

Agenda Summary
June 25, 2025

Agenda Item No. A-3

VCDP Sub-Grant Agreement with Downstreet Housing & Adoption of Required VCDP Municipal Policies

Summary: The Town of Stowe has been awarded a \$60,000 Community Development Block Grant (CDBG) through the Vermont Community Development Program (VCDP) to support planning activities associated with the proposed merger between Downstreet Housing & Community Development and Lamoille Housing Partnership. The Selectboard is asked to review and authorize execution of two documents: (1) the State of Vermont Grant Agreement #07110-PG-2024-Stowe-04, which formalizes the grant award and outlines the use of funds for legal, financial, IT, and administrative planning for the merger; and (2) the Subgrant and Administrative Services/Program Management Agreement between the Town and Downstreet Housing, which delegates implementation responsibilities to Downstreet, including oversight of consultants, environmental review, compliance documentation, and project reporting. The grant includes \$60,000 in federal funds and leverages an additional \$69,000 in other resources.

The policies up for adoption include an Equal Employment Opportunity Policy, Fair Housing Policy, Use of Excessive Force Policy, Policy on the Use of VCDP Funds for Federal Lobbying, Code of Ethics for VCDP Administration, Drug-Free Workplace Policy, Subrecipient Oversight Monitoring Policy, Whistleblower Protections, Texting While Driving Policy, Violence Against Women Act (VAWA) Compliance Policy, and Accessibility & Section 508 Compliance Policy. These policies ensure that the municipality upholds principles of equity, transparency, accessibility, and compliance in all VCDP-funded programs and activities. The Town has adopted the aforementioned policies associated with previous VCDP Grants and these are the latest versions.

Town Plan & Policy Impact: Conforms with our adopted Housing Goal as set forth in the Town Plan: *To ensure the availability of housing for all Stowe residents and non-resident property owners that is of high-quality design, is energy efficient, and is compatible with the character of the community.*

Fiscal & HR Impact: 15+/- hours of municipal staff time to administer the pass-through requirements.

Recommendation: Move to approve the enclosed VCDP Grant, Sub-Grant to Downstreet Housing, and required policies.

Signatures required

STATE OF VERMONT GRANT AGREEMENT				Part 1 - Grant Award Detail			
SECTION I - GENERAL GRANT INFORMATION							
1 Grant #: 07110-PG-2024-Stowe-04				2 Original <input checked="" type="checkbox"/> Amendment # _____			
3 Grant Title: Downstreet + LHP M&A							
4 Amount Previously Awarded:		5 Amount Awarded This Action:		6 Total Award Amount:			
\$ 0.00		\$ 60,000		\$ 60,000			
7 Award Start Date: 11/19/2024		8 Award End Date: 12/30/2026		9 Subrecipient Award: YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>			
10 Supplier #:		11 Grantee Name: Town of Stowe					
12 Grantee Address: P.O. Box 730, 67 Main Street							
13 City: Stowe				14 State: VT		15 Zip Code: 05672	
16 State Granting Agency: ACCD-Department of Housing & Community Development						17 Business Unit: 07110	
18 Performance Measures: YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>		19 Match/In-Kind: \$ 61,000 Description: See Attachment B - Payment Provisions and Project Budget, 4. Sources and Uses					
20 If this action is an amendment, the following is amended: Amount: <input type="checkbox"/> Funding Allocation: <input type="checkbox"/> Performance Period: <input type="checkbox"/> Scope of Work: <input type="checkbox"/> Other: <input type="checkbox"/>							
SECTION II - SUBRECIPIENT AWARD INFORMATION							
21 Grantee UEI #: VPXAMK1Z3QW3				22 Indirect Rate:		23 FFATA: YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	
24 Grantee Fiscal Year End Month (MM format): 06				0 % <small>(Approved rate or de minimis 10%)</small>		25 R&D: <input type="checkbox"/>	
26 UEI Registered Name (if different than VISION Vendor Name in Box 11): Town of Stowe Police Department							
SECTION III - FUNDING ALLOCATION							
STATE FUNDS							
Fund Type		27 Awarded Previously	28 Award This Action	29 Cumulative Award	30 Special & Other Fund Descriptions		
General Fund		\$0.00	\$0.00	\$0.00			
Special Fund		\$0.00	\$0.00	\$0.00			
Global Commitment <small>(non-subrecipient funds)</small>		\$0.00	\$0.00	\$0.00			
Other State Funds		\$0.00	\$0.00	\$0.00			
FEDERAL FUNDS <small>(includes subrecipient Global Commitment funds)</small>					Required Federal Award Information		
31 ALN#	32 Program Title	33 Awarded Previously	34 Award This Action	35 Cumulative Award	36 FAIN	37 Federal Award Date	38 Total Federal Award
14.228	Community Development Block Grant (CDBG)	\$0.00	\$60,000	\$0.00	B.23.DC.50.0001	??	\$60,000
39 Federal Awarding Agency: U.S. Department of Housing and Urban Development (HUD)			40 Federal Award Project Descr: CDBG FY24				
		\$0.00	\$60,000	\$0.00			\$0.00
Federal Awarding Agency:			Federal Award Project Descr:				
		\$0.00	\$0.00	\$0.00			\$0.00
Federal Awarding Agency:			Federal Award Project Descr:				
		\$0.00	\$0.00	\$0.00			\$0.00
Federal Awarding Agency:			Federal Award Project Descr:				
		\$0.00	\$0.00	\$0.00			\$0.00
Federal Awarding Agency:			Federal Award Project Descr:				
		\$0.00	\$0.00	\$0.00			\$0.00
Federal Awarding Agency:			Federal Award Project Descr:				
Total Awarded - All Funds		\$0.00	\$60,000	\$0.00			
SECTION IV - CONTACT INFORMATION							
STATE GRANTING AGENCY				GRANTEE			
NAME: Brett Chornyak				NAME: Charles Safford			
TITLE: Community Development Specialist				TITLE: Town of Stowe, Town Manager			
PHONE: 802-249-4707				PHONE: 802-253-7350			
EMAIL: Brett.Chornyak@vermont.gov				EMAIL: csafford@stowevt.gov			

GRANT AGREEMENT # 07110-PG-2024-STOWE-04

1. **Parties:** This is a Grant Agreement between State of Vermont Agency of Commerce and Community Development (hereinafter called “State” or “Agency”) and Town of Stowe with principal place of business at P.O. Box 730, 67 Main Street (hereinafter called “Grantee”). It is the grantee’s responsibility to contact the Vermont Department of Taxes to determine if, by law, the grantee is required to have a Vermont Department of Taxes Business Account Number. The grantee is required by law to have a Federal ID# and it is 036000701.
2. **Subject Matter:** The subject matter of this Grant Agreement is Community Development Block Grant.
3. **Award Details:** Amounts, dates and other award details are as shown in the attached *Grant Agreement Part 1-Grant Award Detail*. The detailed scope of work covered by this award is described in Attachment A.
4. **Amendment:** No changes, modifications, or amendments in the terms and conditions of this Grant Agreement shall be effective unless reduced to writing, numbered, and signed by the duly authorized representative of the State and Grantee.
5. **Cancellation:** This Grant Agreement may be suspended or cancelled by either party by giving written notice as provided in Attachment C, Section 27 or Attachment D, Sections XVI and XVII.
6. **Attachments:** This Grant consists of pages including the following attachments that are incorporated herein:
 - Attachment A – Scope of Work to Be Performed and Special Conditions
 - Attachment B – Payment Provisions and Project Budget
 - Attachment C – Customary State Grant Provisions
 - Attachment D – Other Provisions (CDBG Standard Provisions)
 - Attachment E – Certifications

NOTE: Signatures blocks have been omitted because document will use e-signing technology in lieu of signatures.

SCOPE OF WORK AND SPECIAL CONDITIONS

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

Grantee:	Town of Stowe
Subgrantee:	Downstreet Housing & Community Development, 22 Keith Avenue, Barre, VT 05641 UEI: VPXAMK1Z3QW3 Federal ID#:
Program Administrator:	Downstreet Housing & Community Development, 22 Keith

(B) **Project Description:**

The Grantee shall use/loan/subgrant CDBG funds together with Other Resources, as set out in the *Attachment B, Payment Provisions and Project Budget, 4. Sources and Uses*, to support the planning activities for the Lamoille Housing Partnership, located at 49 Brigham Street, Morristown, VT 05661 to merge operations and services with the Downstreet Housing and Community Development organization, located at 22 Keith Avenue, Barre, VT 05641.

(1) Planning (Activity #6012)

The Subgrantee will use CDBG funds together with Other Resources, as set out in Attachment B, Payment Provisions and Project Budget, 4. Sources and Uses, to hire consultants who will complete.

The following activities will be completed as part of the planning work.

- Provide legal services to meet compliance and regulations required in merger of the two housing organizations
- Integration of financial accounting operations
- Integration of web site and IT operations

Other Resources	Funding Source	Type	Amount	Status
Vermont Housing & Conservation Board (VHCB) - Financial integration	State/Local	Grant	\$ 10,000	Pending
Vermont Housing & Conservation Board (VHCB) - Legal	State/Local	Grant	\$ 20,000	Pending
Vermont Housing & Conservation Board (VHCB) - Moving office and infrastructure	State/Local	Grant	\$ 8,000	Pending
Vermont Housing & Conservation Board (VHCB) - Plan pm trans scope	State/Local	Grant	\$ 3,000	Pending
Vermont Housing & Conservation Board (VHCB) - Web and It int	State/Local	Grant	\$ 8,000	Pending
Other (Other) - Downstreet staff	Private	Cash-In-Kind	\$ 20,000	Committed
Total Other Resources			\$ 69,000	

Activity	Program Area	Code	VCDP Amount	VHCB	Other	Total Activity Costs
Planning - Only	Housing	6012	\$ 60,000	\$ 49,000	\$ 20,000	\$ 129,000
General Administration						
Total Costs			\$ 60,000	\$ 49,000	\$ 20,000	\$ 129,000
Total Percentages			47%	38%	15%	

(C) General Administration (Activity 5013)

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

(D) National Objective

The National Objective will be met by merging the Lamoille Housing Partnership with the Downstreet Housing & Community Development organization to provide affordable, permanent housing opportunities and connect low and moderate income individuals with resources and services they need to thrive.

Activity	National Objective	Performance Indicator(s)	Proposed
Planning	Low & Moderate Income	Number of Project(s)	1

(E) The following documents shall be filed with the Agency at the times specified:

- (1) Prior to the first requisition of funds under this Agreement, as required by Attachment D, Section II(D), Grantee shall provide copies of the management forms and municipal policies or a certification that all required policies previously have been adopted and filed with the Agency.
- (2) Prior to the first requisition of funds, the Grantee shall provide evidence of a firm commitment of Other Resources called for by Attachment B, Section 4.
- (3) Prior to the first requisition of funds, a copy of the fully executed Subgrant Agreement between the Grantee and Subgrantee, together with such other documents as may be required to secure compliance with the conditions of said subgrant. Note: The subgrant

agreement will include the general administration activities as required for CDBG funds.

