

9



Contract

20170540

City of Springfield Contract Tracer Document

The purpose of this document is to provide continuous responsibility for the custody of **CONTRACTS** during the processing period.

INSTRUCTIONS: Upon receipt, please initial and write in the date of receipt. When your department has approved and signed the contract, please initial and date in the forwarding section and deliver to the next department.

DEPARTMENT	DATE RECEIVED		DATE FORWARDED TO NEXT DEPT.	
	Initials	Date	Initials	Date
Planning	CM	2/15/17	CM	2/15/17
City Comptroller	DF	2/16/17	DF	2/16/17
Law	DF	2/17/17	DF	2/17/17
CAFO	HP	2/22/17	HP	2/23/17
Mayor	CD	2/23/17	CD	2/24/17
City Comptroller			KM	2/27/17
Community Development				

Vendor No.: 6382 Contract No.: 20170540 Contract Date:

Contract Amt.: \$300,000.00 Issue Date: 02/10/2017 Renewal Date:

Appropriation Code1: 26451817-530105-64516
 Appropriation Code2:
 Appropriation Code3:
 Appropriation Code4:

Description of Funding Source: CDBG-NDR

Bid No.: Requisition No.: 17009638 PO No.:

Vendor Name: Develop Springfield Corp.

Contract Type: CDBG-NDR

Contract Purpose: Springfield Innovation Center

Originating Dept.: Community Development

Expiration Date: 12/31/2020 Amendment Date: Extension Date:

TYPE OF DOCUMENT (Please select at least one):
 New Renewal Amendment Extension

Bill To
 COMMUNITY DEVELOPMENT
 1600 EAST COLUMBUS AVE
 SPRINGFIELD, MA
 01103

Requisition 17009638-00 FY 2017

Acct No:
 26451817-530105-64516
 Review:
 Buyer: lpl
 Status: Released

Page 1

Vendor
 DEVELOP SPRINGFIELD CORPORATION
 83 MAPLE STREET

Ship To
 DISASTER RECOVERY 4TH FLOOR
 36 COURT STREET
 ROOM 405/411
 SPRINGFIELD, MA
 MLYNCHSPRINGFIELD CITYHALL.COM

SPRINGFIELD, MA 01105
 USA
 Tel#413-744-0212
 Fax 9-1-413-744-4268

C# 20170540

Date Ordered	Vendor Number	Date Required	Ship Via	Terms	Department
02/10/17	006382				COMMUNITY DEVELOPMENT

LN	Description / Account	Qty	Unit Price	Net Price
----	-----------------------	-----	------------	-----------

General Notes

001	CONTRACT#PENDING CIRCULATION CDBG-NDR SPRINGFIELD INNOVATION CENTER CDBG-NDR SPRINGFIELD INNOVATION CENTER	1.00 EACH	300000.00000	300000.00
1	26451817-530105-64516		300000.00	

Ship To
 DISASTER RECOVERY 4TH FLOOR
 36 COURT STREET
 ROOM 405/411
 SPRINGFIELD, MA

[Requisition Link](#)

Requisition Total 300000.00

***** General Ledger Summary Section *****

Account	Amount	Remaining Budget
26451817-530105-64516 CDBG-NDR-BUSINESS&JOB OPPORTUN PROFESSIONAL SERVICES	300000.00	191716.00

***** Approval/Conversion Info *****

Activity	Date	Clerk	Comment
Queued	02/10/17	Cathy Buono	
Pending		Melanie Acobe	
Pending		Christopher Fraser	
Pending		Jennifer Whisher	

SUBRECIPIENT PARTNERSHIP AGREEMENT

By and Between the

CITY OF SPRINGFIELD, MA

And

DEVELOPSRINGFIELD

**COMMUNITY DEVELOPMENT BLOCK GRANT – NATIONAL DISASTER
RESILIENCE PROGRAM**

**Office of Community Development/Disaster Recovery & Compliance
Springfield, Massachusetts**

PROJECT AMOUNT: \$300,000.00

PROJECT NAME: NEW BUSINESS RENTAL SUBSIDY PROGRAM – SPRINGFIELD
INNOVATION CENTER

Domenic J. Sarno
MAYOR

PART I: Project Terms and Conditions

Upon execution by all parties, this Agreement, shall be effective as of entered into as of the 1st day of January, 2017, BY AND BETWEEN **DEVELOPSPRINGFIELD**, a not-for-profit corporation with its principal office and place of business at, 83 Maple Street, Springfield, Commonwealth of Massachusetts (hereinafter referred to as the "SUBRECIPIENT"), and the **CITY OF SPRINGFIELD**, a municipal corporation, duly organized and in existence under the laws of the Commonwealth of Massachusetts, with its principal office and place of business in City Hall, 36 Court Street, in the City of Springfield, and Commonwealth of Massachusetts, acting by and through its Chief Development Officer , with the approval of its Mayor (hereinafter, referred to as the "CITY").

WHEREAS, the CITY and the SUBRECIPIENT executed an intergovernmental Partnership Agreement (APPENDIX A) and submitted a Phase II Application on October 27, 2015 to HUD in response to the CDBG-NDR NOFA; and

WHEREAS, the CITY was awarded funds from the United States Government on January 21, 2016 under the Disaster Relief Appropriations Act, 2013 (Pubic Law 113-2), Title I of the Housing and Community Development Act of 1974 (42 USC 5302 et seq.) and the Notice of Funding Availability for HUD's CDBG-NDR Program; and

WHEREAS, the CITY and HUD have executed a Grant Agreement on October 17, 2016; and

WHEREAS, the CITY wishes to engage the SUBRECIPIENT to utilize awarded funds hereinafter described in connection with CITY's Community Development activities to carry out the Project described in this Intergovernmental Agreement.

