal and state regulations and standard commercial loan documentation where applicable.
- 6.2.7. Favorable Terms.** In order for a business to be considered to receive terms more favorable than the standard business financial assistance terms offered by the BLF, the rate of return for such business generally shall not exceed industry standards unless it is appropriate. An appropriate determination is not required for assistance provided to micro-enterprise businesses.
- 6.2.8. Interest Rate.**
- 6.2.8.1.** Interest rates charged to borrowers on the CDBG portion of loans shall be no greater than the prime interest rate (New York Prime as published in the Wall Street Journal) at the time of loan commitment, excluding any processing or service charge imposed on the borrower by the BLF.
- 6.2.8.2.** Interest rates charged to borrowers on the CDBG portion of loans deemed to be of potentially higher risk by the BLF's Advisory Committee shall be no greater than 2% in excess of the prime interest rate (New York Prime as published in the Wall Street Journal) at the time of loan commitment, excluding any processing or service charge imposed on the borrower by the BLF.
- 6.2.8.3.** Interest rates charged for micro-enterprise loans shall conform to locally and state approved program policies and guidelines.
- 6.2.9. Term.** The term of assistance provided to businesses with CDBG funds shall not exceed ten (10) years without specific State approval.
- 6.2.10. Change in Ownership.** Unless otherwise approved by DOLA staff at OEDIT, loan documents for CDBG financial assistance to a business shall specify that the loan shall become due and payable in the event such business is sold, consolidated or merged to an extent that controlling ownership changes prior to repayment of funds owed. Upon the close out of this Grant by the State, the requirement for alternative approval from DOLA staff at OEDIT shall no longer be required.
- 6.2.11. Remedies.** Grantee shall exhibit due diligence in pursuit of reasonably available remedies should businesses or micro-enterprise businesses not fulfill contractual provisions under which the assistance was provided.
- 6.2.12. Feasibility/Planning Studies.** Grantee shall submit all feasibility/planning studies to DOLA staff at OEDIT for State's review and approval. When approved, the State shall provide to Grantee the terms and conditions specific to each feasibility/planning study.
- 6.3. Construction.** If an approved project includes construction activities, the Grantee shall provide to DLG all necessary forms relating to bidding and construction funded by CDBG funds as outlined in the Guidebook.

- 6.4. Procurement.** Grantee shall follow appropriate procurement standards as outlined in the Guidebook, including the selection and payment of consultants, architects, and engineers necessary for the completion of an approved project. Procurement documentation shall be submitted to DOLA staff at OEDIT at the time of occurrence.
- 6.5. On-site Visits.** Grantee shall allow CDBG program representatives to make on-site visits to verify CDBG program information if reasonable notice has been provided by the State.
- 6.6. On-site Monitoring.** Grantee will notify DLG at least 30 days in advance of Project being completed. On-site monitoring as outlined in the Monitoring section of the Guidebook shall be performed by DLG prior to Project Close Out. Specific legal agreements and related documentation shall be maintained by the Grantee/Subgrantee and shall be reviewed during the on-site monitoring.

7. PROJECT BUDGET

Ref line	Activity	Total	CDBG Funds	Other Funds (minimum of)	Source
	REVENUE				
	CDBG Funds	\$290,000	\$290,000		CDBG
	Grantee/Subgrantee	\$42,000		\$42,000	Sub-grantee
	Other Leveraged Funds (minimum of)	\$580,000		\$580,000	Leverage Sources
	TOTAL REVENUE	\$912,000	\$290,000	\$622,000	
	EXPENDITURES				
1	Business Financial Assistance (18A)	\$250,000	\$250,000		CDBG
	Optional: Micro-enterprise Business Financial Assistance				
	Optional: Micro-enterprise Business Technical Assistance				
	Optional: Feasibility / Planning Studies				
2	Administration (21A)	\$82,000	\$40,000	\$42,000	Sub-grantee/CDBG
	Other:	\$580,000		\$580,000	
	TOTAL EXPENDITURES	\$912,000	\$290,000	\$622,000	

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EXHIBIT C – Supplemental Provisions for FFATA

State of Colorado
Supplemental Provisions for
Federally Funded Contracts, Grants, and Purchase Orders
Subject to
The Federal Funding Accountability and Transparency Act of 2006 (FFATA), As
Amended
Revised as of 3-20-13

The contract, grant, or purchase order to which these Supplemental Provisions are attached has been funded, in whole or in part, with an Award of Federal funds. In the event of a conflict between the provisions of these Supplemental Provisions, the Special Provisions, the contract or any attachments or exhibits incorporated into and made a part of the contract, the provisions of these Supplemental Provisions shall control.

1. **Definitions.** For the purposes of these Supplemental Provisions, the following terms shall have the meanings ascribed to them below.
 - 1.1. **“Award”** means an award of Federal financial assistance that a non-Federal Entity receives or administers in the form of:
 - 1.1.1. Grants;
 - 1.1.2. Contracts;
 - 1.1.3. Cooperative agreements, which do not include cooperative research and development agreements (CRDA) pursuant to the Federal Technology Transfer Act of 1986, as amended (15 U.S.C. 3710);
 - 1.1.4. Loans;
 - 1.1.5. Loan Guarantees;
 - 1.1.6. Subsidies;
 - 1.1.7. Insurance;
 - 1.1.8. Food commodities;
 - 1.1.9. Direct appropriations;
 - 1.1.10. Assessed and voluntary contributions; and
 - 1.1.11. Other financial assistance transactions that authorize the expenditure of Federal funds by non-Federal Entities.