- (4) Prior to the first requisition of funds, the Grantee shall provide an opinion of counsel, satisfactory to the Agency, that each of the documents provided pursuant to Paragraphs (E)(*1) through (*3) hereof is a legal, valid, and binding instrument, enforceable in accordance with its terms; that such documents meet the requirements of this Agreement, including but not limited to the requirements set forth at paragraphs (letter *) (no*) to (no*), and provides for use of the CDBG funds in compliance with this Agreement; and that the Subgrantee/Borrower has met all conditions required under such documents which must predate the first requisition.
 - (5) Prior to the first requisition of funds, the Grantee shall provide evidence that it has established a bank account that meets the requirements of Attachment D, Paragraph V.
 - (6) Prior to the requisition for the final ten (10%) percent of CDBG funds, Grantee shall certify that the Work Product(s), as set forth in Attachment A of this *Agreement*, has been completed to its satisfaction and copies of all reports and materials produced have been received.
 - (7) A complete copy of the Work Product(s) shall be filed with the Agency as part of the Final Program Report.
- (F) The Grantee shall comply and shall require Subgrantee to comply with all conditions set forth in the Environmental Review Release Letter dated 09/25/2024 and shall maintain/upload documentation demonstrating compliance.
- (G) The Grantee shall ensure adequate Subrecipient Oversight Monitoring per the Uniform Guidance using the Subgrantee Financial Monitoring Worksheet that was submitted as an award condition. If the Subgrantee Financial Monitoring Worksheet was not submitted as an award condition, it must be completed prior to the first requisition. Only a Municipal staff person can complete and be responsible for the Subgrantee monitoring.
- (H) Implementation activities that fall within the scope of planning that is being fulfilled by this project cannot commence (with any funding source) until the VCDP receives the Work Product(s), as set forth in Paragraph B, above. If the planning work from this project results in implementation that will be funded exclusively with other resources, implementation can be initiated at any time after the Work Product(s) have been received by VCDP. If CDBG (or any other HUD funding) is being pursued for implementation of the project, a separate Environmental Review will need to be completed and corresponding release received, prior to the initiation of implementation activities.
- (I) **The Subgrant Agreement** between the Grantee and the Subgrantee shall contain such provisions as are appropriate and necessary to meet the requirements of the VCDP as set forth in this *Agreement*, and as set forth in VCDP's Sample Subgrant Agreement; shall incorporate by reference this Grant Agreement; and shall, at a minimum, provide for the following:

- (1) The Grantee shall subgrant \$60,000 in CDBG funds. Confirm that the town of Stowe would like to use any grant funds for general administration budget activity.
- (2) Require the Subgrantee to provide documentation to certify that, as of the date of execution of the Subgrant Agreement, the organization is authorized to do business in the State of Vermont.
- (3) Require the Subgrantee to provide documentation to certify that, as of the date of execution of the Subgrant Agreement, the organization is in good standing with respect to, or in full compliance with a plan to pay, any and all federal, state and local taxes.
- (4) Require the Subgrantee to provide documentation to certify that, as of the date of execution of the Subgrant Agreement, the organization is current on or is in full compliance with a plan to pay, any and all financial obligations.
- (5) Require Subgrantee to certify that, as of the date of execution of the Subgrant Agreement, the organization has obtained a Unique Entity Identification (UEI) number from the SAM.gov UEI Request Service at <https://sam.gov/content/entity-registration>, has registered with the System for Award Management ("SAM") at www.sam.gov, is not listed in the Exclusions portion of Performance Information in the System for Award Management ("SAM") at www.sam.gov; nor named on the State's debarment list at: <http://bgs.vermont.gov/purchasing-contracting/debarment>.
- (6) Require the Subgrantee to provide documentation to certify that, as of the date of execution of the Subgrant Agreement, all permits needed for the project have been identified and those needed to commence activities have been secured.
- (7) Require the Subgrantee to provide a firm commitment of all Other Resources.
- (8) Require the Subgrantee to perform the General Administration (Activity #5013) of this grant, including all applicable specific functions set forth in the "VCDP Sample Subgrant and Administrative Services Agreement."
- (9) Require the Subgrantee to complete a Subgrantee Financial Monitoring Worksheet that complies with Subrecipient Monitoring per the Uniform Guidance and upload the documentation to the Agency's on-line grants management system (GEARS).

PAYMENT PROVISIONS AND PROJECT BUDGET

1. Payment Requisitions

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

The Grantee shall submit requisition requests through the GEARS System along with adequate source documentation such as: invoices paid, canceled checks and timesheets. For reimbursement for Grantee's or Subgrantee personnel, the supporting documentation must detail the expenditures by identifying the personnel, the time worked, the rate being charged per each respective individual, and a description of the work that was performed. For any other costs that are billed directly to the Grantee or Subgrantee, the Grantee shall identify the expenditures and attach copies of supporting invoices.

2. Reporting Requirements

The Grantee shall submit Progress and Financial Reports through the GEARS System biannually to the Agency detailing the status of the Grantee/Subgrantee work and the status of the Project, and in particular the activities described in Attachment A. The First Reporting period shall end **March 31, 2025** and the report shall be due no later than **April 30, 2025**.

The Second Reporting period shall end September 30, 2025. All subsequent biannual reports shall be due no later than thirty (30) days following the end of the reporting period.

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

3. General Provisions

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

4. Sources and Uses

The Other Resources total \$69,000, derived as follows:

Note: Moving expenses not allowed for planning related activities.

Other Resources	Funding Source	Type	Amount	Status
Vermont Housing & Conservation Board (VHCB) - Financial integration	State/Local	Grant	\$ 10,000	Pending
Vermont Housing & Conservation Board (VHCB) - Legal	State/Local	Grant	\$ 20,000	Pending
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General Administration						
Total Costs			\$ 60,000	\$ 49,000	\$ 20,000	\$ 129,000
Total Percentages			47%	38%	15%	

5. Funding Sources for Project

Federal Funds: \$60,000 (47%)

State/Local Funds: \$49,000(38%)

Private Funds: \$20,000 (15%)

ATTACHMENT C: STANDARD STATE PROVISIONS FOR CONTRACTS AND GRANTS
REVISED OCTOBER 1, 2024

1. **Definitions:** For purposes of this Attachment, “Party” shall mean the Contractor, Grantee, or Subrecipient, with whom the State of Vermont is executing this Agreement and consistent with the form of the Agreement. “Agreement” shall mean the specific contract or grant to which this form is attached.
2. **Entire Agreement:** This Agreement, whether in the form of a contract, State-funded grant, or Federally-funded grant, represents the entire agreement between the parties on the subject matter. All prior agreements, representations, statements, negotiations, and understandings shall have no effect. Where an authorized individual is either required to click-through or otherwise accept, or made subject to, any electronic terms and conditions to use or access any product or service provided hereunder, such terms and conditions are not binding and shall have no force or effect. Further, any terms and conditions of Party’s invoice, acknowledgment, confirmation, or similar document, shall not apply, and any such terms and conditions on any such document are objected to without need of further notice or objection.
3. **Governing Law, Jurisdiction and Venue; No Waiver of Jury Trial:** This Agreement will be governed by the laws of the State of Vermont without resort to conflict of laws principles. Any action or proceeding brought by either the State or the Party in connection with this Agreement shall be brought and enforced in the Superior Court of the State of Vermont, Civil Division, Washington Unit. The Party irrevocably submits to the jurisdiction of this court for any action or proceeding regarding this Agreement. The Party agrees that it must first exhaust any applicable administrative remedies with respect to any cause of action that it may have against the State regarding its performance under this Agreement. Party agrees that the State shall not be required to submit to binding arbitration or waive its right to a jury trial.
4. **Sovereign Immunity:** The State reserves all immunities, defenses, rights, or actions arising out of the State’s sovereign status or under the Eleventh Amendment to the United States Constitution. No waiver of the State’s immunities, defenses, rights, or actions shall be implied or otherwise deemed to exist by reason of the State’s entry into this Agreement.
5. **No Employee Benefits For Party:** The Party understands that the State will not provide any individual retirement benefits, group life insurance, group health and dental insurance, vacation or sick leave, workers compensation or other benefits or services available to State employees, nor will the State withhold any state or Federal taxes except as required under applicable tax laws, which shall be determined in advance of execution of the Agreement. The Party understands that all tax returns required by the Internal Revenue Code and the State of Vermont, including but not limited to income, withholding, sales and use, and rooms and meals, must be filed by the Party, and information as to Agreement income will be provided by the State of Vermont to the Internal Revenue Service and the Vermont Department of Taxes.
6. **Independence:** The Party will act in an independent capacity and not as officers or employees of the State.
7. **Defense and Indemnity:**
 - A. The Party shall defend the State and its officers and employees against all third-party claims or suits arising in whole or in part from any act or omission of the Party or of any agent of the Party in connection with the performance of this Agreement. The State shall notify the Party in the event of any such claim or suit, and the Party shall immediately retain counsel and otherwise provide a complete defense against the entire claim or suit. The State retains the right to participate at its own expense in the defense of any claim. The State shall have the right to approve all proposed settlements of such claims or suits.
 - B. After a final judgment or settlement, the Party may request recoupment of specific defense costs and may file suit in Washington Superior Court requesting recoupment. The Party shall be entitled to

- recoup costs only upon a showing that such costs were entirely unrelated to the defense of any claim arising from an act or omission of the Party in connection with the performance of this Agreement.
- C. The Party shall indemnify the State and its officers and employees if the State, its officers, or employees become legally obligated to pay any damages or losses arising from any act or omission of the Party or an agent of the Party in connection with the performance of this Agreement.
- D. Notwithstanding any contrary language anywhere, in no event shall the terms of this Agreement or any document furnished by the Party in connection with its performance under this Agreement obligate the State to (1) defend or indemnify the Party or any third party, or (2) otherwise be liable for the expenses or reimbursement, including attorneys' fees, collection costs or other costs of the Party or any third party.
8. **Insurance:** During the term of this Agreement, Party, at its expense, shall maintain in full force and effect the insurance coverages set forth in the Vermont State Insurance Specification in effect at the time of incorporation of this Attachment C into this Agreement. The terms of the Vermont State Insurance Specification are hereby incorporated by reference into this Attachment C as if fully set forth herein. A copy of the Vermont State Insurance Specification is available at: <https://aoa.vermont.gov/Risk-Claims-COI>.
9. **Reliance by the State on Representations:** All payments by the State under this Agreement will be made in reliance upon the accuracy of all representations made by the Party in accordance with this Agreement, including but not limited to bills, invoices, progress reports, and other proofs of work.
10. **False Claims Act:** Any liability to the State under the Vermont False Claims Act (32 V.S.A. § 630 et seq.) shall not be limited notwithstanding any agreement of the State to otherwise limit Party's liability.
11. **Whistleblower Protections:** The Party shall not discriminate or retaliate against one of its employees or agents for disclosing information concerning a violation of law, fraud, waste, abuse of authority, or acts threatening health or safety, including but not limited to allegations concerning the False Claims Act. Further, the Party shall not require such employees or agents to forego monetary awards as a result of such disclosures, nor should they be required to report misconduct to the Party or its agents prior to reporting to any governmental entity and/or the public.
12. **Use and Protection of State Information:**
- A. As between the State and Party, "State Data" includes all data received, obtained, or generated by the Party in connection with performance under this Agreement. Party acknowledges that certain State Data to which the Party may have access may contain information that is deemed confidential by the State, or which is otherwise confidential by law, rule, or practice, or otherwise exempt from disclosure under the State of Vermont Access to Public Records Act, 1 V.S.A. § 315 et seq. ("Confidential State Data").
- B. With respect to State Data, Party shall:
- take reasonable precautions for its protection;
 - not rent, sell, publish, share, or otherwise appropriate it; and
 - upon termination of this Agreement for any reason, Party shall dispose of or retain State Data if and to the extent required by this Agreement, law, or regulation, or otherwise requested in writing by the State.
- C. With respect to Confidential State Data, Party shall:
- strictly maintain its confidentiality;
 - not collect, access, use, or disclose it except as necessary to provide services to the State under this Agreement;