NOW THEREFORE, the CITY and SUBRECIPIENT agree as follows:

I. SCOPE OF SERVICE

A. Activities

THE SUBRECIPIENT shall be responsible for using \$300,000 in CDBG-NDR funds, to offer subsidized rental space in the Springfield Innovation Center located at 270 and 276 Bridge Street, Springfield, MA 01103, in a manner satisfactory to the CITY and consistent with any standards required as a condition of providing these funds. Such program shall include the activities eligible under the Community Development Block Grant – National Disaster Resilience ("CDBG-NDR") program as described in the scope of services attached hereto and made a part hereof in APPENDIX B, "Scope of Services".

All activities identified in this section and further described in APPENDIX B, "Scope of Services", attached hereto and made a part hereof, shall support the CITY's Community Development activities and shall be performed and carried out by the SUBRECIPIENT under the highest professional standards to the satisfaction of the CITY.

B. Levels of Accomplishment

In addition to the normal administrative services required as part of this Agreement, the SUBRECIPIENT shall provide services as outlined in APPENDIX B.

C. Staffing and Monitoring

[1] Subrecipient Staffing SUBRECIPIENT agrees to provide all staffing associated with the completion of this project. Any subcontracted staffing needs will be done in accordance with local, state and federal procurement laws. Any changes in the key personnel assigned or their general responsibilities under this project are subject to the prior approval of the CITY.

[2] City Staffing The CITY hereby designates the Chief Development Officer as the Project Officer. On the Mayor's authority, the Project Officer shall be the person signing this agreement on behalf of the Office of Community Development and Disaster Recovery and shall be the authorized representative of CITY responsible for the administration and enforcement of this Agreement acting within the limits of authority as defined by CITY'S Mayor.

Under the Direction of the Chief Development Officer the Office of Community Development and Disaster Recovery will be charged with administering and monitoring this Agreement.

D. Performance Monitoring

The CITY shall monitor the performance of the SUBRECIPIENT against goals and performance standards required herein. Substandard performance as determined by the CITY shall constitute non-compliance with this Agreement. If action to correct such substandard performance is not taken by the SUBRECIPIENT within thirty (30) days of being notified by the CITY, Agreement suspension or termination procedures shall be initiated as detailed in Section V Subsections A and B below.

[1] Time of Performance - Services of the SUBRECIPIENT shall commence as described in this Agreement on January 1, 2017 and shall end on December 31, 2020. By agreement of the City, the term of this Agreement and the provisions herein may be extended to cover any additional time period during which the SUBRECIPIENT remains in control of CDBG funds or other assets, including program income.

[2] Budget – It is expressly agreed and understood that the total amount to be paid by the CITY under this Agreement shall not exceed Three Hundred Thousand Dollars (\$300,000.00).

SUBRECIPIENT shall abide by the budget attached hereto and made a part hereof as Appendix B, diligently reporting and documenting all expenditures for which reimbursement is sought in accordance with this Agreement.

The SUBRECIPIENT shall submit requests for any amendments to this budget in writing to the CITY; the CITY shall have the authority to approve or deny such budget amendments and shall do so within thirty (30) days. Any such Amendments, increasing the amount of the budget, must be in writing and signed by all parties.

Budget for this project as described herein and attached hereto as Appendix B.

[3] Quarterly Reports - The SUBRECIPIENT shall submit quarterly reports no later than the 1st of each quarter. Quarterly reports will be due to the CITY on the following dates for the duration of this agreement:

January 1
April 1
July 1
October 1

SUBRECIPIENT will be required to report on accomplishments and outreach that has occurred during the previous quarter. Quarterly reports must be submitted to the Office of Disaster Recovery and Compliance whether or not SUBRECIPIENT is requesting funds. If there has been no activity during the quarter, this also must be reported.

[4] Public Outreach Meetings - Minutes of outreach meetings will be taken and provided to all interested parties, including the CITY. SUBRECIPIENT will inform the CITY of the dates and times of these meetings, so the CITY can choose whether it will be necessary to have a designee attend.

[5] Monitoring Site Visits - In addition to its reporting requirements, SUBRECIPIENT may be subject to one or more site visits to be made by the CITY during the period of this Agreement at which time all documentation, files, and other material related to this Agreement and the operation of the activities described herein shall be made available for review and inspection by the CITY.

[6] Leverage - In addition to its reporting requirements, SUBRECIPIENT is required to ensure that \$3,879,414 in committed leveraged funds, as detailed in APPENDIX C are spent on build-out and creation of the Innovation Center business incubator. SUBRECIPIENT will be required to report on expended leverage funds in quarterly reports. SUBRECIPIENT will be required to submit source documentation and proof of leverage funding commitment expenditures.

II. PAYMENT

A. Reimbursement

[1] The CITY shall reimburse to the SUBRECIPIENT funds available under this Agreement based upon documentation of costs incurred information submitted by the SUBRECIPIENT and consistent with the approved budget attached hereto and made a part hereof in Appendix B and CITY policy concerning payments.

[2] The CITY will subsidize rental space at the following rates:

- The CITY will reimburse the SUBRECIPIENT no more than 80% of rental cost for the business accelerator program.
- The CITY will reimburse the SUBRECIPIENT no more than 20% of rental cost for office space.
- The CITY will reimburse the SUBRECIPIENT no more than 30% of rental cost for café space.

Rental subsidy by the CITY will cover the use of space and common areas.