Award **does not** include:

 - 1.1.12. Technical assistance, which provides services in lieu of money;
 - 1.1.13. A transfer of title to Federally-owned property provided in lieu of money; even if the award is called a grant;
 - 1.1.14. Any award classified for security purposes; or
 - 1.1.15. Any award funded in whole or in part with Recovery funds, as defined in section 1512 of the American Recovery and Reinvestment Act (ARRA) of 2009 (Public Law 111-5).
 - 1.2. **“Contract”** means the contract to which these Supplemental Provisions are attached and includes all Award types in §1.1.1 through 1.1.11 above.
 - 1.3. **“Contractor”** means the party or parties to a Contract funded, in whole or in part, with Federal financial assistance, other than the Prime Recipient, and includes grantees, subgrantees, Subrecipients, and borrowers. For purposes of Transparency Act reporting, Contractor does not include Vendors.
 - 1.4. **“Data Universal Numbering System (DUNS) Number”** means the nine-digit number established and assigned by Dun and Bradstreet, Inc. to uniquely identify a business entity. Dun and Bradstreet’s website may be found at: <http://fedgov.dnb.com/webform>.

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- 1.5. “Entity”** means all of the following as defined at 2 CFR part 25, subpart C;
- 1.5.1.** A governmental organization, which is a State, local government, or Indian Tribe;
 - 1.5.2.** A foreign public entity;
 - 1.5.3.** A domestic or foreign non-profit organization;
 - 1.5.4.** A domestic or foreign for-profit organization; and
 - 1.5.5.** A Federal agency, but only a Subrecipient under an Award or Subaward to a non-Federal entity.
- 1.6. “Executive”** means an officer, managing partner or any other employee in a management position.
- 1.7. “Federal Award Identification Number (FAIN)”** means an Award number assigned by a Federal agency to a Prime Recipient.
- 1.8. “FFATA”** means the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282), as amended by §6202 of Public Law 110-252. FFATA, as amended, also is referred to as the “Transparency Act.”
- 1.9. “Prime Recipient”** means a Colorado State agency or institution of higher education that receives an Award.
- 1.10. “Subaward”** means a legal instrument pursuant to which a Prime Recipient of Award funds awards all or a portion of such funds to a Subrecipient, in exchange for the Subrecipient’s support in the performance of all or any portion of the substantive project or program for which the Award was granted.
- 1.11. “Subrecipient”** means a non-Federal Entity (or a Federal agency under an Award or Subaward to a non-Federal Entity) receiving Federal funds through a Prime Recipient to support the performance of the Federal project or program for which the Federal funds were awarded. A Subrecipient is subject to the terms and conditions of the Federal Award to the Prime Recipient, including program compliance requirements. The term “Subrecipient” includes and may be referred to as Subgrantee.
- 1.12. “Subrecipient Parent DUNS Number”** means the subrecipient parent organization’s 9-digit Data Universal Numbering System (DUNS) number that appears in the subrecipient’s System for Award Management (SAM) profile, if applicable.
- 1.13. “Supplemental Provisions”** means these Supplemental Provisions for Federally Funded Contracts, Grants, and Purchase Orders subject to the Federal Funding Accountability and Transparency Act of 2006, As Amended, as may be revised pursuant to ongoing guidance from the relevant Federal or State of Colorado agency or institution of higher education.
- 1.14. “System for Award Management (SAM)”** means the Federal repository into which an Entity must enter the information required under the Transparency Act, which may be found at <http://www.sam.gov>.
- 1.15. “Total Compensation”** means the cash and noncash dollar value earned by an Executive during the Prime Recipient’s or Subrecipient’s preceding fiscal year and includes the following:
- 1.15.1.** Salary and bonus;
 - 1.15.2.** Awards of stock, stock options, and stock appreciation rights, using the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2005) (FAS 123R), Shared Based Payments;
 - 1.15.3.** Earnings for services under non-equity incentive plans, not including group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of Executives and are available generally to all salaried employees;
 - 1.15.4.** Change in present value of defined benefit and actuarial pension plans;
 - 1.15.5.** Above-market earnings on deferred compensation which is not tax-qualified;
 - 1.15.6.** Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the Executive exceeds \$10,000.