- iii. provide at a minimum the same care to avoid disclosure or unauthorized use as it provides to protect its own similar confidential and proprietary information;
 - iv. implement and maintain administrative, technical, and physical safeguards and controls to protect against any anticipated threats or hazards or unauthorized access or use;
 - v. promptly notify the State of any request or demand by any court, governmental agency or other person asserting a demand or request for Confidential State Data so that the State may seek an appropriate protective order; and
 - vi. upon termination of this Agreement for any reason, and except as necessary to comply with subsection B.iii above in this section, return or destroy all Confidential State Data remaining in its possession or control.
- D.** If Party is provided or accesses, creates, collects, processes, receives, stores, or transmits Confidential State Data in any electronic form or media, Party shall utilize:
- i. industry-standard firewall protection;
 - ii. multi-factor authentication controls;
 - iii. encryption of electronic Confidential State Data while in transit and at rest;
 - iv. measures to ensure that the State Data shall not be altered without the prior written consent of the State;
 - v. measures to protect against destruction, loss, or damage of State Data due to potential environmental hazards, such as fire and water damage;
 - vi. training to implement the information security measures; and
 - vii. monitoring of the security of any portions of the Party's systems that are used in the provision of the services against intrusion.
- E.** No Confidential State Data received, obtained, or generated by the Party in connection with performance under this Agreement shall be processed, transmitted, stored, or transferred by any means outside the United States, except with the express written permission of the State.
- F.** Party shall notify the State within twenty-four hours after becoming aware of any unauthorized destruction, loss, alteration, disclosure of, or access to, any State Data.
- G.** State of Vermont Cybersecurity Standard Update: Party confirms that all products and services provided to or for the use of the State under this Agreement shall be in compliance with State of Vermont Cybersecurity Standard Update in effect at the time of incorporation of this Attachment C into this Agreement. The State of Vermont Cybersecurity Standard Update prohibits the use of certain branded products in State information systems or any vendor system, and a copy is available at: <https://digitalservices.vermont.gov/cybersecurity/cybersecurity-standards-and-directives>
- H.** In addition to the requirements of this Section 12, Party shall comply with any additional requirements regarding the protection of data that may be included in this Agreement or required by law or regulation.
- 13. Records Available for Audit:** The Party shall maintain all records pertaining to performance under this Agreement. "Records" means any written or recorded information, regardless of physical form or characteristics, which is produced or acquired by the Party in the performance of this Agreement. Records produced or acquired in a machine-readable electronic format shall be maintained in that format. The records described shall be made available at reasonable times during the period of this Agreement and for three years thereafter or for any period required by law for inspection by any authorized representatives of the State or Federal Government. If any litigation, claim, or audit is started before the expiration of the three-year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

- 14. Fair Employment Practices and Americans with Disabilities Act:** Party agrees to comply with the requirement of 21 V.S.A. Chapter 5, Subchapter 6, relating to fair employment practices, to the full extent applicable, and shall include this provision in all subcontracts for work performed in Vermont. Party shall also ensure, to the full extent required by the Americans with Disabilities Act of 1990, as amended, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the Party under this Agreement.
- 15. Offset:** The State may offset any sums which the Party owes the State against any sums due the Party under this Agreement; provided, however, that any offset of amounts due the State of Vermont as taxes shall be in accordance with the procedures more specifically provided in 32 V.S.A. § 3113.
- 16. Taxes Due to the State:** Party certifies under the pains and penalties of perjury that, as of the date this Agreement is signed, the Party is in good standing with respect to, or in full compliance with, a plan to pay any and all taxes due the State of Vermont.
- 17. Taxation of Purchases:** All State purchases must be invoiced tax free. An exemption certificate will be furnished upon request with respect to otherwise taxable items.
- 18. Child Support:** (Only applicable if the Party is a natural person, not a corporation or partnership.) Party states that, as of the date this Agreement is signed, Party is not under an obligation to pay child support or is in good standing with respect to or in full compliance with a plan to pay any and all child support payable under a support order. Party makes this statement with regard to support owed to any and all children residing in Vermont. In addition, if the Party is a resident of Vermont, Party makes this statement with regard to support owed to any and all children residing in any other state or territory of the United States.
- 19. Sub-Agreements:** Party shall not assign, subcontract, or subgrant the performance of this Agreement or any portion thereof to any other Party without the prior written approval of the State. Party shall be responsible and liable to the State for all acts or omissions of subcontractors and any other person performing work under this Agreement pursuant to an agreement with Party or any subcontractor.
- In the case this Agreement is a contract with a total cost in excess of \$250,000, the Party shall provide to the State a list of all proposed subcontractors and subcontractors' subcontractors, together with the identity of those subcontractors' workers compensation insurance providers, and additional required or requested information, as applicable, in accordance with Section 32 of The Vermont Recovery and Reinvestment Act of 2009 (Act No. 54), as amended by Section 17 of Act No. 142 (2010) and by Section 6 of Act No. 50 (2011).
- Party shall include the following provisions of this Attachment C in all subcontracts for work performed solely for the State of Vermont and subcontracts for work performed in the State of Vermont: Section 10 ("False Claims Act"); Section 11 ("Whistleblower Protections"); Section 12 ("Confidentiality and Protection of State Information"); Section 14 ("Fair Employment Practices and Americans with Disabilities Act"); Section 16 ("Taxes Due the State"); Section 18 ("Child Support"); Section 20 ("No Gifts or Gratuities"); Section 22 ("Certification Regarding Debarment"); Section 30 ("State Facilities"); and Section 32.A ("Certification Regarding Use of State Funds").
- 20. No Gifts or Gratuities:** Party shall not give title or possession of anything of substantial value (including property, currency, travel, and/or education programs) to any officer or employee of the State during the term of this Agreement.
- 21. Regulation of Hydrofluorocarbons:** Party confirms that all products provided to or for the use of the State under this Agreement shall not contain hydrofluorocarbons, as prohibited under 10 V.S.A. § 586.
- 22. Certification Regarding Debarment:** Party certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, neither Party nor Party's principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible, or excluded from participation in Federal programs, or programs supported in whole or in part by Federal funds. Party further certifies under pains and penalties of perjury that, as of the date that this Agreement is

signed, Party is not presently debarred, suspended, nor named on the State's debarment list at:

<https://bgs.vermont.gov/purchasing-contracting/debarment>.

- 23. Conflict of Interest:** Party shall fully disclose, in writing, any conflicts of interest or potential conflicts of interest.
- 24. Vermont Public Records Act:** Party acknowledges and agrees that this Agreement, any and all information obtained by the State from the Party in connection with this Agreement, and any obligations of the State to maintain the confidentiality of information are subject to the State of Vermont Access to Public Records Act, 1 V.S.A. § 315 et seq.
- 25. Force Majeure:** Neither the State nor the Party shall be liable to the other for any failure or delay of performance of any obligations under this Agreement to the extent such failure or delay shall have been wholly or principally caused by acts or events beyond its reasonable control rendering performance illegal or impossible (excluding strikes or lockouts) ("Force Majeure"). Where Force Majeure is asserted, the nonperforming party must prove that it made all reasonable efforts to remove, eliminate or minimize such cause of delay or damages, diligently pursued performance of its obligations under this Agreement, substantially fulfilled all non-excused obligations, and timely notified the other party of the likelihood or actual occurrence of an event described in this paragraph.
- 26. Marketing:** Party shall not use the State's logo or otherwise refer to the State in any publicity materials, information pamphlets, press releases, research reports, advertising, sales promotions, trade shows, or marketing materials or similar communications to third parties except with the prior written consent of the State.
- 27. Termination:**
- A. Non-Appropriation:** If this Agreement extends into more than one fiscal year of the State (July 1 to June 30), and if appropriations are insufficient to support this Agreement, the State may cancel this Agreement at the end of the fiscal year, or otherwise upon the expiration of existing appropriation authority. In the case that this Agreement is funded in whole or in part by Federal funds, and in the event Federal funds become unavailable or reduced, the State may suspend or cancel this Agreement immediately, and the State shall have no obligation to pay Party from State revenues.
 - B. Termination for Cause:** Either party may terminate this Agreement if a party materially breaches its obligations under this Agreement, and such breach is not cured within thirty (30) days after delivery of the non-breaching party's notice or such longer time as the non-breaching party may specify in the notice.
 - C. Termination Assistance:** Upon nearing the end of the final term or termination of this Agreement, without respect to cause, the Party shall take all reasonable and prudent measures to facilitate any transition required by the State. All State property, tangible and intangible, shall be returned to the State upon demand at no additional cost to the State in a format acceptable to the State.
- 28. Continuity of Performance:** In the event of a dispute between the Party and the State, each party will continue to perform its obligations under this Agreement during the resolution of the dispute until this Agreement is terminated in accordance with its terms.
- 29. No Implied Waiver of Remedies:** Either party's delay or failure to exercise any right, power, or remedy under this Agreement shall not impair any such right, power, or remedy, or be construed as a waiver of any such right, power, or remedy. All waivers must be in writing.
- 30. State Facilities:** If the State makes space available to the Party in any State facility during the term of this Agreement for purposes of the Party's performance under this Agreement, the Party shall only use the space in accordance with all policies and procedures governing access to, and use of, State facilities, which shall be made available upon request. State facilities will be made available to Party on an "AS IS, WHERE IS" basis, with no warranties whatsoever.

31. Requirements Pertaining Only to Federal Grants and Subrecipient Agreements: If this Agreement is a grant that is funded in whole or in part by Federal funds:

- A. Requirement to Have a Single Audit:** The Subrecipient will complete the Subrecipient Annual Report annually within 45 days after its fiscal year end, informing the State of Vermont whether or not a Single Audit is required for the prior fiscal year. If a Single Audit is required, the Subrecipient will submit a copy of the audit report to the Federal Audit Clearinghouse within nine months. If a single audit is not required, only the Subrecipient Annual Report is required. A Single Audit is required if the subrecipient expends \$1,000,000 or more in Federal assistance during its fiscal year and must be conducted in accordance with 2 CFR Chapter I, Chapter II, Part 200, Subpart F. The Subrecipient Annual Report is required to be submitted within 45 days, whether or not a Single Audit is required.
- B. Internal Controls:** In accordance with 2 CFR Part II, §200.303, the Party must establish and maintain effective internal control over the Federal award to provide reasonable assurance that the Party is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework” issued by the Committee of Sponsoring Organizations of the Treadway Commission.
- C. Mandatory Disclosures:** In accordance with 2 CFR Part II, §200.113, Party must disclose, in a timely manner, in writing to the State, all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Failure to make required disclosures may result in the imposition of sanctions which may include disallowance of costs incurred, withholding of payments, termination of the Agreement, suspension/debarment, etc.

32. Requirements Pertaining Only to State-Funded Grants:

- A. Certification Regarding Use of State Funds:** If Party is an employer and this Agreement is a State-funded grant in excess of \$1,000, Party certifies that none of these State funds will be used to interfere with or restrain the exercise of Party’s employee’s rights with respect to unionization.
- B. Good Standing Certification (Act 154 of 2016):** If this Agreement is a State-funded grant, Party hereby represents: (i) that it has signed and provided to the State the form prescribed by the Secretary of Administration for purposes of certifying that it is in good standing (as provided in Section 13(a)(2) of Act 154) with the Agency of Natural Resources and the Agency of Agriculture, Food and Markets, or otherwise explaining the circumstances surrounding the inability to so certify; and (ii) that it will comply with the requirements stated therein.

(End of Standard Provisions)

OTHER PROVISIONS (CDBG STANDARD PROVISIONS)

I. Subject Matter:

(A) This Agreement is funded, in whole or in part, through a grant provided to the Agency by the United States Department of Housing and Urban Development (HUD) under Title I of the federal Housing and Community Development Act of 1974, as amended, 42 U.S.C. § 5301 *et seq.* (the “Federal Act”). Pursuant to the Federal Act, the State of Vermont has elected to administer the federal program of Community Development Block Grants (CDBG) through the Agency. The Agency, in accordance with the provisions of the Vermont Community Development Act, 10 V.S.A. chapter 29 (the “State Act”), has awarded CDBG funds for the purpose of supporting the Grantee’s community development program. This Agreement shall be governed by all applicable provisions, as amended, contained in the Federal Act, the CDBG Regulations (24 CFR Part 570), the State Act, and the Grants Management Guide, including the Agency Procedures contained therein, whether specifically referred to in this Agreement or not.

II. Obligations of Grantee.

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

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

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

(D) Municipal Policies and Forms.