- [3] SUBRECIPIENT will invoice the CITY on a monthly basis for space that is leased by eligible businesses, in accordance with the approved budget in APPENDIX B and are reasonable and necessary in order for the start-up businesses to operate within the Springfield Innovation Center. All costs shall be reflected in the budget as described herein and attached hereto as Appendix B. Drawdowns for the payment of eligible expenses shall be made in accordance with performance against the line item budget specified in Appendix B described herein and attached hereto. All requests for reimbursement must include source documentation that verifies the expense of the requested reimbursement.
- [4] Payments shall be made on a reimbursement basis only. Advance payments shall not be made, unless agreed to otherwise in writing by the CITY. In order to be considered for advance payment the SUBRECIPIENT shall submit a written request to the Office of Disaster Recovery that details the reason for the request and the amount of funding requested. The CITY in its sole discretion may determine whether to grant said advance payment.
- [5] Disbursements pursuant to this agreement made in advance rather than on the SUBRECIPIENT's behalf may be contingent upon certification of the SUBRECIPIENT's financial management system in accordance with the standards specified in 2 CFR Part 200. Per 2 CFR Part 200, an accounting system using either the cash or the accrual basis of generally accepted accounting principles that accurately reflects all costs chargeable (paid & unpaid) to the project should the project terminate the next day is mandatory. Paid invoices revealing check number, date paid and evidence of goods or services received are to be filed according to the expense account as they were charged. The CITY reserves the right to review and approve SUBRECIPIENT'S accounting system and internal controls prior to the release of funds.
- [6] **Program Income** –The SUBRECIPIENT understands that funds paid under this Agreement are for the services specified in the Scope of Services and such services are not intended to result in the generation of Program Income as defined in 24 CFR 570.500(a). In the event that the SUBRECIPIENT generates Program Income as a result of funds paid under this Agreement, then the SUBRECIPIENT shall comply with all requirements set forth at 24 CFR 570.504. All program income derived from this Project as a result of funds paid under this Agreement and any program income generated after the expiration of this Agreement shall be turned over to the CITY within ten (10) days of receipt by the SUBRECIPIENT.
- [7] The SUBRECIPIENT shall refund to the CITY any payment or portions of payments which the CITY determines were not properly due to the SUBRECIPIENT under the terms of this Agreement.
- [8] The CITY reserves the right to liquidate funds available under this Agreement for costs incurred by the CITY on behalf of the SUBRECIPIENT. The City also reserves the right

to liquidate unexpended funds should the expenditures not be proportionate throughout the program year.

III. SPECIAL CONDITIONS

A. Personnel

The SUBRECIPIENT shall hire its own personnel, but, in accordance with Section VIII of this Agreement, SUBRECIPIENT shall, give full consideration to employment of residents of the city of Springfield and persons who are unemployed or underemployed in compliance with Federal Equal Opportunity provisions.

B. Beneficiaries

SUBRECIPIENT shall provide CITY with narrative reports concerning the ongoing progress of the project or activity assisted with funds through this Agreement in quarterly reports. The reports shall also include all HUD required data elements for program beneficiaries.

This requirement shall not, however, be construed to cause SUBRECIPIENT to divulge any information which would infringe SUBRECIPIENT - client relationships, or other rights of individual beneficiaries.

IV. GENERAL CONDITIONS

A. General Compliance

The SUBRECIPIENT shall comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (Housing and Urban Development regulations concerning Community Development Block Grants-CDBG).

The SUBRECIPIENT shall comply with CDBG-NDR requirements, including those found in Disaster Relief Appropriation Act, 2013 (Public Law 113-2), title I of the Housing and Community Development Act of 1974 (42 USC 5302 et seq.), the Notice of Funding Availability for HUD's National Community Development Block Grant Resilience Disaster Recovery Allocation and any subsequent published amendments (the CDBG-NDR NOFA), and the CITY's CDBG-NDR NOFA Phase I and Phase II Applications.

SUBRECIPIENT also shall comply with all other applicable Federal, state and local laws, regulations and policies governing the funds available under this Agreement. The SUBRECIPIENT shall utilize funds available under this Agreement to supplement rather than supplant funds otherwise available.

B. Independent Contractor

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The SUBRECIPIENT shall at all times remain as "independent contractor" with respect to the services performed under this Agreement. Unless otherwise noted in the contract scope and budget as described herein and attached hereto as Appendices A and B, the CITY shall be exempt from payment of all Unemployment Compensation, FICA,

retirement, life and/or medical insurance and Workers' Compensation Insurance as the SUBRECIPIENT is an independent contractor.

C. Hold Harmless

The SUBRECIPIENT shall hold harmless, defend and indemnify the CITY from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the SUBRECIPIENT's performance or non-performance of the services or subject matter called for in this Agreement.

D. Workers' Compensation

The SUBRECIPIENT shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement.

E. Insurance and Bonding

The SUBRECIPIENT and its' contractors shall carry sufficient insurance coverage in an amount satisfactory to CITY and as required to protect Agreement assets from loss due to theft, fraud, and/or undue personal injury or property. Comprehensive General Liability insurance shall be obtained (Limits: \$1,000,000/\$2,000,000 (per occurrence/annual aggregate)). Where applicable, Comprehensive Automobile Liability coverage shall be obtained, including all owned Automobiles; Non-Owned Automobiles; Hired Car Coverage (limits: \$500,000/\$1,000,000 (per occurrence/annual aggregate)). On all policies, *the City of Springfield shall be listed as Additional Insured* and there shall be a stipulation that insurance provided shall not terminate, lapse or otherwise expire, prior to thirty (30) days written notice to that effect, given by the insurance carrier to the City, and that the insurance carrier will not invoke the defense of performance of governmental function of the provider in performing their contract with the City.

A certification acknowledging said insurance shall be attached to this agreement hereto as APPENDIX F.

F. Acknowledgement of Funding Sources

SUBRECIPIENT shall credit the CITY, (acting by and through, the Office of Community Development and Disaster Recovery) and the Community Development Block Grant – National Disaster Resilience Program on all printed material that SUBRECIPIENT produces that discussed, describes, educates or otherwise informs the public about the program for which funding under this Sub-Recipient Agreement has been provided. All reports, maps, brochures and other documents completed as a part of this Agreement, other than documents exclusively for internal use within the City, shall carry a notation on the front cover or a title page containing the following:

City of Springfield Office of Community Development

The preparation of this (report, brochure, map, etc.) was aided through Federal financial assistance from the Department of Housing & Urban Development under the provisions of Title I of the Housing & Community Development Act of 1974 as amended.