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- 1.16. "Transparency Act"** means the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282), as amended by §6202 of Public Law 110-252. The Transparency Act also is referred to as FFATA.
- 1.17 "Vendor"** means a dealer, distributor, merchant or other seller providing property or services required for a project or program funded by an Award. A Vendor is not a Prime Recipient or a Subrecipient and is not subject to the terms and conditions of the Federal award. Program compliance requirements do not pass through to a Vendor.
- 2. Compliance.** Contractor shall comply with all applicable provisions of the Transparency Act and the regulations issued pursuant thereto, including but not limited to these Supplemental Provisions. Any revisions to such provisions or regulations shall automatically become a part of these Supplemental Provisions, without the necessity of either party executing any further instrument. The State of Colorado may provide written notification to Contractor of such revisions, but such notice shall not be a condition precedent to the effectiveness of such revisions.
- 3. System for Award Management (SAM) and Data Universal Numbering System (DUNS) Requirements.**
- 3.1. SAM.** Contractor shall maintain the currency of its information in SAM until the Contractor submits the final financial report required under the Award or receives final payment, whichever is later. Contractor shall review and update SAM information at least annually after the initial registration, and more frequently if required by changes in its information.
- 3.2. DUNS.** Contractor shall provide its DUNS number to its Prime Recipient, and shall update Contractor's information in Dun & Bradstreet, Inc. at least annually after the initial registration, and more frequently if required by changes in Contractor's information.
- 4. Total Compensation.** Contractor shall include Total Compensation in SAM for each of its five most highly compensated Executives for the preceding fiscal year if:
- 4.1.** The total Federal funding authorized to date under the Award is \$25,000 or more; and
- 4.2.** In the preceding fiscal year, Contractor received:
- 4.2.1.** 80% or more of its annual gross revenues from Federal procurement contracts and subcontracts and/or Federal financial assistance Awards or Subawards subject to the Transparency Act; and
- 4.2.2.** \$25,000,000 or more in annual gross revenues from Federal procurement contracts and subcontracts and/or Federal financial assistance Awards or Subawards subject to the Transparency Act; and
- 4.3.** The public does not have access to information about the compensation of such Executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d) or § 6104 of the Internal Revenue Code of 1986.
- 5. Reporting.** Contractor shall report data elements to SAM and to the Prime Recipient as required in §7 below if Contractor is a Subrecipient for the Award pursuant to the Transparency Act. No direct payment shall be made to Contractor for providing any reports required under these Supplemental Provisions and the cost of producing such reports shall be included in the Contract price. The reporting requirements in §7 below are based on guidance from the US Office of Management and Budget (OMB), and as such are subject to change at any time by OMB. Any such changes shall be automatically incorporated into this Contract and shall become part of Contractor's obligations under this Contract, as provided in §2 above. The Colorado Office of the State Controller will provide summaries of revised OMB reporting requirements at <http://www.colorado.gov/dpa/dfp/sco/FFATA.htm>.
- 6. Effective Date and Dollar Threshold for Reporting.** The effective date of these Supplemental Provisions applies to new Awards as of October 1, 2010. Reporting requirements in §7 below apply to new Awards as of October 1, 2010, if the initial award is \$25,000 or more. If the initial Award is below \$25,000 but subsequent Award modifications result in a total Award of \$25,000 or more, the

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Award is subject to the reporting requirements as of the date the Award exceeds \$25,000. If the initial Award is \$25,000 or more, but funding is subsequently de-obligated such that the total award amount falls below \$25,000, the Award shall continue to be subject to the reporting requirements.

7. Subrecipient Reporting Requirements. If Contractor is a Subrecipient, Contractor shall report as set forth below.

7.1 To SAM. A Subrecipient shall register in SAM and report the following data elements in SAM *for each* Federal Award Identification Number no later than the end of the month following the month in which the Subaward was made:

- 7.1.1** Subrecipient DUNS Number;
- 7.1.2** Subrecipient DUNS Number + 4 if more than one electronic funds transfer (EFT) account;
- 7.1.3** Subrecipient Parent DUNS Number;
- 7.1.4** Subrecipient's address, including: Street Address, City, State, Country, Zip + 4, and Congressional District;
- 7.1.5** Subrecipient's top 5 most highly compensated Executives if the criteria in **§4** above are met; and
- 7.1.6** Subrecipient's Total Compensation of top 5 most highly compensated Executives if criteria in **§4** above met.

7.2 To Prime Recipient. A Subrecipient shall report to its Prime Recipient, upon the effective date of the Contract, the following data elements:

- 7.2.1** Subrecipient's DUNS Number as registered in SAM.
- 7.2.2** Primary Place of Performance Information, including: Street Address, City, State, Country, Zip code + 4, and Congressional District.

8. Exemptions.

8.1. These Supplemental Provisions do not apply to an individual who receives an Award as a natural person, unrelated to any business or non-profit organization he or she may own or operate in his or her name.

8.2 A Contractor with gross income from all sources of less than \$300,000 in the previous tax year is exempt from the requirements to report Subawards and the Total Compensation of its most highly compensated Executives.

8.3 Effective October 1, 2010, "Award" currently means a grant, cooperative agreement, or other arrangement as defined in Section 1.1 of these Special Provisions. On future dates "Award" may include other items to be specified by OMB in policy memoranda available at the OMB Web site; Award also will include other types of Awards subject to the Transparency Act.

8.4 There are no Transparency Act reporting requirements for Vendors.

9. Event of Default. Failure to comply with these Supplemental Provisions shall constitute an event of default under the Contract and the State of Colorado may terminate the Contract upon 30 days prior written notice if the default remains uncured five calendar days following the termination of the 30 day notice period. This remedy will be in addition to any other remedy available to the State of Colorado under the Contract, at law or in equity.

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OPTION LETTER #Insert # Here

SIGNATURE AND COVER PAGE

State Agency Department of Local Affairs	Encumbrance Number Insert DLG encumbrance number for this Project	Option Letter CMS Number Insert CMS number for this Amendment
Grantee Insert Grantee's Full Legal Name	Previous CMS #(s) Insert CMS number for orig Agreement, and any prior chg docs	
Project Number and Name Insert DOLA's project number and name	Grant Amount Initial Award: \$Insert orig award amt Option Letter ## and date effective/spendable: \$0.00 Option Letter ## and date effective/spendable: \$0.00 Total Grant Amount: \$Insert total award to date	
DOLA Regional Manager Choose an item. DOLA Regional Assistant Choose an item.	Prior Grant Agreement Expiration Date Month Day, Year	Current Grant Agreement Expiration Date Month Day, Year

THE PARTIES HERETO HAVE EXECUTED THIS OPTION LETTER

Each person signing this Option Letter represents and warrants that he or she is duly authorized to execute this Option Letter and to bind the Party authorizing his or her signature.

STATE OF COLORADO
Jared S. Polis GOVERNOR
 Colorado Department of Local Affairs

By: _____

Rick M. Garcia, Executive Director

Date: _____

ALL CONTRACTS REQUIRE APPROVAL BY THE STATE CONTROLLER

CRS §24-30-202 requires the State Controller to approve all State contracts. This Option Letter is not valid until signed and dated below by the State Controller or delegate.

