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TOWN OF BETHLEHEM MICROENTREPRISE GRANT PROGRAM
Grant Agreement

THIS AGREEMENT, entered into as of this _____ day of _____ by and between _____ having its principal office at _____ (hereinafter "Company" or "Grantee") and the Town of Bethlehem, having its principal office at 445 Delaware Avenue, Delmar, New York (hereinafter "Corporation"), making and entering into same as the date of its execution by an authorized representative of the Corporation.

WITNESSETH THAT:

WHEREAS, the CORPORATION, by Town Board Action on _____ authorized the provisions of funds from the Town of Bethlehem Microenterprise Grant Program to COMPANY for the purpose of stimulating economic growth and employment in Town of Bethlehem.

NOW, THEREFORE, the parties do agree as follows:

1. Project Descriptions. The CORPORATION will grant funds to the COMPANY who will use the funds for the financing of _____ more fully described in the COMPANY'S application for funds.
2. Grant Amount. The COMPANY agrees to receive the CORPORATION agrees to grant up to (\$X,XXX) for the project. Under no circumstances will the CORPORATION be expected to provide more than \$_____ to the COMPANY.
3. Other Funds. The COMPANY represents that it has secured the commitment of at least \$_____ from the _____ Bank (hereinafter "Lender") for the project. It is understood by both parties that the CORPORATION shall pay out its funds to the COMPANY after presentation by the COMPANY of satisfactory evidence that the COMPANY has commitment for a line of credit totaling at least _____ of the Lender's funds authorized for expenditures more fully described in the COMPANY's application for funds. In addition, the COMPANY agrees to invest \$_____ in cash reserves described more fully in the application for funds as "Owners Equity".
4. Grant Disbursement. The CORPORATION shall disburse its grant to the COMPANY only after the successful completion of the Entrepreneurial assistance training program. The COMPANY will be limited to two (2) disbursements of grant funds and each

disbursement must be for a minimum of \$1,000. The CORPORATION will withhold a minimum of 25% of the grant award until the job creation component of the grant program has been met.

5. Insurance. The COMPANY agrees to provide to the CORPORATION the following insurances effective on the date of the creation of the account described in paragraph 4 above:
 - a. Public liability insurance in an amount not less than \$1,000,000.00 with the CORPORATION, the Town of Bethlehem named as additional insured on the policy.

The insurance shall be in a form and from companies acceptable to the CORPORATION and the COMPANY shall deliver to the CORPORATION certificate of insurance or provide other evidence acceptable to the CORPORATION of compliance with this paragraph.

6. Hold Harmless Agreement. The COMPANY agrees to identify and defend the CORPORATION, New York State Office of Homes and Community Renewal and hold them harmless from any claim against any of all of them involving in any way arising out of their involvement with this project.
7. Other Undertakings of the COMPANY.

- a. The COMPANY agrees to meet New York State Community Development Block Grant Program guidelines and to meet:
 - ___ 1. The HUD “Low/mod limited clientele, Microenterprise” (LMCMC) National Objective by qualifying as a low/moderate income individual (whose household income status is defined by the schedule included in Exhibit E): **OR**
 - ___ 2. The HUD “Low/mod job creation/retention” (LMJ) National Objective by creating (___) full-time equivalent jobs as outlined in the business plan/application as a result of the project in which 51% of the persons hired will qualify as low/moderate income candidates for said jobs (whose household income status is defined by the schedule included in Exhibit E). Grantee agrees to promptly collect from its employees and potential employees the reasonable and necessary data required by the Town of Bethlehem to monitor and certify eligibility and to forward such data to the Economic Development Coordinator within 30 days of the hiring.
 - b. The COMPANY will permit the CORPORATION to inspect the project premises without advance notice at any reasonable time.
 - c. The COMPANY will solely responsible for seeking securing and keeping in effect any permits needed to operate the equipment and the facility. The COMPANY will solely responsible for seeking, securing and keeping in effect any permits needed to operate the equipment and the facility. The COMPANY will, upon the CORPORATION’s request, provide evidence of compliance with this paragraph to the CORPORATION.
8. Compliance with HUD Requirements. Grantee shall comply with all of the following requirements where applicable:
 - a. The regulations for the Community Development Block Grant (CDBG) Program contained in 24 CFR, Part 570.
 - b. All requirements imposed by Title VI of the Civil Rights Act of 1964 (Public Law 88-352) and Section 109 of the Housing and Community Development Act of

194, as amended, and the regulations related to equal opportunity (24 CFR, Part 570.601). No person in the United States shall, on the ground of race, color, creed, religion or national origin or sex, be excluded from participation in, be denied and the benefits of, or be subjected to discrimination under any project assisted with Community Development Block Grant funds (See Affirmative Action Guidelines Exhibit F)