Likewise, SUBRECIPIENT shall assign credit to the CITY and the Community Development Block Grant – National Disaster Resilience Program in any representation

to the media and/or the press when addressing information as to the program for which funding under this Subrecipient Agreement has been provided.

G. Amendments

The CITY and SUBRECIPIENT may amend this Agreement at any time provided that such amendments make specific reference to this Agreement and are executed in writing and signed by all parties to this agreement in accordance with Article I(D)(2). Such amendments shall not invalidate this Agreement nor relieve or release the CITY or SUBRECIPIENT from its obligations under this Agreement.

The CITY reserves the right to propose amendments to this Agreement to conform with Federal, state or local government guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services or schedule of the activities to be undertaken as part of this Agreement, such modifications shall be incorporated only by written amendment signed by all parties to this agreement.

Where an authorized amendment includes a change to the SUBRECIPIENT's compensation, the revised compensation figures shall be incorporated in any written amendments to Appendix B (Scope of Services & Budget). In the event such change orders or work amendments increase the total amount of compensation to be paid SUBRECIPIENT, the amendment shall only be valid when signed by all parties to this agreement.

V. Suspension or Termination

A. Suspension or Termination for Cause. The CITY may suspend or terminate this Agreement if the SUBRECIPIENT materially fails to comply with any terms of this Agreement, which includes, but are not limited to, the following:

1. Failure to comply with any of the rules, regulations, or provisions referred to herein, or such statutes, regulations, executive orders and HUD guidelines, policies or directives as may become available at any time;
2. Failure for any reason of the SUBRECIPIENT to fulfill in a timely and proper manner its obligations under this Agreement.
3. Ineffective or improper use of funds provided under this Agreement
4. Submission by the SUBRECIPIENT to the CITY reports that are incorrect or incomplete in any material respect.

The CITY shall have the immediate right to suspend or terminate this Agreement for cause, in whole or in part, by giving written notice to the SUBRECIPIENT at its address, which the parties agree is as stated in Part I, Page 1. Such notice of suspension or termination shall be forwarded to the SUBRECIPIENT and shall specify the cause, period of suspension, or effective date of termination (that in no case shall be sooner than the date of receipt of said notice).

B. Suspension or Termination for Convenience. This Agreement may also be terminated for convenience by the CITY and the SUBRECIPIENT, in whole or in part, by setting forth

the terms and conditions for such termination, the effective date (provided the effective date is at least thirty (30) days before the effective date of such termination), and in the case of a partial termination, the portion to be terminated. However, if in the case of a partial termination, the CITY determines the award will not accomplish the purpose for which the award was made, the CITY may terminate the award in its entirety pursuant to 24 CFR 85.43 or 24CFR 85.44.

VI. Reversion of Assets

- A. The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 2 CFR Part 200 and 24 CFR 570.502, 570.503 and 570.504, as applicable, which include but are not limited to the following:
1. The SURECIPIENT shall transfer to the CITY any CDBG-NDR funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination.
 2. Real Property under the SUBRECIPIENT's control that was acquired or improved, in whole or in part, with funds under this Agreement in excess of \$25,000 shall be used to meet one of the CDBG National Objectives pursuant to 24 CFR 570.208 until 5 years after expiration of this Agreement. If the subrecipient fails to use CDBG-assisted real property in a manner that meets a CDBG National Objective for the prescribed period of time, the Subrecipient shall pay the CITY an amount equal to the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such payment shall constitute program income to the CITY. The Subrecipient may retain real property acquired or improved under this Agreement after the expiration of the five-year period.
 3. In all cases in which equipment is acquired, in whole or in part, with funds under this Agreement is sold, the proceeds shall be program income (prorated to reflect the extent to that funds received under this Agreement were used to acquire the equipment). Equipment not needed by the SUBRECIPIENT for activities under this Agreement shall be (a) transferred to the CITY for the CDBG program or (b) retained after compensating the CITY an amount equal to the current fair market value of the equipment, less the percentage of non-CDBG funds used to acquire the equipment.

VII. ADMINISTRATIVE REQUIREMENTS

A. Uniform Administrative Requirements and Cost Principles

[1] The SUBRECIPIENT shall comply with the following additional requirements and standards for non-governmental subrecipients, including nonprofit and for-profit CBDOs, if so determined by the CITY:

- 2 CFR Part 200 "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" and 2 CFR 2400 as adopted by HUD

B. Financial Management

- [1] **Accounting Standards** - The SUBRECIPIENT shall comply with 2 CFR Part 200 and shall adhere to the accounting principles and procedures required therein, utilize adequate internal controls and maintain necessary source documentation for all costs incurred.
- [2] **Cost Principles** - The SUBRECIPIENT shall administer its program in conformance with 2 CFR Part 200, "Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards" as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

C. Documentation and Record-Keeping

- [1] **Records to be Maintained** - The SUBRECIPIENT shall maintain all records required by the Federal regulations specified in 24 CFR Part 570.506 that are pertinent to the activities to be funded under this Agreement. Such records shall include, but not be limited to:
 - [a] Records providing a full description of each activity undertaken;
 - [b] Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
 - [c] Records required to determine the eligibility of activities;
 - [e] Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
 - [f] Financial records as required by 24 CFR Part 570.502 and 2 CFR Part 200; and,
 - [g] Other records necessary to document compliance with Subsection K of 24 CFR 570.
- [2] **Retention** - The SUBRECIPIENT shall retain all records pertinent to expenditures incurred under this Agreement for a period of seven (7) years after SUBRECIPIENT received final payment. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the seven (7) year period, then such records shall be retained until completion of the actions and resolution of all issues, or the expiration of the seven (7) year period, whichever occurs later.
- [3] **Equipment and Property** - The SUBRECIPIENT shall maintain property inventory records that clearly identify any real property or personal property that has been acquired, improved or sold with funds provided under this Agreement. All real property, personal property and equipment retained by the SUBRECIPIENT at the expiration of this Agreement shall be used to meet one of the national objectives at § 570.208 until five years after expiration of this Agreement in accordance with the provisions 24 CFR 570.503 (b)(7)(i). A list of all such property shall be submitted annually by the SUBRECIPIENT to the CITY in accordance with 24 CFR 570.503 (b)(7)(i).