STATE CONTROLLER
Robert Jaros, CPA, MBA, JD

By: _____

Yingtse Cha, Controller Delegate

Effective Date: _____

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1) **OPTIONS:** Choose all applicable options listed in §1 and in §2

- a. Option to extend (*use this option for Extension of Time*)
- b. Change in the Grant Award Amount within the current term (*use this option for an Increase or Decrease in Grant Funds, including Supplemental funding awards*)
- c. Budget Line Adjustment(s) – reallocation of awarded Grant Funds to Budget Line(s) (*use this Option to redistribute existing Grant Funds between budget lines*)

2) **REQUIRED PROVISIONS.** All Option Letters shall contain the appropriate provisions set forth below:

a. For use with Option 1(a): In accordance with **Section 2(A)** of the original Grant Award Letter between the State of Colorado, acting by and through the Colorado Department of Local Affairs, and **Grantee's Name**, the State hereby exercises its option for an additional term beginning **Insert start date** and ending on **Insert ending date**.

b. For use with Option 1(b): In accordance with **Section 7(A)(i)** of the original Grant Award Letter between the State of Colorado, acting by and through the Colorado Department of Local Affairs, and **Grantee's Name**, the State hereby exercises its option to **increase/decrease** Grant Funds awarded for this Project in an amount equal to **amt of increase or (decrease)**, from **beginning dollar amt** to **ending dollar amt**. The Grant Award Amount shown on the Summary of Grant Award Terms and Conditions page of this Grant Award Letter is hereby changed to **ending dollar amt**. The Payment Schedule in **Section 5.1** and the Budget table in **Section 7**, both of **Exhibit B**, are deleted and replaced with the following:

Payment	Amount	
Interim or Final Payment(s)		Paid upon receipt of required supporting documentation and written requests from the Grantee for eligible and approved projects or activities.
Total		

Ref line	Activity	Total	CDBG Funds	Other Funds (minimum of)	Source
	REVENUE				
	CDBG Funds				
	Grantee/Subgrantee				
	Other Leveraged Funds (minimum of)				
	TOTAL REVENUE				
	EXPENDITURES				
1	Business Financial Assistance (18A)				
2	Administration (21A)				
	Other:				
	TOTAL EXPENDITURES				

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c. **For use with Option 1(c):** In accordance with **Section 7(D)(i)** of the original Grant Award Letter between the State of Colorado, acting by and through the Colorado Department of Local Affairs, and **Grantee's Name**, the State hereby exercises its option to re-allocate awarded Grant Funds within the Project Budget. The Budget table in **Section 7 of Exhibit B** is deleted and replaced with the following:

Ref line	Activity	Total	CDBG Funds	Other Funds (minimum of)	Source
	REVENUE				
	CDBG Funds				
	Grantee/Subgrantee				
	Other Leveraged Funds (minimum of)				
	TOTAL REVENUE				
	EXPENDITURES				
1	Business Financial Assistance (18A)				
2	Administration (21A)				
	Other:				
	TOTAL EXPENDITURES				

3) **Effective Date.** The effective date of this Option Letter is upon approval of the State Controller or , whichever is later.

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**FORM 2 - Federal Funding Accountability and Transparency Act (FFATA)
Data Report Form**

**Reporting is required for initial awards of \$25,000 or more
or award modifications that result in a total award of \$25,000 or more.**

Information Field Definitions can be found in Exhibit C	Response
1. County DUNS Number:	
2. County 's Legal Name:	
3. County 's Parent DUNS Number: (Report ONLY if different from County DUNS number)	
4. Location of County Receiving Award: (Full street address, including City, State and Zip+4)	
5. Primary Location of Performance of the Award: (City, State and Zip+4)	
	Answer True or False
6. In the preceding fiscal year, County received:	
a. \$25,000,000 or more in annual gross revenues from federal procurement contracts/subcontracts and/or federal financial assistance awards or sub-awards subject to the Transparency Act.	
b. 80% or more of its annual gross revenues from federal procurement contracts/subcontracts and/or federal financial assistance awards or sub-awards subject to the Transparency Act.	
c. The public does not have access to information about the compensation of its five most highly compensated Executives through periodic reports filed through the Securities Exchange Act of 1934 or the IRS.	

An answer to question 7 is required ONLY when all answers to questions 6 are true.

7. Names and total compensation of the five (5) most highly compensated Executives for the preceding fiscal year:

Print Name	Compensation Amount
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

By signing below, I certify the information contained in this report is complete and accurate to the best of my knowledge.

Signature of Responsible Administrator Date

CDBG
CTGG1 NLAA 2019*3207

SUMMARY OF GRANT AWARD TERMS AND CONDITIONS

State Agency Department of Local Affairs	Encumbrance Number F18CDB18610	CMS Number 127778
Grantee CLEAR CREEK COUNTY	Grant Award Amount \$290,000.00	Retainage Amount \$0
Project Number and Name CDBG 18-610 Clear Creek County BLF	Performance Start Date The later of the Effective Date or 02/15/2019	Grant Expiration Date 11/30/2020
Project Description The Project provides Community Development Block Grant Funds to Recapitalize the existing Business Loan Fund for job creation, retention or expansion.	Program Name Community Development Block Grant Program (CDBG)	
	Funding Source FEDERAL FUNDS	
	Catalog of Federal Domestic Assistance (CFDA) Number 14.228	
DOLA Program Manager <u>Robert Todd, CDBG Business Manager (303) 892-3824</u> <u>Robert.todd@state.co.us</u>	Funding Account Codes N/A	
	VCUST# 14245	Address Code CN001