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

- (a) Equal Employment Opportunity
- (b) Fair Housing
- (c) Use of Excessive Force
- (d) Use of CDBG funds for Federal Lobbying
- (e) Drug-Free Workplace
- (f) Code of Ethics
- (g) Subrecipient Oversight Monitoring Policy
- (h) Whistleblower Protections
- (i) Texting While Driving Policy
- (j) Violence Against Women Act

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

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

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

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

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

III. Program Costs.

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

- (B) Cash-in Kind. Cash and cash-in-kind contributions made by the Grantee shall follow the criteria established by the Agency Procedures, Chapter 8.
- (C) Impermissible Expenditures Pending Environmental Review. The Grantee shall not incur costs for Project activities, except as provided in Subparagraph (D) below, until the Environmental Review required by §104(g) of the Federal Act has been completed and the Agency has issued the "Notice of Release of Funds."
- (D) Allowable Expenditures Pending Grant Agreement. As of the Award Date (Award Start Date), reasonable costs may be incurred for Environmental Studies, Planning, General Administration, Program Engineering and Design, and Public Information. Any Project activities performed by the Grantee in the period between the Award Date and the execution of this Agreement shall be performed at the sole risk of the Grantee.
- (E) Completion and Closeout. All costs other than General Administration must be obligated or expended prior to the Completion Date (Award End Date). All CDBG funds (other than those related to Closeout) must be liquidated or paid within thirty (30) days after the Award End Date. No CDBG funds may be obligated after the Completion Date except for those General Administration activities required to close out the Grant, such as the Final Program Report, Single Audit (if required), and Closeout Agreement. All obligations must be liquidated prior to closeout.
- (F) Agency Review of Expenses. At any time during the performance of this Agreement, or upon receipt of the Final Program Report and the Final Audit Report, the Agency may review any or all costs incurred by the Grantee and any or all payments made. Upon such review the Agency shall disallow any items of expense which are determined to be in excess of approved expenditures and shall inform the Grantee of any such disallowance by written notice.
- (G) Disallowance of Expenses. If the Agency disallows costs for which payment has not yet been made, it shall refuse to pay such costs. If payment has been made with respect to costs which are subsequently disallowed, the Agency may deduct and/or withhold the amount of disallowed costs from any future payments under this Agreement or require that such costs be refunded to the Agency.

IV.Requisition of CDBG funds.

- (A) CDBG funds may be requisitioned as advances and/or reimbursements, except as provided in paragraph (C), below. The Grantee shall establish procedures to ensure that any CDBG funds in excess of \$5,000 are expended within ten (10) calendar days of receipt in Grantee's depository account and shall ensure that any subrecipient shall conform to such procedures.

- (B) The Grantee shall not requisition CDBG funds for amounts that are withheld from contractors or subcontractors to assure satisfactory completion of the work. These amounts may be requisitioned when the Grantee makes final payment, including the amounts withheld.
- (C) The Grantee shall attach a BABA Certification of Compliance to all AIA G702 “Application and Certification for Payment” forms submitted as supporting documentation for requisitions, for qualifying projects. See, Sec. VII(G) Compliance with the Build America, Buy America Act (BABA), below.
- (D) The Secretary may suspend the requisition of advances should it be determined that the Grantee is unwilling or unable to establish and comply with procedures to minimize the time period between cash advances and disbursement. Payments to the Grantee shall then be made only as reimbursement for actual cash disbursements.
- (E) The Grantee shall expend CDBG funds on a pro rata basis with Other Resources, unless otherwise authorized by the Agency.
- (F) If CDBG funds are needed prior to their availability due to VCDP requirements or conditions, the Grantee and/or one of the project parties must seek bridge financing to meet any expenses that cannot be delayed. The expenditure of bridge financing must comply with all VCDP requirements, including the environmental review process.
- (G) If the project’s non-general administration budget comes in under budget, CDBG funds in an amount proportionate to the unused portion of the total budget (CDBG funds and Other Resources) shall be returned to the Agency. Such amounts may not be reallocated to other activities.
- (H) If the project’s general administration budget comes in under budget, the unused portion shall be returned to the Agency. The expenditure of CDBG funds for General Administration must be maintained at the ratio set out in the Project Budget, Attachment B.

V. Bank Accounts for CDBG funds.

(A) Depository Accounts.

- (1) Funds disbursed pursuant this Agreement shall be deposited in a separate, non interest-bearing account, dedicated to CDBG funds, and held in the name of and under the ownership of the Grantee. Any interest earned on funds in the depository account shall be remitted to the State for subsequent return to the United States Treasury. Funds held in the depository account shall be under the control of the

Grantee's treasurer, and shall be paid out only on orders drawn by officials authorized by law to draw such orders.

- (2) Accounts established in the name of the Grantee and into which Program Income or housing rehabilitation escrow funds are deposited shall conform to the requirements of subparagraph (A)(1) of this Paragraph, except that such accounts may be interest bearing.
- (3) All depository accounts shall be fully insured by the Federal Deposit Insurance Corporation (FDIC) or its equivalent. Any balance exceeding such coverage must be collaterally secured by U.S. Government obligations.

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

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

VI. Financial Management.

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

- (A) Maintain separate accounting records and source documentation for the activities funded under this Agreement and provide accurate financial information in the Progress Reports and any other status reports in the form specified by the Agency;
- (B) Provide for accurate, current and complete disclosure of the financial status of the Program and for the expenditure of any Other Resources listed in the Project Budget, Attachment B;
- (C) Establish records of budgets, receipts, and expenditures for each activity and demonstrate the sequence and status of receipts, obligations, disbursements, and fund balance;
- (D) Be consistent with generally accepted accounting principles and support the program and/or single audit(s) requirements set forth in Agency Procedures, Chapter 21; and

- (E) Include a subrecipient monitoring policy that requires the Grantee to exercise oversight monitoring of grant funds that are disbursed to a sub-recipient, to ensure the funds are properly managed (See Agency Procedures, Chapter 19). The Grantee shall also require the sub-recipient to complete the Financial Monitoring Worksheet.

VII. Procurement Procedures.

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

(B) Conflict of Interest.

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

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

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

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

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

- (E) Compliance with Section 3 of the Housing and Urban Development Act of 1968. Grantee and Subgrantees/Borrowers shall ensure compliance with [24 CFR 75](#) Subpart C when employment or contracting opportunities are generated because a Section 3 Project: housing rehabilitation, housing construction, and other public

construction projects assisted under HUD programs that provide housing and community development financial assistance when the total amount of assistance to the project exceeds a threshold of \$200,000. The threshold is \$100,000 where the assistance is from the Lead Hazard Control and Healthy Homes programs. Preference shall be given to low- and very low-income persons, particularly those who are recipients of government assistance for housing and to Section 3 business concerns which provide economic opportunities to low- and very low-income persons residing in the community where the project is located or service area. Additional information on Section 3 compliance can be found at: https://www.hud.gov/program_offices/field_policy_mgt/section3

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

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

Grantee and Subgrantees shall also ensure compliance with all other applicable federal labor requirements including the Copeland Anti-Kickback Act and the Contract Work Hours and Safety Standards Act. Additional information on these and other applicable Federal Labor Standards Requirements can be found in the Agency's Grants Management Guide, Chapter 7 at

<http://accd.vermont.gov/sites/accdnew/files/documents/CD-VCDP-GMG-FLSandDB-Chapter.pdf> and on HUD's website at:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/handbooks/sech/13441.

(G) Compliance with the Build America, Buy America Act (BABA).

Grantee and Subgrantees shall ensure compliance with BABA, including requirements that all iron, steel, and building materials incorporated into qualifying infrastructure projects must be manufactured in the United States, subject to phased implementation, guidance and waivers issued by HUD.

Grantee and Subgrantees shall require the Contractor(s) and Architect(s) to sign a BABA Certification of Compliance to be attached to all AIA G702 "Application and Certification for Payment" forms submitted with requisitions. Grantee and Subgrantees shall maintain documentation supporting BABA compliance for a minimum of three (3) years.

VIII. Bonding Requirements.

- (A) For construction or facility improvement where the contract is for less than \$100,000, the Grantee may follow its established procedures. In the event the Grantee has no established procedures in place, the requirements of subparagraph (B) hereof shall be met.

(B) For contracts or subcontracts exceeding \$100,000, the provisions of the Agency Procedures, Chapter 11 on bonding requirements shall be followed. If bonds are required, they shall be in such form and amount as provided in the Agency Procedures, Chapter 11.

(C) Where bonds are required, they shall be procured from a surety company registered and licensed to do business in the State of Vermont and countersigned by its Vermont registered agent.

IX. Program Income.

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

X. Equal Opportunity and Americans with Disabilities Act.

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

XI. Monitoring and Reporting.

(A) The Grantee shall monitor the activities covered by this Agreement, including those of contractors and subcontractors, to assure that all program requirements are met.

(B) From time to time, as requested in writing by the Agency, the Grantee shall submit such data and other information as the Agency may require. The Grantee shall submit or cause the submission of progress and financial reports to the Agency in a format prescribed by the Agency and according to the schedule required by the Agency.

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

XII. Audit(s).

(A) Grantees must complete and submit the State of Vermont's Subrecipient Annual Report annually within 45 days after the grantee's fiscal year end. All submissions of both original and revised Subrecipient Annual Reports must be submitted through the online

form, and the State is no longer accepting the Subrecipient Annual Report paper versions via mail or email. Grantees must go to this link to submit their original or revised Subrecipient Annual Reports at: <https://finance.vermont.gov/suppliers-and-grantees>, select “Subrecipient Annual Report” link and complete the online form. For Common Subrecipient Annual Report questions visit: <https://finance.vermont.gov/training-and-support/faqs-and-glossaries/grants-faq/sar>.

- (B) The Grantee shall arrange for an independent financial and compliance audit (or audits) of all CDBG costs and activities undertaken during the Period of Performance. In compliance with the Single Audit Act of 1984, as amended, the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR Part 200 (Uniform Guidance, the Compliance Supplement for the Code of Federal Domestic Assistance (CFDA) 14.228, and Agency Procedures, Chapter 21, the Grantee shall determine whether a single audit or a program audit is required.
- (C) The Grantee shall submit to the Agency an Interim Audit Report(s) and/or Final Audit Report covering the Period of Performance under this Agreement. An audit that covers a portion of the Period of Performance, or a portion of all expenditures, is defined as an Interim Audit. A Final Audit is the audit that covers all CDBG grant funds; or if there is an Interim Audit, the audit that covers the balance of any remaining unaudited CDBG funds through the Completion Date, or beyond if necessary.
- (D) Any contract or Agreement entered into by the Grantee and a Subgrantee shall contain language requiring the Subgrantee to comply with the federal Uniform Guidance, 2 CFR Part 200.
- (E) If any expenditure is disallowed as a result of any Interim Audit Report(s) and/or Final Audit Report, the obligation for reimbursement to the Agency shall rest with the Grantee.

XIII.Completion Certificates.

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

XIV.Retention of and Access to Records.

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

XV.Administrative Sanctions.

- (A) The Grantee shall receive notice from the Agency in the event of a failure to submit a timely progress report. No disbursement of grant funds shall be made if such failure continues after thirty (30) days from the date of notice. The Agency shall, in its discretion, determine whether to disburse funds during the notice period.
- (B) The Grantee shall receive a Notice of Delinquency from the Agency in the event of a failure to submit timely Interim or Final Audits, Final Program Reports, Closeout Agreement Proposals, or Closeout Annual Reports. The Grantee shall not be eligible for further CDBG funds if such failure continues after thirty (30) days from the date of notice, and, in addition to the remedies provided under this Agreement, may be subject to any action available to the Agency at law or equity.
- (C) Resolution of Monitoring Findings - The Agency shall notify the Grantee of any issues identified through monitoring by providing a monitoring report containing the Agency's monitoring results, including any Findings or Concerns. No further disbursement of grant funds shall be made under this Agreement until the Agency's Findings and Concerns have been resolved in a manner satisfactory to the Agency. Grantee shall not be eligible for further CDBG funds if such resolution is not achieved within thirty (30)

days of the date of the monitoring report, and, in addition to the remedies provided under this Agreement, may be subject to any action available to the Agency at law or equity.