[5] **Close-Outs** - The SUBRECIPIENT's obligation to the CITY shall not end until all closeout requirements are completed. Activities during this closeout period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, program income balances and accounts receivable to the CITY) preparation of financial reports and determining the custodianship of records.

[6] **Audits and Inspections**

[a] The SUBRECIPIENT shall, as applicable, have its financial records audited and financial reports prepared and attested to by a Certified Public Accountant in accordance with current CITY policy concerning SUBRECIPIENT audits and 2 CFR Part 200 and 2 CFR 2400 as adopted by HUD, which requires that all nonprofit organizations that expend in excess of \$500,000 in Federal funds during their fiscal year, shall submit an audited financial statement. Furthermore, SUBRECIPIENT shall comply with all applicable sections of 2 CFR Part 200 and 2 CFR 2400 as adopted by HUD, including the requirement that the SUBRECIPIENT provide the CITY with all financial and management audit letters with attached concerns and findings within the earlier of thirty (30) days after receipt of the auditor's report(s), or nine months after the end of the audit period, unless a longer period is agreed to in advance by the Federal agency that provided the funding or a different period is specified in a program-specific audit guide. The CITY reserves the right to request a single or program-specified audit regardless of the Federal funding amount at the cost of the SUBRECIPIENT.

[b] The CITY, the Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives shall have access to any records, agreements, invoices, materials, payrolls, personnel records, books, documents, papers, financial records or computer data maintained, kept, or used by SUBRECIPIENT which are related to this Agreement, for the purpose of making copies, audits, examinations, excerpts, and transcriptions. Such inspections may be made during normal business hours, and as often as the aforementioned governmental agencies deem necessary.

[c] Failure of the SUBRECIPIENT to comply with the audit and/or inspection requirements herein shall constitute a violation of this Agreement and may result in the withholding of future payments.

D. Procurement

[1] **Compliance.** For all procurement conducted by SUBRECIPIENT under this Agreement, the SUBRECIPIENT shall comply with all applicable current state, federal and local laws governing procurement, including but not limited to goods and services. SUBRECIPIENT shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein.

[2] **2 CFR Part 200.** The SUBRECIPIENT shall procure all materials, property, or services in accordance with the requirements of 2 CFR Part 200 "The Uniform Requirements for all Federal Awards" and 2 CFR Part 2400 as adopted by HUD

[4] Contracting with Small and Minority Firms, Women's Business Enterprise and Labor Surplus Area Firms

- [a] It is national policy to award a fair share of contracts to small and minority business firms. Accordingly, affirmative steps shall be taken to assure that small minority businesses are utilized when possible as sources of supplies, equipment, construction and services. Affirmative steps shall include the following:
 - [i] Including qualified small and minority businesses on solicitation lists.
 - [ii] Assuring that small and minority businesses are solicited whenever they are potential sources.
 - [iii] When economically feasible, dividing total requirements into smaller tasks or quantities as to permit maximum small and minority business participation.
 - [iv] Where the requirement permits, establishing delivery schedules which shall encourage participation by small and minority businesses.
 - [v] Using the services and assistance of the Small Business Administration, the Office of Minority Enterprise of the Department of Commerce and the Community Services Administration as required.
 - [vi] If any subcontracts are to be let, requiring the prime contractor to take the affirmative steps [i] through [v] above.
- [b] SUBRECIPIENTS shall take affirmative action steps as detailed in part [a] above in support of women's business enterprises.

[5] Selection Procedures

- [a] The SUBRECIPIENT shall submit all selection procedures for all procurement transactions funded in whole or in part through this Agreement. Said submission shall be submitted to the project monitor administering this contract on behalf of the CITY in writing for approval. The project monitor shall approve or deny said selection procedures within thirty (30) days of receipt of said procedures. The CITY reserves the right to withhold payment for procurement transactions commenced or completed without receiving prior approval from the CITY.

Regardless of whether by sealed bids or by negotiation and without regard to dollar value all selection procedures for procurement transactions shall be conducted in a manner that provides maximum open and free competition consistent with this Section. Procurement procedures shall not restrict or eliminate competition. Example of what is considered to be restrictive or competitive include but are not limited to:

- [i] placing unreasonable requirements on firms in order that they qualify to do business;
 - [ii] non-competitive practices between firms;
 - [iii] organizational conflicts of interest; and
 - [iv] unnecessary experience and bonding requirements.
- [b] The SUBRECIPIENT's submissions to the CITY for approval shall have written selection procedures which shall provide as a minimum, the following procedural requirements:

- [i] Solicitations of offers, whether by competitive sealed bids or sealed bids or competitive negotiation shall:
 - [ii] Incorporate a clear and accurate description of the technical requirements for the material, produce, or service to be procured. Such description shall not, in competitive procurement contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured, and when necessary, shall set forth those minimum essential characteristics and standards to which it shall conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equal" description may be used as a means to define the performance or other salient requirements of a procurement. The specific features of the name brand which shall be met by offerors shall be clearly stated.
- [2] Clearly set forth all requirements which offerors shall fulfill and all other factors to be used in evaluating bids or proposals.
 - [3] Awards shall be made only to responsible contractors that possess the potential ability to perform successfully under the terms and conditions of a proposed procurement. Consideration shall be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial resources.
- [7] **Contract Pricing.** The cost plus a percentage of cost and percentage of construction cost method of contracting shall not be used. SUBRECIPIENTS shall perform some form of cost or price analysis in connection with every procurement action including contract modifications. All costs must be determined to be reasonable and necessary. Costs or prices based on estimated costs for contracts under grants shall be allowed only to the extent that costs incurred or cost estimates included in negotiated price are consistent with Federal cost principles.
- [8] **Procurement Records.** The SUBRECIPIENT shall maintain records sufficient to detail the significant history of a procurement. These records shall include, but are not necessarily limited to information pertinent to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the cost or price. SUBRECIPIENT will be required to document all procurement processes related to purchase of goods and services with Federal Funding in compliance 2 CFR Part 200. SUBRECIPIENT will be required to submit all documentation regarding purchase of goods and services with federal funding to the CITY.