THE SIGNATORIES LISTED BELOW AUTHORIZE THIS GRANT

<p>DEPARTMENT OF LOCAL AFFAIRS PROGRAM REVIEWER</p> <p>DocuSigned by: <i>Alison Williams Helm</i></p> <p>818045A82A764DC...</p> <p>By: Alison Williams Helm, Federal Grants Manager</p> <p>Date: <u>2/26/2019 1:28 PM MST</u></p>	<p>STATE OF COLORADO Jared S. Polis, Governor DEPARTMENT OF LOCAL AFFAIRS Rick M. Garcia, Executive Director</p> <p>DocuSigned by: <i>Rick M. Garcia FOR</i></p> <p>F4C4CFA6FDAD405...</p> <p>By: Rick M. Garcia, Executive Director</p> <p>Date: <u>2/26/2019 2:48 PM MST</u></p>
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In accordance with §24-30-202 C.R.S., this Grant is not valid until signed and dated below by the State Controller or an authorized delegate (the "Effective Date").

<p><u>STATE CONTROLLER</u> <u>Robert Jaros, CPA, MBA, JD</u></p> <p>DocuSigned by: <i>Yingtse Cha</i></p> <p>9C3D102D59B2427...</p> <p>By: Yingtse Cha, Controller Delegate Department of Local Affairs</p> <p>Effective Date: <u>2/28/2019 2:28 PM MST</u></p>
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TERMS AND CONDITIONS

1. GRANT

As of the Performance Start Date, the State Agency shown on the Summary of Grant Award Terms and Conditions page of this Grant Award Letter (the “State”) hereby obligates and awards to Grantee shown on the Summary of Grant Award Terms and Conditions page of this Grant Award Letter (the “Grantee”) an award of Grant Funds in the amount shown on the Summary of Grant Award Terms and Conditions page of this Grant Award Letter. By accepting the Grant Funds provided under this Grant Award Letter, Grantee agrees to comply with the terms and conditions of this Grant Award Letter and requirements and provisions of all Exhibits to this Grant Award Letter.

2. TERM

A. Initial Grant Term and Extension

The Parties’ respective performances under this Grant Award Letter shall commence on the Performance Start Date and shall terminate on the Grant Expiration Date unless sooner terminated or further extended in accordance with the terms of this Grant Award Letter. Upon request of Grantee, the State may, in its sole discretion, extend the term of this Grant Award Letter by providing Grantee with an updated Grant Award Letter or an executed Option Letter showing the new Grant Expiration Date.

B. Early Termination in the Public Interest

The State is entering into this Grant Award Letter to serve the public interest of the State of Colorado as determined by its Governor, General Assembly, or Courts. If this Grant Award Letter ceases to further the public interest of the State or if State, Federal or other funds used for this Grant Award Letter are not appropriated, or otherwise become unavailable to fund this Grant Award Letter, the State, in its discretion, may terminate this Grant Award Letter in whole or in part by providing written notice to Grantee. If the State terminates this Grant Award Letter in the public interest, the State shall pay Grantee an amount equal to the percentage of the total reimbursement payable under this Grant Award Letter that corresponds to the percentage of Work satisfactorily completed, as determined by the State, less payments previously made. Additionally, the State, in its discretion, may reimburse Grantee for a portion of actual, out-of-pocket expenses not otherwise reimbursed under this Grant Award Letter that are incurred by Grantee and are directly attributable to the uncompleted portion of Grantee’s obligations, provided that the sum of any and all reimbursements shall not exceed the maximum amount payable to Grantee hereunder. This subsection shall not apply to a termination of this Grant Award Letter by the State for breach by Grantee.

C. *Reserved.*

3. AUTHORITY

Authority to enter into this Grant Award Letter exists in the law as follows:

A. Federal Authority

Authority to enter into this Grant exists in C.R.S. 24-32-106 and 29-3.5-101 and funds have been budgeted, appropriated and otherwise made available and a sufficient unencumbered

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balance thereof remains available for payment. Required approvals, clearance and coordination have been accomplished from and with appropriate agencies.

B. *Reserved.*

4. DEFINITIONS

The following terms shall be construed and interpreted as follows:

A. *Reserved.*

B. *Reserved.*

C. “**CORA**” means the Colorado Open Records Act, §§24-72-200.1 *et. seq.*, C.R.S.

D. “**Exhibits**” means the following exhibits attached to this Grant Award Letter:

i. **Exhibit A**, Applicable Laws

ii. **Exhibit B**, Scope of Project

iii. **Exhibit C**, Supplemental Provisions for Federal Funding Accountability and Transparency Act of 2006 (FFATA)

iv. **Exhibit G**, Form of Option Letter

v. **Form 2**, FFATA Data Report Form

E. “**Extension Term**” means the period of time by which the Grant Expiration Date is extended by the State through delivery of an updated Grant Award Letter, an amendment, or an Option Letter.

F. *Reserved.*

G. *Reserved.*

H. “**Goods**” means any movable material acquired, produced, or delivered by Grantee as set forth in this Grant Award Letter and shall include any movable material acquired, produced, or delivered by Grantee in connection with the Services.

I. “**Grant Award Letter**” or “**Grant**” means this letter which offers Grant Funds to Grantee, including all attached Exhibits, all documents incorporated by reference, all referenced statutes, rules and cited authorities, and any future updates thereto.

J. “**Grant Expiration Date**” means the Grant Expiration Date shown on the Summary of Grant Award Terms and Conditions page of this Grant Award Letter. Work performed after the Grant Expiration Date is not eligible for reimbursement from Grant Funds.