XVI.Termination for Convenience.

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

XVII.Suspension or Termination for Cause.

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

XVIII.Appeals and Waiver of Enforcement.

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

XIX.Budget Revisions and Amendments.

- (A) Budget Revisions. The Grantee may, after providing written notice and justification to the Agency, make a one-time revision of the amounts listed in the "CDBG funds" column

of 4. Sources and Uses in Attachment B – Payment Provisions and Project Budget, provided that:

- (1) the aggregate impact is no more than ten (10%) percent of the Maximum Amount, listed as the “Total” item in the “CDBG funds” column;
- (2) the Maximum Amount is not increased; and
- (3) there is no change to budgeted amounts for General Administration or Program Management Activities (indicated by CDBG Code suffix of “13”) without prior written approval of the Agency.

(B) Amendments.

- (1) Any change or deviation from this Agreement not specifically identified in subparagraph (A) hereof, including extensions of time for completion and budget revisions in excess of ten (10%) percent, shall constitute an amendment of this Agreement and shall only be effective when reduced to writing and signed by or on behalf of the Agency and the Grantee. No more than one amendment for changes which in the view of the Agency are not substantial, shall be permissible. The Agency will not allow any amendment which would substitute the funded activity.
- (2) The Grantee shall notify the Agency if, through the use of Other Resources, there is an intention to expand, enhance, or add to the scope of the program covered by this Agreement, or if there is a proposal to undertake activities that will have an impact upon the buildings, areas, or activities of this CDBG Grant. The Agency reserves the right to require an amendment to this Agreement if such is deemed necessary.
- (3) If any Amendment affects any related documents, including but not limited to Subgrants or Loans of the grant funds, the Grantee shall amend such documents as appropriate and upload the amended documents to the record in the online grants management system.

CERTIFICATIONS AND ASSURANCES

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

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

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

Legal Authority

(1) It possesses legal authority as defined in the Vermont Community Development Act [10 VSA 29] to apply for and accept the grant and administer the program.

(2) The legislative body has duly adopted and passed an official act or resolution authorizing the acceptance of and agreement to the conditions and provisions of this *Agreement*, including all understandings, certifications, and assurances contained herein; and designating and authorizing the Chief Executive Officer or designee to execute this *Agreement* and other such documents as may be necessary.

Benefit to Persons of Low and Moderate Income

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

Citizens Information

(4) It held at least one public hearing warned at least 15 days prior to obtain the views of citizens on community development and furnished citizens with information required by the Federal and State Acts.

(5) It prepared statements of community development and housing needs, including the needs of lower income persons and activities to be undertaken to meet such needs, the objectives and the projected use of community development funds, including information on the past use of such funds, if any, and have given affected citizens an opportunity to examine these statements and furnished a copy to the Agency.

(6) It allowed citizens an opportunity to examine the application and all supporting documentation and to submit comments thereon and will, in like manner, provide citizen participation when considering substantial program amendments.

Labor

(7) It will administer and enforce:

- (a) the Davis-Bacon Act [40 USC 276a et seq.];
- (b) the Federal Fair Labor Standards Act [29 USC 201 et seq.]; and
- (c) the Contract Work Hours and Safety Standards Act [40 USC 327-333].

(8) It will comply with:

- (a) the Copeland Anti-kickback Act of 1934, [18 USC 874 and 40 USC 276c];
- (b) Executive Order 11246 (Equal Employment Opportunities) as amended by Executive Orders 11375 and 12086 and the regulations issued pursuant thereto [41 CFR 60]; and
- (c) Section 3 of the Housing and Urban Development Act of 1968 [12 USC 1701u] as amended, (equal employment and business opportunities) and the regulations at 24 CFR 75.

Environmental and Historic

(9) The Chief Executive Officer, or other official so designated by the Legislative Body and approved by the Secretary will consent to assume the status of a responsible Federal official under the National Environmental Policy Act (NEPA) of 1969 as amended [42 USC 4321 et seq.] and the regulations found at 24 CFR 58; and the Chief Executive Officer is authorized and consents on behalf of the Applicant and him/herself to accept the jurisdiction of the Federal Courts for the purposes of enforcement of the responsibilities of such official.

(10) It will ensure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the program are not listed on the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify the Secretary of the receipt of any communication from the Director of the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by the EPA.

(11) It will, in connection with its performance of environmental assessments under the National Environmental Policy Act of 1969, comply with:

- (a) Section 106 of the Historic Preservation Act of 1966 [16 USC 470];
- (b) Executive Order 11593 (Protection and Enhancement of the Cultural Environment);
- (c) the Preservation of Archaeological and Historic Data Act of 1974 [16 USC 469 et seq.]; and
- (d) the procedures prescribed by the Advisory Council on Historic Preservation found at 36 CFR 800.

(12) It will comply with:

- (a) the National Environmental Policy Act of 1969 [42 USC 4321 et seq. and 24 CFR 58];

- (b) the Endangered Species Act of 1973, as amended [16 USC 153 et seq. and 10 VSA 4046 and Chapter 123];
- (c) Executive Order 11990, Protection of Wetlands;
- (d) the Fish and Wildlife Coordination Act of 1958, as amended [16 USC 661 et seq.];
- (e) the Fragile Areas Registry Act of 1977 [10 VSA 6551];
- (f) the Safe Drinking Water Act of 1974, as amended by the Safe Drinking Water Act of 1977 [21 USC 349 and 42 USC 210 and 300f et seq.] pertaining to sole-source aquifers;
- (g) the Clean Air Act of 1970, as amended [42 USC 7401 et seq.] and Vermont law [10 VSA 551 et seq.] as amended;
- (h) Executive Order 12088 relating to the prevention, control, and abatement of water pollution and the Federal Water Pollution Control Act of 1972, as amended, [33 USC 1251 et seq.] and Vermont law [10 VSA 1251 et seq. and 18 VSA § 101 et seq.];
- (i) the provisions of Executive Order 11988 as amended, relating to evaluation of flood hazards and with the flood insurance purchase requirements of Section 102(e) of the Flood Disaster Protection Act of 1973 [42 USC 4001 et seq.] and Vermont law [10 VSA 751 et seq. and Executive Order No. 17 of 1978];
- (j) the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 [42 USC 6901 et seq.] and Vermont law [24 VSA 2202a]; and
- (k) noise abatement and control regulations [24 CFR 51]
- (l) The Wild and Scenic River Act of 1968, as amended [16 U.S.C. 1271 et seq.];

Relocation and Acquisition

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

Architecture and Construction

- (14) It will comply with:
 - (a) the Lead-Based Paint Requirements [24 CFR Part 35, Subpart B];
 - (b) the Architectural Barriers Act of 1968 [42 USC 4151] and the rules applicable thereto;
 - (c) Section 504 of the Rehabilitation Act of 1973 [29 USC 794]; and

- (d) the provisions of Section 104(b)(5) of the Federal Act which restricts recovery of capital costs by assessing any amount against properties owned and/or occupied by persons with lower incomes.

Equal Opportunity and Fair Housing

- (15) It will affirmatively further fair housing and will comply with Pub. Law 90-284 [Title VIII of the Civil Rights Act of 1968; 42 USC 3601 known as the "Fair Housing Act"], as amended and the regulations issued pursuant thereto [24 CFR 100 to 115].
- (16) It will comply with and will immediately take any measures necessary to effectuate compliance with Pub. L. 88-352 [Title VI of the Civil Rights Act of 1964; 42 USC 2000d] and the regulations at 24 CFR 1.
- (17) It will comply with:
 - (a) Executive Order 11063 as amended by Executive Order 12259 (Leadership and Coordination of Fair Housing in Federal Programs) and the regulations at 24 CFR 100 and 107;
 - (b) Section 109 of the Federal Act [42 USC 5309] and the regulations issued pursuant thereto [24 CFR 5-70.496(b)];
 - (c) the Age Discrimination Act of 1975 [42 USC 6101 et seq.]; and
 - (d) the Americans with Disabilities Act of 1990 [42 USC 12010-12213; 42 USC 225-611] and the regulations issued pursuant thereto.

Other Requirements

- (18) It will comply with the provisions of the Hatch Act [5 USC 1501 et seq.] which limits the political activities of employees.
- (19) It will provide a drug-free workplace according to the requirements set forth in the Drug Free Workplace Act [Public Law 100-690 Title V, Subtitle D, 41 USC 701 et seq.].
- (20) It will comply with the provisions of 24 CFR Part 570.489(h) which govern Conflict of Interest.
- (21) It will comply with the other provisions of The Federal Act [Title I of the Housing and Community Development Act of 1974, as amended; 42 USC 5301 et seq.]; the State Act [10 VSA 29], the Agency Procedures and all other applicable requirements.
- (22) It will comply with Single Audit Act of 1984, as amended, the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR Part 200 (Uniform Guidance, the Compliance Supplement for the Code of Federal Domestic Assistance (CFDA) 14.228.
- (23) It will comply with 43 CFR part 18, New Restrictions on Lobbying. Submission of an application also represents the applicant's certification of the statements in 43 CFR part 18, appendix A, Certification Regarding Lobbying
- (24) It will comply with Executive Order 13513, Federal Leadership on Reducing Text Messaging while Driving. Recipients are encouraged to adopt and enforce policies that ban text messaging while driving, including conducting

initiatives of the type described in section 3(a) of the Executive Order.

(25) It will comply with the Violence Against Women Act 2022 (VAWA) which provides housing protections for people applying for or living in units subsidized by the federal government and who have experienced domestic violence, dating violence, sexual assault, or stalking, to help keep them safe and reduce their likelihood of experiencing homelessness.

(26) It will comply with the Build America, Buy America Act (“BABA”), which requires any “infrastructure project” funded by any “Federal Financial Assistance” (FFA) apply a domestic content procurement preference, meaning that all iron, steel, manufactured products, and construction materials used in the infrastructure project have been produced in the United States. This is called the “Buy American Preference” (BAP).

**SUBGRANT AND
ADMINISTRATIVE SERVICES /PROGRAM MANAGEMENT AGREEMENT**

This Subgrant Agreement, by and between the Town of Stowe, Vermont (Grantee) and Downstreet Housing and Community Development, Inc. (Subgrantee), a non-profit organization incorporated under the laws of Vermont, with its principal place of business at 22 Keith Avenue, Barre, Vermont, is effective this _____ day of, 2025 the first day on which all parties hereto have executed it.

- 1. DEFINITIONS.** As used in this document, the words and phrases set forth below shall have the following meanings:
- A. **“Agency”** means Vermont Agency of Commerce and Community Development.
 - B. **“Agency Procedures”** means the Agency procedures for the Vermont Community Development Program, as they may be amended from time to time. A copy may be found in the VCDP Grants Management Guide or online at <http://accd.vermont.gov/community-development/funding-incentives/vcdp/grants-management-guide>.
 - C. **“CDBG”** means Community Development Block Grant, a federally funded HUD program that provides annual grants on a formula basis to states, cities, and counties to develop viable communities by providing decent housing and suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons. The program is authorized under Title 1 of the Housing and Community Development Act of 1974, Public Law 93-383, as amended 42 U.S.C 5301 et seq.
 - D. **“Grant”** means the Vermont Community Development Program grant awarded to the Town of Stowe the terms of which are memorialized in Grant Agreement #07110-PG-2024-Stowe-05, including all attachments and amendments thereto.
 - E. **“HUD”** means the U.S. Department of Housing and Urban Development.
 - F. **“National Objective”** means the specific goals and purposes of this project set forth in Attachment A of the Grant Agreement.
 - G. **“Project”** means the project as described in Attachment A of the Grant Agreement.
 - H. **“Subgrant”** means the CDBG funds granted to Subgrantee by Grantee and the restrictions on its use required by federal and state law, regulation and procedure and the Grant and Subgrant Agreements.
 - I. **“Subrecipient”** means a person or entity that receives a grant or loan from a Subgrantee and that contributes to the achievement of the National Objective for the project set forth in Attachment A of the Grant Agreement.
 - J. **“VCDP”** means the Vermont Community Development Program.