- [9] **Debarred or Ineligible Vendors and Contractors.** SUBRECIPIENT shall produce a list of all subcontractors/vendors to the CITY. Described herein and attached hereto as APPENDIX H is a certification from the SUBRECIPIENT stating that neither the SUBRECIPIENT nor any subcontractor secured by the SUBRECIPIENT has been debarred, suspended or determined ineligible to engage in the activity necessary to perform the services of this contract. SUBRECIPIENT will be required to submit a listing of contractors/sub-contractors to the CITY for confirmation of federal debarment by the Officer of Disaster Recovery.

VIII. Other Program Requirements

- A. The SUBRECIPIENT shall carry out the activities funded through this Agreement in compliance with the requirements of Subpart K of 24 CFR 570, except, however, that the subrecipient does not assume the Department's environmental responsibilities or the responsibility for initiative the environmental review process under 24 CFR Part 52.
- B. The SUBRECIPIENT shall comply with applicable state statutes, CITY ordinances, resolutions and policies concerning the displacement of persons from their residences.
- C. SUBRECIPIENT shall insert the provisions of this Paragraph in any subcontract arising from this Agreement.

IX. PERSONNEL AND PARTICIPANT CONDITIONS

A. **Civil Rights**

- [1] **Compliance** - The SUBRECIPIENT shall comply with all CITY and state civil rights ordinances and with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 108 9of Title I of the Housing & Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities At of 1990, the Age Discrimination Act of 1975, Executive Orders 11063, 11628, 12432, 12892 and with Executive Order 11246 as amended by Executive Orders 11375, 11478, 12086 and 12107.
- [2] **Non-Discrimination** - The SUBRECIPIENT shall comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCDA are still applicable.
- [3] **Land Covenants** - This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and 24 CFR 570.601 and 602. In regard to the sale lease or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, the SUBRECIPIENT shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the CITY and the United States are beneficiaries of and entitled to enforce such covenants.

The SUBRECIPIENT, in undertaking its obligation to carry out the program assisted hereunder, shall take such measures as are necessary to enforce such covenants, and will not itself so discriminate.

- [4] **Section 504** - The SUBRECIPIENT shall comply with any Federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) that prohibits discrimination against individuals with handicaps in any Federally assisted program.

B. Affirmative Action

- [1] The SUBRECIPIENT shall comply with Executive Order 11246 of September 24, 1966, as amended and to the extent applicable.
- [2] **Women- and Minority-Owned Businesses (W/MBE)** - The SUBRECIPIENT shall use its best efforts to afford minority and women-owned business enterprises the maximum practicable opportunity to participate in the performance of this Agreement. As used in this Agreement, the term "minority and female business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are African-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian Americans and American Indians.

The SUBRECIPIENT may submit a Massachusetts State Office of Minority and Women Owned Business Assistance (SOMWBA) certification regarding their status as minority and female business enterprises in lieu of an independent investigation.

Should a subcontract be entered into pursuant to this agreement, the SUBRECIPIENT shall provide a written report documenting the W/MBE status of said subcontractors.

- [3] **Access to Records** - The SUBRECIPIENT shall furnish and cause each of its subrecipients or subcontractors to furnish all information and reports required hereunder and shall permit access to its books, records and accounts by the CITY, the United States Department of Housing & Urban Development or its agents, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.
- [4] **Notifications** – The SUBRECIPIENT shall send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the SUBRECIPIENT's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- [5] **EEO/AA Statement** - The SUBRECIPIENT shall, in all solicitations or advertisements for employees placed by or on behalf of the SUBRECIPIENT, state that it is an Equal Opportunity or Affirmative Action employer. Pursuant to the requirements of 24 CFR 107.21, the SUBRECIPIENT shall take affirmative action to prevent discriminatory

practices and shall take all action necessary and proper to prevent discrimination on the basis of age, race, color, religion, sex, physical handicap or national origin.

- [6] **Sub-Agreement Provisions** - The SUBRECIPIENT shall include the provisions of Section VIII (A) Civil Rights, and (B) Affirmative Action, in every subcontract or purchase order, specifically or by reference so that such provisions shall be binding upon each of its own subrecipients or subcontractors.

C. Employment Conditions & Restrictions

- [1] **Prohibited Activities** - The SUBRECIPIENT is prohibited, as are personnel employed by the SUBRECIPIENT in the administration of the program, from using funds provided herein for political activities, sectarian or religious activities, lobbying, political patronage and nepotism activities.

[2] **Labor Standards**

- [a] The SUBRECIPIENT shall comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Agreement Work Hours and Safety Standards Act, the Copeland "Anti-Kickback" Act (40 U.S.C. 276a-276a-5; 40 U.S.C. 327 and 40 U.S.C. 276c) and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The SUBRECIPIENT shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the CITY for review upon request.
- [b] The SUBRECIPIENT shall except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, ensure that all contractors engaged under Agreements in excess of \$2,000 for construction, renovation or repair work financed in whole or in part with assistance provided under this Agreement, shall comply with Federal requirements adopted by the CITY pertaining to such Agreements and with the applicable requirements of the regulations of the Department of Labor under 29 CFR Parts 1,3,5 and 7 governing the payment of wages and ratio of apprentices and trainees to journeyman workers; provided, that if wage rates higher than those required under the regulations are imposed by state or local law, nothing here under is intended to relieve the SUBRECIPIENT of its obligation, if any, to require payment of the higher wage. The SUBRECIPIENT shall cause or require to be inserted in full in all such Agreements subject to such regulations, provisions meeting the requirements of this paragraph.
- [c] The SUBRECIPIENT represents and assures the CITY that it has or shall secure at its own expense all personnel required for the performance of all services under this Agreement. Such personnel or any persons receiving compensation from SUBRECIPIENT as a result of this Agreement shall not be employees nor former employees of the CITY who have resigned or terminated their employment within one year, nor shall such employees have any relationship contractual or otherwise with the CITY except for non-confidential secretarial employees, unless specified waivers are granted by the CITY's Mayor in writing. SUBRECIPIENT's personnel shall not be