K. “**Grant Funds**” or “**Grant Award Amount**” means the funds that have been appropriated, designated, encumbered, or otherwise made available for payment by the State under this Grant Award Letter.

L. “**Incident**” means any accidental or deliberate event that results in, or constitutes an imminent threat of, the unauthorized access or disclosure of State Confidential Information or of the unauthorized modification, disruption, or destruction of any State Records.

M. “**Initial Term**” means the time period between the Performance Start Date and the initial Grant Expiration Date.

N. *Reserved.*

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- O.** “**Other Funds**” means all funds necessary to complete the Project, excluding Grant Funds. Grantee is solely responsible for securing all Other Funds.
- P.** “**Party**” means the State or Grantee, and “**Parties**” means both the State and Grantee.
- Q.** “**Performance Start Date**” means the later of the Performance Start Date or the Execution Date shown on the Summary of Grant Award Terms and Conditions page of this Grant Award Letter.
- R.** *Reserved.*
- S.** *Reserved.*
- T.** *Reserved.*
- U.** “**Project**” means the overall project described in **Exhibit B**, which includes the Work.
- V.** “**Project Budget**” means the amounts detailed in **§7 of Exhibit B**.
- W.** *Reserved.*
- X.** *Reserved.*
- Y.** “**Services**” means the services performed by Grantee as set forth in this Grant Award Letter, and shall include any services rendered by Grantee in connection with the Goods.
- Z.** “**State Confidential Information**” means any and all State Records not subject to disclosure under CORA. State Confidential Information shall include, but is not limited to State personnel records not subject to disclosure under CORA.
- AA.** “**State Fiscal Rules**” means the fiscal rules promulgated by the Colorado State Controller pursuant to §24-30-202(13)(a) C.R.S.
- BB.** “**State Fiscal Year**” means a 12 month period beginning on July 1 of each calendar year and ending on June 30 of the following calendar year. If a single calendar year follows the term, then it means the State Fiscal Year ending in that calendar year.
- CC.** “**State Records**” means any and all State data, information, and records, regardless of physical form, including, but not limited to, information subject to disclosure under CORA.
- DD.** *Reserved.*
- EE.** “**Subcontractor**” means third-parties, if any, engaged by Grantee to aid in performance of the Work. “Subcontractor” also includes sub-grantees.
- FF.** *Reserved.*
- GG.** *Reserved.*
- HH.** *Reserved.*
- II.** “**Work**” means the delivery of the Goods and performance of the Services described in this Grant Award Letter.
- JJ.** “**Work Product**” means the tangible and intangible results of the Work, whether finished or unfinished, including drafts. Work Product includes, but is not limited to, documents, text, software (including source code), research, reports, proposals, specifications, plans, notes, studies, data, images, photographs, negatives, pictures, drawings, designs, models, surveys, maps, materials, ideas, concepts, know-how, and any other results of the Work. “Work

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Product” does not include any material that was developed prior to the Performance Start Date that is used, without modification, in the performance of the Work.

Any other term used in this Grant Award Letter that is defined in an Exhibit shall be construed and interpreted as defined in that Exhibit.

5. PURPOSE

The purpose of the Community Development Block Grant Program is to develop viable communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons. The purpose of this Grant is described in **Exhibit B**.

6. SCOPE OF PROJECT

Grantee shall complete the Work as described in this Grant Award Letter and in accordance with the provisions of **Exhibit B**. The State shall have no liability to compensate or reimburse Grantee for the delivery of any goods or the performance of any services that are not specifically set forth in this Grant Award Letter.

7. PAYMENTS TO GRANTEE

A. Maximum Amount

Payments to Grantee are limited to the unpaid, obligated balance of the Grant Funds. The State shall not pay Grantee any amount under this Grant that exceeds the Grant Award Amount shown on the Summary of Grant Award Terms and Conditions page of this Grant Award Letter.

- i.** The State may increase or decrease the Grant Award Amount by providing Grantee with an updated Grant Award Letter or an executed Option Letter showing the new Grant Award Amount.
- ii.** Except as provided in **§7(E)**, The State shall not be liable to pay or reimburse Grantee for any Work performed or expense incurred before the Performance Start Date or after the Grant Expiration Date.
- iii.** Financial obligations of the State payable after the current State Fiscal Year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.

B. Erroneous Payments

The State may recover, at the State’s discretion, payments made to Grantee in error for any reason, including, but not limited to, overpayments or improper payments, and unexpended or excess funds received by Grantee. The State may recover such payments by deduction from subsequent payments under this Grant Award Letter, deduction from any payment due under any other contracts, grants or agreements between the State and Grantee, or by any other appropriate method for collecting debts owed to the State.

C. Matching Funds

Grantee shall provide the Other Funds amount shown on the Project Budget in **Exhibit B** (the “Local Match Amount”). Grantee shall raise the full amount of matching funds during the term of this Grant and shall report to the Department regarding the status of such funds as required in **Exhibit B**. Grantee does not by accepting this Grant Award Letter irrevocably pledge present cash reserves for payments in future fiscal years, and this Grant Award Letter

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is not intended to create a multiple-fiscal year debt of Grantee. Grantee shall not pay or be liable for any claimed interest, late charges, fees, taxes or penalties of any nature, except as required by Grantee's laws or policies.

D. Reimbursement of Grantee Costs

The State shall reimburse Grantee's allowable costs, not exceeding the maximum total amount described in this Grant Award Letter for all allowable costs described in this Grant Award Letter and shown in the Project Budget in **Exhibit B**.