- c. The flood insurance purchase requirement of Section 102 (a) of the Flood Disaster Protection Act of 1973 (Public Law 93-234).
 - d. The lead-based paint requirements of 24 CFR, Part 35, Subpart B, issued pursuant to the Lead-Based Paint Poisoning Act (42 U.S.C., 4801 et seq.)
 - e. The regulations, policies, guidelines and requirements of OMB Circular A-102 Revised (Handbook 1300.17), which relates to the acceptance and use of federal funds.
 - f. The labor standards requirements as set forth in 24 CFR, 570.605. Employees on construction jobs assisted with CDBG funds must be paid the prevailing federal wage rates. (See Davis-Bacon Certification Statement, Exhibit G)
 - g. Section 504 of the Rehabilitation Act of 1973 (Public Law 92-112), as amended and implementing regulations. No person (employee or applicant for employment) shall be discriminated against because of a physical or mental disability with regard to any position for which the employee or applicant is qualified.
 - h. The provisions of the Age Discrimination Act of 1975, as amended (Public Law 94-135).
 - i. Request from HUD, the CORPORATION and the Comptroller General (or any authorized representatives) for access to and the right to examine all records, books, papers or documents related to the grant and cooperate fully with the CORPORATION in supplying information to meet CDBG audit requirements.
 - j. Section 3 of the Housing and Urban Development Act of 1968 as amended and implementing regulations at 24 CFR, Part 135 requiring that to the greatest extent feasible, opportunities for training and employment be given to low/moderate income residents of the project area and contracts for work in connection with the project be awarded to eligible business concerns which are located in or owned in substantial part by persons residing in the area of the project.
9. Reports. The COMPANY shall from time to time at a minimum provide the CORPORATION, at its request with the following records and reports in a timely fashion:
- a. Annual financial statements prepared by an independent auditor;
 - b. Interim quarterly financial reports;
 - c. Certified payrolls when requested by the CORPORATION;
 - d. Advance notice of all new projected permanent hires;
 - e. Other documentation the CORPORATION deems necessary to ascertain compliance with Project goals.
10. Assignments. The COMPANY shall not assign or otherwise transfer any of its rights, duties or obligations under this agreement without the CORPORATION's advance written authorization.
11. Audit. The COMPANY agrees to participate actively, if requested, and without compensation in audits of the project made by the CORPORATION, New York State

Office of Homes and Community Renewal and U.S. Department of Housing and Urban Development.

12. No Waiver. No failure on the part of the CORPORATION to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by the CORPORATION of any right hereunder preclude any other or future exercise thereof or the exercise of any other right.
13. Applicable Law. This Agreement and the rights and obligations of the parties hereunder shall be construed and interpreted in accordance with the laws of the State of New York.
14. Notice. All notices permitted or required under this Agreement shall be in writing and shall be deemed to be given when delivered personally or deposited in the mails, postage prepaid, certified mail addressed to the COMPANY at its address set forth above and addressed to the CORPORATION at its address set for above. Either party may change its address by notice similarly given.
15. Records. The COMPANY agrees to keep and maintain books, records and other documents relating to the receipt and disbursements of monies advanced by the CORPORATION; and any duly authorized representatives of the CORPORATION, the Department of Housing and Urban Development or Comptroller General of the United States shall, at all reasonable times, have access to and the right to inspect, copy, audit, and examine all such books, records and other documents of the COMPANY until all issues arising from the loan agreement have been finally settled.
16. Recapture of Funds. The CORPORATION reserves the right to recapture grant funds in the event that the COMPANY fails to (1) comply with the terms of this Agreement, or (2) accept conditions imposed by the CORPORATION at the direction of the federal, state and local agencies.
17. Cost of Court Expenses. The COMPANY agrees to pay reasonable attorney's fees, court costs and disbursements in the event that the CORPORATION takes legal action against the COMPANY to enforce the CORPORATION's rights under this agreement.
18. Recording Costs and Legal Expenses. The COMPANY shall pay all recording costs, if any, associated with the Project and shall pay the CORPORATION's reasonable legal costs in preparing the executing this agreement.
19. Public Information Disclosures. The COMPANY understands and agrees that some information furnished in connection with this application for a Microenterprise Grant Program loans involves the use of public funds and as such may be public pursuant to the statutes of the United States of America and the State of New York.
20. Joint and Several Guarantee. The CORPORATION reserves the right to require the COMPANY to sign a Joint and Several Guarantee that embodies the entire promise of the Guarantors to personally guarantee Grantee's repayment pursuant to the requirements and obligations of the Grant Program.

IN WITNESS WHEREOF, the COMPANY and the CORPORATION have executed this Agreement as of the date first above written.

ATTEST: _____

ATTEST: _____