considered as employees of the CITY, and Subrecipient shall indemnify and save harmless the CITY from any claims, demands or actions brought by any of said employees against the CITY, and pay any judgments resulting from any such claims, demands or suits against CITY if related to the performance of this Agreement, or by reason of sickness, accident or illness, or for any other cause.

[3] "Section 3" Clause

[a] Compliance - Compliance with the provisions of Section 3, the regulations set forth in 24 CFR 135, and all applicable rules and orders of the Department issued there under prior to the execution of the Agreement, shall be a condition of the Federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance, its successors, and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its contractors and subcontractors, its successors, and assigns to those sanctions specified by the grant or loan agreement or Agreement through which Federal assistance is provided, and to such sanctions as are specified by 24 CFR 135. The SUBRECIPIENT certifies and agrees that no contractual or other disability exists which would prevent compliance with these requirements.

The SUBRECIPIENT shall comply with these "Section 3" requirements and to include the following language in all subcontracts executed under this Agreement:

"The work to be performed under this Agreement is on a project assisted under a program providing direct Federal financial assistance from the U.S. Department of Housing and Urban Development and is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given lower income residents of the project area [City of Springfield, MA] and Agreements for work in connection with the project be awarded to business concerns that provide economic opportunities for low and very low income persons residing in the metropolitan area [City of Springfield, MA] in which the project is located."

The SUBRECIPIENT shall ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low and very low income persons residing within the metropolitan area [City of Springfield, MA] in which the project is located, and to low and very low income participants in other HUD programs; and award Agreements for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to business concerns that provide economic opportunities for low and very low income persons residing within the metropolitan area [City of Springfield, MA] in which the CDBG funded project is located; where feasible, priority should be given to business concerns which provide economic opportunities to low and very low income residents within the service area or the neighborhood in which the project is located, and to low and very low income participants in other HUD programs.

The SUBRECIPIENT certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with this requirements.

[b] **Notification** - The SUBRECIPIENT shall to send to each labor organization or representative of workers with which its has a collective bargaining agreement or other Agreement or under-standing, if any, a notice advising said labor organization or worker's representative of its commitment under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

[c] **SubAgreements** - The SUBRECIPIENT shall include this Section 3 clause in every subcontract and shall take appropriate action pursuant to the subcontract upon a finding that that the subcontractor is in violation of regulations issued by the CITY. The SUBRECIPIENT shall not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR 135 and shall not let any subcontractor unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. **Conduct**

[1] **Assignability** - The SUBRECIPIENT shall not assign or transfer any interest in this Agreement without the prior written consent of the CITY thereto; provided, however, that claims for money due or to become due to the SUBRECIPIENT from the CITY under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the CITY.

[2] **SubAgreements**

[a] **Approvals** - The SUBRECIPIENT shall not enter into any subcontracts with any agency or individual in performance of this Agreement without the written consent of the CITY prior to the execution of such agreement.

[b] **SubAgreement Monitoring** - The SUBRECIPIENT shall monitor all subcontracted services on a regular basis to assure Agreement compliance. Results of monitoring efforts shall be summarized in written, quarterly reports the form for which shall be provided by the CITY, and supported with documented evidence of follow-up actions taken to correct areas of non-compliance.

[c] **Content** - The SUBRECIPIENT shall cause all of the provisions of this Agreement in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

[d] **Selection Process** – In accordance with Section VI(D) "Procurement", the SUBRECIPIENT shall ensure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis. Executed copies of all subcontracts shall be forwarded to the CITY along with documentation concerning the selection process.

[3] **Hatch Act** - No funds provided, nor personnel employed under this Agreement shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V United States Code.

[4] **Conflict of Interest –**

[a] The SUBRECIPIENT shall maintain a standard of conduct that complies with 2 C.F.R. Part 200 and 24 C.F.R. § 570.611. Said standard of conduct shall govern the performance of their officers, employees or agents engaged in the award and administration of contracts supported by Federal funds. No employee, officer or agent of the SUBRECIPIENT shall participate in the selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

1. The employee, officer or agency;
2. Any of his/her immediate family;
3. His or her partner; or
4. An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award.

[b] The SUBRECIPIENT's shall abide by the provisions of 24 CFR 84.42 and 570.611 with respect to conflict of interest and covenants that it presently has no financial interest and shall not acquire any financial interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Agreement. The SUBRECIPIENT further covenants that in the performance of this Agreement no persons having such a financial interest shall be employed or retained by the SUBRECIPIENT hereunder. Furthermore, no officer, member or employee of the CITY and no members of its governing body, and no other public official of the governing body of the locality or localities in which the project is situated or being carried out who exercise any functions or responsibilities in the review or approval of the undertaking or carrying out of this project during their tenure in office and for one year thereafter, shall participate in any decision relating to this Agreement which affects their personal interest or the interest of any corporation, partnership, or association in which they may be, directly or indirectly interested, or have any personal or pecuniary interest, direct or indirect, in this Agreement or the proceeds thereof nor shall any members of Congress of the United States of America or members of any board, agency, commission, legislative assembly, or other officers of any political subdivision of the United States of America or of the Commonwealth of Massachusetts, during their tenure in office and for one year thereafter, be admitted to any share or part heretofore to any benefit to arise here from.