- i.** Upon request of the Grantee, the State may, without changing the maximum total amount of Grant Funds, adjust or otherwise reallocate Grant Funds among or between each line of the Project Budget by providing Grantee with an executed Option Letter or formal amendment.

E. Retroactive Payments

The State shall pay Grantee for costs or expenses incurred or performance by the Grantee prior to the Effective Date, only if (1) the Grant Funds involve federal funding and (2) federal laws, rules and regulations applicable to the Work provide for such retroactive payments to the Grantee. Any such retroactive payments shall comply with State Fiscal Rules and be made in accordance with the provisions of this Grant or such Exhibit. Grantee shall initiate any payment request by submitting invoices to the State in the form and manner set forth and approved by the State.

F. Close-Out and De-obligation of Grant Funds

Grantee shall close out this Grant no later than 90 days after the Grant Expiration Date. To complete close out, Grantee shall submit to the State all deliverables (including documentation) as defined in this Grant Award Letter and Grantee's final reimbursement request or invoice. Any Grant Funds remaining after submission and payment of Grantee's final reimbursement request are subject to de-obligation by the State.

8. REPORTING – NOTIFICATION

A. Performance and Final Status

Grantee shall submit all financial, performance and other reports to the State no later than the end of the close out period described in **§7.F**.

B. Violations Reporting

Grantee shall disclose, in a timely manner, in writing to the State, all violations of federal or State criminal law involving fraud, bribery, or gratuity violations potentially affecting this Award.

9. GRANTEE RECORDS

A. Maintenance and Inspection

Grantee shall make, keep, and maintain, all records, documents, communications, notes and other written materials, electronic media files, and communications, pertaining in any manner to this Grant for a period of three years following the completion of the close out of this Grant. Grantee shall permit the State to audit, inspect, examine, excerpt, copy and transcribe all such records during normal business hours at Grantee's office or place of business, unless the State determines that an audit or inspection is required without notice at a different time to protect the interests of the State.

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B. Monitoring

The State will monitor Grantee's performance of its obligations under this Grant Award Letter using procedures as determined by the State. The State shall monitor Grantee's performance in a manner that does not unduly interfere with Grantee's performance of the Work.

C. Audits

Grantee shall comply with all State and federal audit requirements.

10. CONFIDENTIAL INFORMATION-STATE RECORDS

A. Confidentiality

Grantee shall hold and maintain, and cause all Subcontractors to hold and maintain, any and all State Records that the State provides or makes available to Grantee for the sole and exclusive benefit of the State, unless those State Records are otherwise publically available at the time of disclosure or are subject to disclosure by Grantee under CORA. Grantee shall not, without prior written approval of the State, use for Grantee's own benefit, publish, copy, or otherwise disclose to any third party, or permit the use by any third party for its benefit or to the detriment of the State, any State Records, except as otherwise stated in this Grant Award Letter. Grantee shall provide for the security of all State Confidential Information in accordance with all policies promulgated by the Colorado Office of Information Security (<http://oit.state.co.us/ois>) and all applicable laws, rules, policies, publications, and guidelines. Grantee shall immediately forward any request or demand for State Records to the State's principal representative.

B. Other Entity Access and Nondisclosure Agreements

Grantee may provide State Records to its agents, employees, assigns and Subcontractors as necessary to perform the Work, but shall restrict access to State Confidential Information to those agents, employees, assigns and Subcontractors who require access to perform their obligations under this Grant Award Letter. Grantee shall ensure all such agents, employees, assigns, and Subcontractors sign nondisclosure agreements with provisions at least as protective as those in this Grant, and that the nondisclosure agreements are in force at all times the agent, employee, assign or Subcontractor has access to any State Confidential Information. Grantee shall provide copies of those signed nondisclosure restrictions to the State upon request.

C. Use, Security, and Retention

Grantee shall use, hold and maintain State Confidential Information in compliance with any and all applicable laws and regulations in facilities located within the United States, and shall maintain a secure environment that ensures confidentiality of all State Confidential Information wherever located. Grantee shall provide the State with access, subject to Grantee's reasonable security requirements, for purposes of inspecting and monitoring access and use of State Confidential Information and evaluating security control effectiveness. Upon the expiration or termination of this Grant, Grantee shall return State Records provided to Grantee or destroy such State Records and certify to the State that it has done so, as directed by the State. If Grantee is prevented by law or regulation from returning or destroying State Confidential Information, Grantee warrants it will guarantee the confidentiality of, and cease to use, such State Confidential Information.

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D. Incident Notice and Remediation

If Grantee becomes aware of any Incident, it shall notify the State immediately and cooperate with the State regarding recovery, remediation, and the necessity to involve law enforcement, as determined by the State. After an Incident, Grantee shall take steps to reduce the risk of incurring a similar type of Incident in the future as directed by the State, which may include, but is not limited to, developing and implementing a remediation plan that is approved by the State at no additional cost to the State.

11. CONFLICTS OF INTEREST

Grantee shall not engage in any business or activities, or maintain any relationships that conflict in any way with the full performance of the obligations of Grantee under this Grant. Grantee acknowledges that, with respect to this Grant, even the appearance of a conflict of interest shall be harmful to the State's interests and absent the State's prior written approval, Grantee shall refrain from any practices, activities or relationships that reasonably appear to be in conflict with the full performance of Grantee's obligations under this Grant. If a conflict or the appearance of a conflict arises, or if Grantee is uncertain whether a conflict or the appearance of a conflict has arisen, Grantee shall submit to the State a disclosure statement setting forth the relevant details for the State's consideration.

12. INSURANCE

Grantee shall maintain at all times during the term of this Grant such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under the Colorado Governmental Immunity Act, §24-10-101, *et seq.*, C.R.S. (the "GIA"). Grantee shall ensure that any Subcontractors maintain all insurance customary for the completion of the Work done by that Subcontractor and as required by the State or the GIA.