- 2. CONSIDERATION AND INCORPORATION OF GRANT AGREEMENT.** Grantee makes this subgrant to Subgrantee pursuant to, and as consideration for Subgrantee's activities as set forth in the Grant Agreement, which is incorporated herein by reference, and a copy of which Subgrantee and Grantee maintain in their respective files.
- 3. SURVIVAL OF THIS SUBGRANT AGREEMENT.** This Subgrant Agreement shall survive any closing contemplated hereunder. All obligations pursuant to this Agreement shall continue until the Agency has determined that the National Objective has been achieved.
- 4. PURPOSE OF THE SUBGRANT.** The purpose of this Subgrant shall be to support the Project and the achievement of the National Objective, as described in Attachment A of the Grant Agreement. The proceeds of this Subgrant shall be used solely for Subgrantee's specific activities in connection with the Grant.
- 5. TERMS OF THE SUBGRANT**
- A. This Subgrant is in the amount of Sixty thousand dollars (\$60,000). The breakdown amount of the total subgrant as stated in Attachment B of the Grant Agreement is as follows: \$60,000 towards Planning activities.
- B. The Subgrantee stands in the shoes of the Grantee. All requirements of federal and state laws, regulations and procedures that apply to the Grantee also apply to Subgrantee. Subgrantee shall indemnify and hold harmless the Grantee, its elected and appointed officials, employees, agents, successors and assigns ("Indemnified Parties") against all costs and expenses (including reasonable legal fees and costs) incurred to review, edit and process the Grant, the Subgrant Agreement, and to defend the Indemnified Parties against any claim or claims or cause or causes of action brought against Grantee for or arising out of Subgrantee's intentional acts, failures or neglect under this Agreement, and for any costs, expenses, or financial or property loss suffered by Grantee for or arising out of Subgrantee's intentional acts, failures or neglect under this Agreement. Subgrantee's indemnity obligation shall specifically include any liability or loss incurred by Grantee under Section 7 of Attachment C and under Section XV of Attachment D of the Grant Agreement.
- C. If the VCDP determines and informs Grantee in writing that Subgrantee has not achieved the National Objective and has little likelihood of doing so, and that therefore Grantee may be required to reimburse the Agency for all or a portion of the Grant funds, Grantee may require reimbursement of all or a portion of the Subgrant funds from Subgrantee which reimbursement obligation shall be secured in the manner described on Section 6 below.
- 6. SECURITY.** Grantee requires Subgrantee to provide security for this Subgrant in order to be able to recover the CDBG funds in the event that the Agency determines that Subgrantee has failed to achieve the National Objective, or if Subgrantee defaults on any of its obligations.

- A. Subgrantee shall arrange for Grantee to be indemnified against any recovery of the Grant (or any portion thereof) by the Agency (or anyone acting on its behalf) by obtaining and delivering to Grantee at the time of the signing of the Subgrant Agreement by the parties a fully executed Irrevocable Standby Letter of Credit (ISLOC) in the amount of \$66,000 (110% of Grant amount) issued by a bank or surety licensed or otherwise authorized to write and issue letters of credit in Vermont (Issuer) as security for this Subgrant. The Issuer shall be an institution reasonably acceptable to the Grantee. The ISLOC shall have terms and provisions reasonably acceptable to both Grantee and Subgrantee, including but not limited to provisions authorizing the Issuer to release funds to Grantee upon receipt of mutually agreed documentation that the Grant (or any portion thereof) has been reclaimed or recovered by the Agency because Subgrantee has failed to achieve the National Objective or the Subgrantee has defaulted on any of its obligations under this Subgrant Agreement and a provision that Issuer shall be indemnified and held harmless from any expenses related to the administration of the ISLOC and for any release of funds to the Grantee pursuant to the agreed terms of the ISLOC.
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- B. The priority of each security interest set forth above shall be as follows: N/A

7. SUBGRANTEE'S REPRESENTATIONS

- A. VERMONT BUSINESS: Subgrantee certifies that, as of the date of execution of this Agreement, Subgrantee has provided to Grantee a copy of a currently effective certificate of authority to do business in the State of Vermont.
- B. OTHER RESOURCES: Subgrantee hereby certifies to Grantee with the expectation and understanding that Grantee will rely on the certification that Subgrantee (1) has provided to Grantee documentation of firm commitments of the Other Resources provided by VHCB identified in Attachment B of the Grant Agreement, including the purpose for which they are to be used and any conditions attached to their expenditure and (2) has committed to and has expended in the form of paid staff salaries/wages and benefits not less than \$20,000 of its own funds in furtherance of the goals and objectives of the Grant.
- C. CERTIFICATIONS: Subgrantee hereby makes the following additional certifications, in form satisfactory to Grantee, that, as of the date of execution of this Agreement:
1. Subgrantee is in good standing with respect to, or in full compliance with a plan to pay, any and all federal, state and local taxes, to the extent Subgrantee is subject to taxation;
 2. Subgrantee is current on, or is in full compliance with a plan to pay, any and all of Subgrantee's financial obligations;

3. There are no liens, judgments or other encumbrances on the property involved in the Project, if any, other than those of record, or disclosed to the Agency prior to the execution of the Grant Agreement, or disclosed no later than at the execution of this Subgrant Agreement;
4. Subgrantee's representations with respect to the financial and operational aspects of the business in the written documents previously provided to the Grantee remain accurate and not misleading;
5. As of the date of execution of this Subgrant Agreement, Subgrantee has obtained a UEI # from the System for Award Management ("SAM") and is not listed in the Exclusions portion of Performance Information in the SAM at www.sam.gov; nor named on the State's debarment list at <http://bgs.vermont.gov/purchasing-contracting/debarment>; and
6. Subgrantee is authorized to do business in the State of Vermont.

8. SUBGRANTEE'S COVENANTS

- A. NATIONAL OBJECTIVE: Subgrantee commits to achieve the National Objective of this project as identified in Attachment A of the Grant Agreement, and to maintain documentation as may be required by the Grant Agreement and otherwise necessary to clearly demonstrate that Subgrantee has achieved the National Objective.
- B. SECTION 3: If applicable, Subgrantee shall comply with Section 3 requirements in accordance with 24 CFR 75 Subpart C to provide economic opportunities in connection with this project, to the greatest extent feasible, to low and very low income persons residing within the area in which the project is located and to Section 3 businesses. Section 3 requirements shall be included in bid documents, and the "Section 3 Clause" shall be attached to all contracts executed in connection with this project. For more information and the Section 3 Clause see HUD Regulations.
- C. BUY AMERICA, BUILD AMERICA (BABA): If applicable, Subgrantee shall comply with BABA requirements in accordance with the Build America, Buy America Act of 2021 that all iron, steel, manufactured products, and construction materials* used in infrastructure projects are produced in the United States and adhere to the outlined Buy America preference as it pertains to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. BABA requirements shall be included in bid documents, and the "BABA Clause" shall be attached to all contracts executed in connection with this project. For more information and the BABA Clause see HUD's guidance on BABA implementation.
- D. INSURANCE: For a period beginning with the execution of this Grant Agreement and continuing for at least 5 years after the Completion Date, Subgrantee shall take out, pay for and keep in full force, insurance on the collateral, if any, against such risks, in such amounts, with such insurance carrier, and with such loss payable clause as shall be satisfactory to Grantee, and shall furnish Grantee with the satisfactory evidence of such insurance.

- E. NOTICE OF CHANGE: Subgrantee, its successors and assigns, for a period of five years from the Completion Date set forth in the Grant Agreement, shall give timely notice to the Grantee and to the Agency should there be the anticipation of a sale of all or a portion of the facility assisted using CDBG funds to any person or entity who will use it for any changed purpose; of discontinuance of operation of all or a portion of the facility; or of material alteration or expansion of its purpose of function. All such actions shall constitute a default, in which case Grantee shall have all options available at law as may be required to protect or recapture the funds made available through the VCDP.
- F. ENVIRONMENTAL REVIEW: Subgrantee shall comply with all conditions set forth in any Environmental Review Release letter for the Project and shall maintain and/or upload documentation demonstrating compliance, as required by the Grant Agreement.
- G. PERMITS: Subgrantee shall secure all federal, state and local permits that are necessary for the project, and shall comply with any conditions related to the disbursement of funds imposed by agencies requiring them. Subgrantee has identified all permits necessary for the project and has secured those necessary to commence activities.
- H. EMPLOYMENT AGREEMENT: If required by the Grant Agreement, Subgrantee shall enter into and comply with the terms of an Employment Agreement.
- I. LOAN AGREEMENT: If required by the Grant Agreement, Subgrantee shall enter into and comply with the terms of a Loan and Security Agreement.
- J. BENEFIT AND PERFORMANCE AGREEMENT: If required by the Grant Agreement, Subgrantee shall enter into and comply with the terms of a Benefit and Performance Agreement.
- K. CLOSEOUT AGREEMENT: If required by the Grant Agreement, Subgrantee shall enter into and comply with the terms of a Closeout Agreement.
- L. REPORTS: Subgrantee shall submit financial and operational reports to Grantee as Grantee may reasonably request, and Grantee shall have access to the records of the Subgrantee during normal business hours or as arranged in advance. Subgrantee's failure to provide such information as requested, and/or the provision of information that appears to be inaccurate or incomplete, unless remedied within 15 days, shall constitute an event of default.
- M. NO FINANCIAL CHANGE: Subgrantee shall make no material change in the financial or operational aspects of its business, specifically including but not limited to the borrowing of additional money, the granting of additional liens significantly altering the plan for capital expenditures, salaries of partners or employees, or Subgrantee's product or service, without the prior written consent of Grantee, except as otherwise provided for in this Subgrant Agreement.
- N. OTHER LIENS AND ENCUMBRANCES: Subgrantee shall use no proceeds of this Subgrant to discharge any lien or other encumbrance.

- O. REFINANCING: Subgrantee shall not use the Subgrant as collateral for any other debt. CDBG funds shall not be used to restructure debt in any way, except where the project involves the use of CDBG funds to convert temporary bridge or construction financing to permanent financing.
- P. TITLE INSURANCE: [Reserved]
- Q. SUBGRANTEE FINANCIAL MONITORING WORKSHEET: Subgrantee shall complete a Subgrantee Financial Monitoring Worksheet that complies with Subrecipient Monitoring per the Uniform Guidance and upload the documentation to the Agency's online grants management system (GEARS).
- R. GENERAL ADMINISTRATION (Activity #5013): Subgrantee acknowledges its obligation to and shall perform the General Administration of the Grant, including all specific functions set forth in the VCDP Sample Subgrant and Administrative Services Agreement.
9. **PASS THROUGH PROVISIONS.** In addition to binding Subgrantee, the following provisions shall be included in all contracts between Subgrantee and any other contractor related to the project and shall bind all such other contractors.
- A. CONFLICT OF INTEREST: Subgrantee agrees to comply with the requirements of Section VII(B) of Attachment D to the Grant Agreement, and *Agency Procedures*, Chapter 9 and Chapter 10, Section 10.3
1. In addition, in order to avoid a conflict of interest or the appearance of undue influence, if any officer of Subgrantee or a member of Subgrantee's Board of Directors is employed by Grantee or holds an elective or appointive municipal office in Grantee, such person shall not participate in any discussions regarding, attend any public hearing concerning, vote upon or take any action with respect to any matter involving this Agreement or the Project for the longer period of:
 - a) from the date of execution of this Agreement until five years after the Completion Date set forth in the Grant Agreement, or
 - b) during a person's tenure with Grantee and for one year thereafter.
 2. No person described in paragraph 1 of this section, nor any person with whom such a person has family or business ties, may participate in a decision-making process or gain inside information with regard to the activities funded by VCDP, obtain a financial interest in or benefit from the activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, for the applicable time period set forth in paragraph 1.
 3. A loan may be made by Subgrantee to an officer, director or employee of Grantee, Subgrantee, or a Subrecipient, but only if the prospective borrower is one of the low or moderate income persons intended to be the beneficiaries of the assisted activity, providing the loan will permit such prospective borrower to receive generally the same interest or benefit being made available or provided to the intended beneficiaries, and the prospective borrower engages in no

activities prohibited by subsection 1 of this section Chapter with respect to the prospective borrower's loan.

B. RETENTION OF AND ACCESS TO RECORDS: Subgrantee shall comply with the requirements of Section XIV of Attachment D to the Grant Agreement and *Agency Procedures*, Chapter 3.

1. Financial records, supporting documents, statistical records, and all other records pertinent to this VCDP project shall be retained in accordance with *Agency Procedures*, Chapter 3.

Authorized representatives of the Secretary of the Agency, the Secretary of HUD, the Inspector General of the United States, or the U.S. General Accounting Office shall have access to all books, accounts, records, reports, files, papers, things, or property belonging to, or in use by, the Grantee, Subgrantee or any Subrecipient pertaining to the receipt and administration of Vermont Community Development Program funds, as may be necessary to make audits, examinations, excerpts, and transcripts.

- C. LABOR and EQUAL OPPORTUNITY: To the extent applicable, Subgrantee will administer and enforce the Davis-Bacon Act [40 USC 276a et seq.]; the Federal Fair Labor Standards Act [29 USC 201 et seq.]; and the Contract Work Hours and Safety Standards Act [40 USC 327-333]. Subgrantee will comply with the Copeland Anti-kickback Act of 1934, [18 USC 874 and 40 USC 276c]; Executive Order 11246 (Equal Employment Opportunities) as amended by Executive Orders 11375 and 12086 and the regulations issued pursuant thereto [41 CFR 60]; and Section 3 of the Housing and Urban Development Act of 1968 [12 USC 1701u] as amended, (equal employment and business opportunities) and the regulations at 24 CFR 75 Subpart C. Subgrantee will also comply with the requirements of Section X of Attachment D to the Grant Agreement, and the requirements of Title 21, V.S.A. Chapter 5, Subchapter 6, (495-495h), relating to fair employment practices, and Title 9 V.S.A Chapter 139, Sections 4503 and 4504, relating to fair housing practices.
- D. ENVIRONMENTAL: Subgrantee will comply with the Clean Air Act (42 U.S.C. 7401-7671q and the Federal Water Pollution Contract Act (33 U.S.C. 1251-1387), as amended. Violations shall be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).
- E. LOBBYING: Subgrantee shall not use 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 (Byrd Anti-Lobbying Amendment).
- F. INTERPRETATION: This Agreement shall be governed by and construed in accordance with the laws of the State of Vermont and the laws of the United States of America, where applicable.

10. ADMINISTRATIVE SERVICES

- A. The Subgrantee shall perform the following required services in the general administration of the Grant Agreement.
1. Work with the Grantee to establish and maintain a financial management system which meets the standards stated in Section VI of Attachment D to the Grant Agreement. The system must assure effective control over and accountability for all funds, property, and other assets used and/or attained under the Grant Agreement.
 2. Document the benefit to low- and moderate-income persons as required in the Grant Agreement.
 3. Maintain adequate records of the disbursement and receipt of CDBG funds.
 4. Maintain project files.
 5. Prepare and submit the progress reports, in the required format, to the Grantee in time for submission to the Agency as required by Attachment B of the Grant Agreement.
 6. Assist the Grantee with subrecipient oversight and monitoring if applicable.
 7. Prepare closeout and final report documents and provide the Agency with any other information about the project necessary for the Grant Agreement to be successfully closed.
 8. Assist the Grantee with developing a Closeout Agreement as required by Attachment A of the Grant Agreement to deal with Program Income received by the Grantee from activities supported by CDBG funds.
 9. Any CDBG funds budgeted for Grantee/Municipal expenses such as Single Audit and/or staff time associated with the VCDP grant, shall be set aside until such time as needed. The Subgrantee will facilitate the reimbursement of these funds.
- Note: \$_0___ is allocated for the Grantee/Municipality's single audit.
- B. For the administrative services as outlined herein, the Subgrantee will receive a fee not to exceed \$5,454.55
1. Subgrantee will submit invoices to the Town identifying the personnel and the time worked, the rate being charged, and the general administrative service(s) that was performed upon which payment will be based.
- C. The Subgrantee shall be solely responsible for expenditures above and beyond the amounts agreed to in this Contract.

11. PROGRAM MANAGEMENT

- A. The Subgrantee shall perform the following required services in the program management of the Grant Agreement.
1. Managing the environmental review process in order to secure release of funds under the environmental regulations,
 2. Oversee compliance with labor standards (including ensuring adherence to Davis-Bacon wage rates and maintaining all related documentation, if applicable),
 3. Assistance with securing all required permits,
 4. Oversee all procurement processes to ensure compliance with applicable procurement standards,
 5. Manage all contracts for the construction of the project,
 6. Oversee the construction process,
 7. Arrange for and coordinate any necessary legal services
- B. For the program management services as outlined herein, Subgrantee will receive a fee not to exceed \$5,454.55
- C. Subgrantee will submit invoices to the Town identifying the personnel and the time worked, the rate being charged, and the program management service(s) that was performed upon which payment will be based.
- D. The Subgrantee shall be responsible for expenditures above and beyond the amounts agreed to in this Contract.

12. MISCELLANEOUS PROVISIONS

- A. **REVISIONS AND AMENDMENTS:** Revisions and amendments to this Subgrant Agreement shall only be made pursuant to Section XIX of Attachment D to the Grant Agreement. All amendments to this Subgrant Agreement shall be reduced to writing and shall be executed by all parties to the document. Subgrantee acknowledges that the Agency may require an amendment to this Agreement to ensure, or enhance the possibility of, Subgrantee's achieving the National Objective. A copy of any amendment to this document shall be submitted to the Agency for its approval prior to execution of the amendment.
- B. **ENVIRONMENTAL REVIEW:** Pursuant to Subsections III(C) of Attachment D to the Grant Agreement, there shall be no reimbursement using CDBG funds for any expenses incurred for activities commenced prior to the date the Agency issues the Notice of Release of Funds.
- C. **PARAGRAPH TITLES:** The titles to the paragraphs of this Agreement are used solely for purposes of identification and are not to be construed as affecting the meaning of the language of the paragraphs.
- D. **NOTICE ADDRESSES:** Subgrantee and Grantee shall give one another notice pursuant to this Agreement at the addresses set forth below for each, and shall keep the other informed in any change of address for notice purposes:

Grantee: Town of Stowe
Charles Stafford
PO Box 730 Stowe, VT 05672

Subgrantee: Downstreet HCD
Angela Harbin, Executive Director
22 Keith Ave., Suite 100 Barre, VT 05641

13. DEFAULT AND REMEDIES

- A. **DEFAULT:** If any of the following events of default shall occur without being cured within 30 days from the date that written notice of such default is received by Subgrantee from Grantee, Grantee, in its sole discretion, may convert this Subgrant into a Loan, and the resulting Loan shall immediately become due and payable.
- B. The following events shall constitute events of default:
 - 1. the Agency's determination that Subgrantee has failed to achieve the National Objective;
 - 2. the Agency's determination that Subgrantee has failed to comply with all applicable provisions of the Grant Agreement;
 - 3. Grantee's determination that Subgrantee has failed to perform any of Subgrantee's obligations under this Subgrant Agreement;

4. Grantee’s determination that Subgrantee has failed to perform as required by any document that secures this Subgrant.

- C. REMEDIES: If Subgrantee fails to cure any breach or default prior to the expiration of the 30 day notice period, Grantee may demand repayment of all or a portion of the Grant, or invoke any other remedy allowed by the Grant Agreement, this Subgrant Agreement, or any other document related to this Subgrant, or by law.
- D. REMEDIES CUMULATIVE: All remedies provided in this agreement are distinct and cumulative to any other right or remedy under this agreement, or otherwise at law, and may be exercised concurrently, independently or successively.
- E. FORBEARANCE NOT A WAIVER: Any forbearance by Grantee in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any such right or remedy.

IN WITNESS WHEREOF this Agreement is executed at the place and on the date noted for each party.

BY GRANTEE:

Authorized Signature

Place of execution

Charles Safford, Town Manager

Date

BY SUBGRANTEE:

Authorized Signature

Place of execution

Angela Harbin, Executive Director

Date

MUNICIPAL POLICIES AND CODES (FORM MP-1)

Consistent with the provisions of the Vermont Community Development Program, and federal law, the (check one) ☐ Town ☐ City ☐ Village of _____ has adopted the following policies and codes:

Equal Employment Opportunity Policy (required by 24 CFR 570.904 and modeled on the State of Vermont's State Government EEO Plan for FY 2022):

A. It is the policy and practice of this municipality to assure that no person will be discriminated against, or be denied the benefit of any activity, program, or employment process, in any area of employment, including but not limited to recruitment, advertising, hiring, promotion, transfer, demotion, lay off, termination, rehiring, rates of pay, benefits, development opportunities, and/or other compensation. This municipality is strongly committed to non-discrimination and equal opportunity in all employment actions for qualified persons without regard to race, color, religion, ancestry, national origin, age, gender, sexual orientation, sexual identification, or disabling condition. It is the policy of this municipality to provide a workplace that is free of harassment for being a member of a protected class, and this municipality prohibits retaliatory action for any protected activity. With this in mind, the following policy is set in place.

1. This municipality shall consider all qualified applicants for available positions without regard to race, color, religion, ancestry, national origin, age, gender, sexual orientation, sexual identity, or disability, provided the individual is qualified to perform the work available. Attempts will be made to contact known sources of minority and women potential applicants to maximize the participation of such applicants.
2. All recruitment advertisements will include the municipality's commitment to Equal Employment Opportunity, and job specifications/descriptions should be reviewed periodically and properly identify job-related requirements.
3. EEO posters shall be placed and maintained in conspicuous locations.
4. Advancement to positions of greater responsibility is based on an individual's demonstrated performance.
5. Compensation, benefits, job assignments, layoffs, employee development opportunities, and discipline shall be administered consistent with federal and state laws, and without bias to race, color, religion, ancestry, national origin, age, gender, sexual orientation, sexual identity, or disability.
6. Executive, management and supervisory level employees have the responsibility to further the implementation of this policy and ensure conformance by subordinates.
7. Any municipal employee who engages in discrimination of a member of a protected class or unlawful harassment may be subject to appropriate discipline.
8. Any supervisory or managerial employee who knows of unlawful discrimination or harassment in the workplace, and fails to take immediate and appropriate corrective action, may be subject to disciplinary action.

B. The municipality is committed to its Equal Employment Opportunity Policy, and as part of the Equal Employment Opportunity Plan will:

1. Recruit, hire, upgrade, train, and promote in all job classifications without regard to race, color, religion, ancestry, national origin, age, gender, sexual orientation, sexual identity, or disability;
2. Base employment decisions on the principles of Equal Employment Opportunity and with the intent to further the municipality's commitment to workplace diversity;
3. Ensure that all other personnel actions such as compensation, benefits, municipal-sponsored training, educational tuition assistance, social and recreational programs shall be administered without regard to race, color, religion, ancestry, national origin, age, gender, sexual orientation, sexual identity, or disability;
4. Provide reasonable accommodations for applicants and/or employees with disabilities, which will enable them to successfully perform the essential job functions;
5. Ensure that employees and applicants are not subjected to intimidation and/or harassment, threats, coercion, or discrimination because they have filed a complaint, assisted or participated in an investigation or any other activity, or opposed any act or practice made unlawful;
6. Investigate claims of discrimination and unlawful harassment in the workplace; and
7. Promote inclusion and diversity in all levels of the workforce.