13. REMEDIES

In addition to any remedies available under any Exhibit to this Grant Award Letter, if Grantee fails to comply with any term or condition of this Grant, the State may terminate some or all of this Grant and require Grantee to repay any or all Grant Funds to the State in the State's sole discretion. The State may also terminate this Grant Award Letter at any time if the State has determined, in its sole discretion, that Grantee has ceased performing the Work without intent to resume performance, prior to the completion of the Work.

14. DISPUTE RESOLUTION

Except as herein specifically provided otherwise, disputes concerning the performance of this Grant that cannot be resolved by the designated Party representatives shall be referred in writing to a senior departmental management staff member designated by the State and a senior manager or official designated by Grantee for resolution.

15. NOTICES AND REPRESENTATIVES

Each Party shall identify an individual to be the principal representative of the designating Party and shall provide this information to the other Party. All notices required or permitted to be given under this Grant Award Letter shall be in writing, and shall be delivered either in hard copy or by email to the representative of the other Party. Either Party may change its principal representative or principal representative contact information by notice submitted in accordance with this §15.

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16. RIGHTS IN WORK PRODUCT AND OTHER INFORMATION

Grantee hereby grants to the State a perpetual, irrevocable, non-exclusive, royalty free license, with the right to sublicense, to make, use, reproduce, distribute, perform, display, create derivatives of and otherwise exploit all intellectual property created by Grantee or any Subcontractors or Subgrantees and paid for with Grant Funds provided by the State pursuant to this Grant.

17. GOVERNMENTAL IMMUNITY

Liability for claims for injuries to persons or property arising from the negligence of the Parties, their departments, boards, commissions, committees, bureaus, offices, employees and officials shall be controlled and limited by the provisions of the GIA; the Federal Tort Claims Act, 28 U.S.C. Pt. VI, Ch. 171 and 28 U.S.C. 1346(b), and the State’s risk management statutes, §§24-30-1501, *et seq.* C.R.S. No term or condition of this Grant Award Letter shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, or protections of any of these provisions.

18. GENERAL PROVISIONS

A. Assignment

Grantee’s rights and obligations under this Grant are personal and may not be transferred or assigned without the prior, written consent of the State. Any attempt at assignment or transfer without such consent shall be void. Any assignment or transfer of Grantee’s rights and obligations approved by the State shall be subject to the provisions of this Grant Award Letter.

B. Captions and References

The captions and headings in this Grant Award Letter are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions. All references in this Grant Award Letter to sections (whether spelled out or using the § symbol), subsections, exhibits or other attachments, are references to sections, subsections, exhibits or other attachments contained herein or incorporated as a part hereof, unless otherwise noted.

C. Entire Understanding

This Grant Award Letter represents the complete integration of all understandings between the Parties related to the Work, and all prior representations and understandings related to the Work, oral or written, are merged into this Grant Award Letter.

D. Modification

The State may modify the terms and conditions of this Grant by issuance of an updated Grant Award Letter, which shall be effective if Grantee accepts Grant Funds following receipt of the updated letter. The Parties may also agree to modification of the terms and conditions of the Grant in either an option letter or a formal amendment to this Grant, properly executed and approved in accordance with applicable Colorado State law and State Fiscal Rules.

E. Statutes, Regulations, Fiscal Rules, and Other Authority

Any reference in this Grant Award Letter to a statute, regulation, State Fiscal Rule, fiscal policy or other authority shall be interpreted to refer to such authority then current, as may have been changed or amended since the Performance Start Date. Grantee shall strictly comply with all applicable Federal and State laws, rules, and regulations in effect or hereafter

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established, including, without limitation, laws applicable to discrimination and unfair employment practices.

F. Order of Precedence

In the event of a conflict or inconsistency between this Grant Award Letter and any Exhibits or attachment, such conflict or inconsistency shall be resolved by reference to the documents in the following order of priority:

- i.** Exhibit C, Supplemental Provisions for Federal Funding Accountability and Transparency Act (FFATA)
- ii.** Any executed Option Letter
- iii.** The provisions of this Grant Award Letter
- iv.** The provisions of any other exhibits to this Grant Award Letter

G. Severability

The invalidity or unenforceability of any provision of this Grant Award Letter shall not affect the validity or enforceability of any other provision of this Grant Award Letter, which shall remain in full force and effect, provided that the Parties can continue to perform their obligations under the Grant in accordance with the intent of the Grant.

H. Survival of Certain Grant Award Letter Terms

Any provision of this Grant Award Letter that imposes an obligation on a Party after termination or expiration of the Grant shall survive the termination or expiration of the Grant and shall be enforceable by the other Party.

I. Third Party Beneficiaries

Except for the Parties' respective successors and assigns described above, this Grant Award Letter does not and is not intended to confer any rights or remedies upon any person or entity other than the Parties. Any services or benefits which third parties receive as a result of this Grant are incidental to the Grant, and do not create any rights for such third parties.

J. Waiver

A Party's failure or delay in exercising any right, power, or privilege under this Grant Award Letter, whether explicit or by lack of enforcement, shall not operate as a waiver, nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise of such right, power, or privilege.

K. *Reserved.*

L. Digital Signatures

If any signatory signs this Grant using a digital signature in accordance with the Colorado State Controller Contract, Grant, and Purchase Order Policies regarding the use of digital signatures issued under the State Fiscal Rules, then any agreement or consent to use digital signatures within the electronic system through which that signatory signed shall be incorporated into this Grant by reference.