Fair Housing Policy (required by 24 CFR 570.904 and modeled on 24 CFR Part 6):

The policy set forth herein applies to all housing programs, both present and future, funded through the Vermont Community Development Program.

A. This municipality will not, directly or through contractual, licensing, or other arrangements, take any of the following actions on the grounds of race, color, national origin, religion, or sex:

1. Deny any individual any facilities, services, financial aid, or other benefits provided under any VCDP-funded program or activity;
2. Provide any facilities, services, financial aid, or other benefits that are different, or are provided in a different form, from that provided to others under any VCDP-funded program or activity;
3. Subject an individual to segregated or separate treatment in any facility, or in any matter of process related to the receipt of any service or benefit under any VCDP-funded program or activity;
4. Restrict an individual's access to, or enjoyment of, any advantage or privilege enjoyed by others in connection with facilities, services, financial aid or other benefits under any VCDP-funded program or activity;
5. Treat an individual differently from others in determining whether the individual satisfies any admission, enrollment, eligibility, membership, or other requirements or conditions that the individual must meet in order to be provided any facilities, services, or other benefit provided under any VCDP-funded program or activity;
6. Deny an individual an opportunity to participate in any VCDP-funded program or activity as an employee;

7. Aid or otherwise perpetuate discrimination against an individual by providing VCDP-funded financial assistance to an agency, organization, or person that discriminates in providing any housing, aid, benefit, or service;
8. Otherwise limit an individual in the enjoyment of any right, privilege, advantage, or opportunity enjoyed by other individuals receiving the housing, aid, benefit, or service;
9. Use criteria or methods of administration that have the effect of subjecting persons to discrimination or have the effect of defeating or substantially impairing accomplishment of the objectives of the program or activity with respect to persons of a particular race, color, national origin, religion, or sex; or
10. Deny a person the opportunity to participate as a member of planning or advisory boards.

B. In determining the site or location of housing, accommodations, or facilities, this municipality will not make selections that have the effect of excluding persons from, denying them the benefits of, or subjecting them to discrimination on the ground of race, color, national origin, religion, or sex. This municipality will not make selections that have the purpose or effect of defeating or substantially impairing the accomplishment of the objectives of this policy.

C. This municipality will not, directly or through contractual, licensing, or other arrangements, solely on the basis of handicap:

1. Deny a qualified individual with handicaps the opportunity to participate in, or benefit from, any VCDP-funded housing, aid, benefit, or service;
2. Afford a qualified individual with handicaps an opportunity to participate in, or benefit from, any VCDP-funded housing, aid, benefit, or service that is not equal to that afforded to others;
3. Provide a qualified individual with handicaps with any VCDP-funded housing, aid, benefit, or service that is not as effective in affording the individual an equal opportunity to obtain the same result, to gain the same benefit, or to reach the same level of achievement as that provided to others;
4. Provide different or separate VCDP-funded housing, aid, benefits, or services to individuals with handicaps or to any class of individuals with handicaps from that provided to others unless such action is necessary to provide qualified individuals with handicaps with housing, aid, benefits, or services that are as effective as those provided to others;
5. Aid or perpetuate discrimination against a qualified individual with handicaps by providing significant assistance to an agency, organization, or person that discriminates on the basis of handicap in providing any housing, aid, benefit, or service to beneficiaries in the recipient's federally assisted program or activity;
6. Deny a qualified individual with handicaps the opportunity to participate as a member of planning or advisory boards;
7. Deny a dwelling to an otherwise qualified buyer or renter because of a handicap of that buyer or renter or a person residing in or intending and eligible to reside in that dwelling after it is sold, rented or made available; or

8. Otherwise limit a qualified individual with handicaps in the enjoyment of any right, privilege, advantage, or opportunity enjoyed by other qualified individuals receiving the housing, aid, benefit, or service.

D. This municipality will not, directly or through contracting, licensing, or other arrangements, use age distinctions or take any other actions that have the effect, on the basis of age, of:

1. Excluding individuals from, denying them the benefits of, or subjecting them to discrimination under, a VCDP-funded program or activity; or
2. Denying or limiting individuals in their opportunity to participate in any VCDP-funded program or activity.

Use of Excessive Force Policy (42 USC sec. 5304(l)):

This municipality (1) prohibits the use of excessive force by its law enforcement agencies against any individuals engaged in nonviolent civil rights demonstrations; and (2) prohibits its law enforcement agencies from physically barring entrance to or exit from a facility or location that is the subject of a nonviolent civil rights demonstration.

Policy on the Use of VCDP Funds for Federal Lobbying (Byrd Anti-Lobbying Amendment, 31 U.S.C. 1352 and 43 CFR part 18, New Restrictions on Lobbying. Submission of an application also represents the applicant's certification of the statements in 43 CFR part 18, appendix A, Certification Regarding Lobbying):

This municipality will not allow the use of VCDP funds to pay any person for the influencing or attempting to influence an officer of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.

Code of Ethics for Administration of Vermont Community Development Program (24 CFR 570.489(h)):

The following code of ethical conduct for public officials, employees and/or affected contractors covers all aspects of the VCDP, whether or not specifically cited.

1. Goods and services shall be procured in a manner which maximizes free and open competition.
2. Officers and employees shall not participate in any decision concerning matters in which they have a financial interest.
3. Conflicts, and the appearance of conflicts, of interest shall be avoided in order to assure public confidence in the operations of governments.

4. Every effort will be made to actively recruit woman-owned or minority-owned businesses and to provide opportunities for local residents and businesses, consistent with Section 3 of the Housing and Urban Development Act of 1968.
5. All procurement actions shall be conducted in public and all records related thereto will be open to public review.

The Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et seq.):

Requires Grantees to certify and assure the Department that they will establish a formal written policy that informs employees that the manufacture, distribution, possession and use of illegal drugs in the workplace are prohibited, and an ongoing drug-free awareness program.

If this municipality does not already have a drug-free workplace policy that is at least as robust as the following, it hereby establishes that:

As an employer, the {Municipality} is responsible for maintaining safe, efficient working conditions for its employees by providing a drug-free workplace. Therefore, municipal employees shall not engage in the unlawful manufacture, distribution, possession or use of controlled substances (drugs) on the job or on any municipal work site.

1. The illegal use, possession, sale, distribution, or manufacture of controlled substances in or on property belonging to the municipality will not be tolerated and is considered to be grounds for review and termination of employment at the discretion of the employee's supervisor.
2. Any employee of the municipality who has a controlled substance dependency, or any other controlled substance-related problem, shall immediately seek professional assistance or counseling.
3. Any employee of the municipality who is convicted of violating any criminal drug statute must inform his or her supervisor within 5 days after the conviction. The criminal conviction of any employee of this municipality for the use, possession, sale or distribution of a controlled substance may be considered grounds for review and termination of employment at the discretion of the employee's supervisor.
4. If an employee who is convicted of violating any criminal drug statute works in a federally funded program, the municipality shall notify the agency that provides the federal funding within ten (10) days of the municipality's receiving the notice of the conviction. In the case of the Vermont Community Development Program, notify the Department of Housing and Community Development.
5. Any employee on municipal premises who appears to be under the influence of, or who possesses illegal or non-medically authorized drugs, or who has used such drugs on municipal premises, may be temporarily relieved from duty pending further investigation.
6. If the use of legal drugs endangers safety, management may (but is not required to) reassign work on a temporary or permanent basis.

7. All current and future employees shall be informed of this policy and shall acknowledge in writing their understanding and acceptance of this policy.

Subrecipient Oversight Monitoring Policy (required by Uniform Guidance, 2 CFR Part 200):

The policy set forth herein must be adopted by all municipalities using VCDP funds. Adoption of this policy certifies the Grantee shall be responsible for oversight monitoring of grant funds that are dispersed to a sub-recipient, to ensure the funds are properly managed.

To ensure such funds are managed according to the agreements and requirements of the granting agency, the Municipality will designate a municipal individual responsible for subrecipient monitoring. At a minimum, this will include:

1. Closely monitoring and reviewing the requisition of funds to the funding agency on a regular basis;
2. Reviewing the Subrecipient's financial management systems, internal control procedures, separation of duties, ensuring that different individuals review the invoices for payment and accuracy, from someone who writes the check, to someone who authorizes or signs the check, to someone who reconciles the Bank statements;
3. Reviewing the Subrecipient's procurement policies to ensure that they meet the requirements of 2 CFR Part 200, Uniform Federal Guidance;
4. Reviewing Labor Standards, if applicable, and the appropriate wage rates; securing payrolls and reviewing them for accuracy, and in the event there are any errors securing proof of restitution;
5. Ensuring that contractors are being paid appropriately, and lien waivers and other releases are secured from the contractors;
6. Closely monitoring the progress of the funded project through the review of required progress reports; and
7. Obtaining and reviewing the independent audit if required for the sub-recipient (expenditure of \$750,000 or greater in one fiscal year); or the municipality may determine that its own single audit may be expanded to include the scope of federal funds expended at the subrecipient level; or the subrecipient may be eligible to have a program specific audit.
8. Authorized representatives of the Secretary of the Agency, the Secretary of HUD, the Inspector General of the United States, or the U.S. General Accounting Office shall have access to all books, accounts, records, reports, files, papers, things, or property belong to, or in use by, any Subgrantee or Subrecipients pertaining to the receipts of VCDP funds as may be necessary to make audits, examinations, excerpts, and transcripts.

Whistleblower Protections:

A. The Municipality shall not discriminate or retaliate against a municipal employee or agent for engaging in the following:

1. Providing to a public body a good faith report or good faith testimony that alleges an entity of municipal or state government, a municipal employee or official, or a person providing services to the municipality under contract has engaged in a violation of law or in waste, fraud, or abuse of authority, or an act threatening health or safety.
2. Assisting or participating in a proceeding to enforce the provisions of this policy.

B. Neither the Municipality nor any municipal officer or employee shall attempt to restrict or interfere with, in any manner, a municipal employee's ability to engage in any of the protected activity described in subsection (a) of this policy. Employees are not required to report misconduct to the municipality or its agents prior to reporting to any governmental entity and/or the public.

C. Neither the Municipality nor any municipal officer or employee shall require employees or agents to forego monetary awards as a result of such reports.

Texting While Driving Policy (Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving):

This municipality certifies and assures the Department that it will establish a formal written policy that informs employees that text messaging while operating a municipal vehicle is prohibited, and to conduct initiatives that encourage voluntary compliance with the municipal policy while off duty. If this municipality does not already have a such a policy that is at least as robust as the following, it hereby establishes that:

This municipality (1) prohibits the practice of texting while driving by its employees in municipal vehicles; and (2) requires its employees to adhere to Vermont statute, 23 V.S.A. § 1095b. "Handheld use of portable electronic device prohibited."

Violence Against Women Act (reauthorization March 2022: VAWA 2022):

This municipality certifies and assures the Department that it will establish formal written policies that support an individual's, including survivor's, right to seek law enforcement or emergency assistance, including, but not limited to, making certain forms available to occupants of publicly assisted housing. Further, this municipality shall develop additional requirements to review and report non-compliant local laws and ordinances. If this municipality does not already have a such a policy that is at least as robust as the following, it hereby establishes that:

This municipality shall (1) report on the existence of laws or policies they or their subgrantees (or state grant recipients) adopted that impose penalties based on requests for law enforcement or emergency assistance or based on criminal activity that occurred at a covered property; and (2) make

all [required forms](#) available to individuals living in CDBG assisted housing on the municipality's website and as requested.

Accessibility & 508 Compliance requirements (Section 504 Rehabilitation Act of 1973 and Title II of the Americans with Disabilities Act of 1990):

This municipality certifies and assures the Department that it shall consider and implement required accessibility requirements in its CDBG assisted facilities. Further, the municipality shall consider the accessibility of any materials produced via or related to federal funds and implement accessibility measures.

Adoption

Adopted by the Legislative Body on the _____ day of _____, ____.

LEGISLATIVE BODY

(Typed Name)

(Signature)