[c] The SUBRECIPIENT and its individual board members shall not negotiate, seek or request or in any way solicit or accept any quid pro quo contribution, including in kind contributions, grants, gifts, aid, donations, assistance, or any kind of compensation in exchange for their endorsement, sanctioning or silence about issues presently pending before a Neighborhood Council, the City Council, any board, commission or other office of the City, state or federal government.

- [d] The SUBRECIPIENT and its individual board members shall disclose in writing to the Director of Community Development any interest in any project for which they are offering comment as part of a deliberative process of a Neighborhood Council, the City Council, any board, commission or other office of the City, state or federal government—no matter the basis of the interest—prior to offering official comment on the same.
- [e] The SUBRECIPIENT shall distribute copies of this conflict of interest subsection to all board members.
- [f] Nothing contained herein shall be deemed to prevent residents of the neighborhoods served by Community Development Block Grant activities, who are otherwise eligible to receive any benefits which may arise as the result of said activities, or of work created as a result of this Agreement by reason of such resident being either an elected or appointed member of a community board or a member of any other nonprofit organization that may have some responsibilities under this Agreement; provided, however, that the provisions of Chapter 268A, the Conflict of Interest Law of the Commonwealth of Massachusetts, is preserved.

[5] Lobbying - The SUBRECIPIENT hereby certifies that:

- [a] No Federal appropriate funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, an employee or officer of the CITY nor member of the CITY's governing body, 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 Agreement, the making of any Federal grant, of any Federal loan, the entering into of any cooperative agreement, nor any extension, renewal, amendment, or modification of any Federal Agreement, grant, loan or cooperative agreement;
- [b] If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, an employee or officer of the CITY nor member of the CITY's governing body, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal Agreement, grant, loan or cooperative agreement, it will complete and submit Standard Form LLL "Disclosure Form to Report Lobbying," in accordance with its instructions;
- [c] It shall require that the language of paragraph [d] of this certification be included in the award documents for all sub-awards at all tiers (including subcontractors, subgrants, and Agreements under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly; and
- [d] Lobbying Certification. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1326, Title 31, U.S. Code. Any person who fails to

file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

[e] Any attempt by any officer, employee or agent of the CITY in soliciting or accepting gratuities, favors or anything of monetary value from SUBRECIPIENT shall be reported in writing immediately to responsible officials of the CITY. Such reports to CITY shall contain the name of the CITY officer, agent or employee and the detailed circumstances of the incident.

[6] **Copyright** - If this Agreement results in any copyrightable or patentable material or inventions, the CITY reserves the right to royalty-free non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use the work or materials for government purposes.

[7] **Religious Organization** - Funds provided under this Agreement shall not be utilized by the SUBRECIPIENT for religious activities, to promote religious interest, or for the benefit of a religious organization in accordance with the Federal regulations specified in 24 CFR 570.200(j).

X. ENVIRONMENTAL CONDITIONS

SUBRECIPIENT shall comply with environmental conditions described in this section, Acts, and all applicable standards, orders or regulations issued thereunder. Furthermore, SUBRECIPIENT agrees to insert the provisions of this section in any subcontract arising from this Agreement.

A. **Environmental Review**

Prior to any choice limiting action the CITY shall cause an environmental review to be performed and prepared to determine whether the project meets local, state and federal environmental regulations in accordance with 24 CFR Part 58. The review will determine whether the project meets local, state and federal environmental standards and a Release of Funds from HUD. No choice limiting action may be taken until the review has been performed and a Release of Funds has been issued by HUD. The parties agree that the provision of any funds to the project is conditioned on completion of the Environmental Review prior to choice limiting action being taken. The parties agree that the provision of any funds to the project is conditioned on the City of Springfield determination to proceed with, modify or cancel the project based on results of a subsequent environmental review.

B. **Air and Water**

The SUBRECIPIENT shall comply with the following requirements insofar as they apply to the performance of this Agreement: Clean Air Act of 1970 (42 U.S.C. 1857 at seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq. as amended, 1318 relating to inspection, monitoring, entry, reports and information, as well as other requirements specified in said Section 114 and Section 308 and all regulations and guidelines issued thereunder), and Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.

C. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 USC 4001), the SUBRECIPIENT shall assure that for activities located in an area identified by FEMA as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

D. Lead-Based Paint

Any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 507.608 and 24 CFR Part 35. Such regulations pertain to all HUD-assisted housing and require that owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken.

E. Historic Preservation

The SUBRECIPIENT shall comply with the Historic Preservation requirements set forth in the National Preservation Act of 1966, as amended (16 U.S.C. 470), P.L. 89-665, the Archaeological and Historic Preservation Act of 1974, P.L. 93-291, Executive Order 11593 and the procedures set forth in 36 CFR, Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement, thereby eliminating or minimizing any adverse effect on any district, site, building, structure or object listed on or nominated for, listing on the National Register of Historic Places, maintained by the National Park Service.

XI. DUPLICATION OF BENEFITS

Subrecipient agrees to disclose any payments of disaster related assistance received in relation to the June 1, 2011 tornado. Subrecipient agrees to execute an affidavit certifying funds received. This will include any payments from FEMA, SBA, Private Insurance, etc. Subrecipient agrees to execute a subrogation agreement as part of this agreement in Appendix L. Subrecipient agrees that it will ensure there are no Duplication of Benefits in accordance with the Robert T. Stafford Act and that any duplicative funds received after the signing of this Agreement may need to be paid back to the City of Springfield.

XII. SEVERABILITY

If any provision of this Agreement is held invalid, remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

XIII. SECTION HEADINGS AND SUBHEADINGS

The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

XIV. WAIVER

The CITY's failure to act with respect to a breach by the SUBRECIPIENT does not waive its right to act with respect to subsequent or similar breached. The failure of the CITY to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

XIII. VENUE AND EXCLUSIVE FORUM

The parties hereto expressly agree that the sole and exclusive place, status and forum of this Agreement shall be the City of Springfield, Hampden County, Massachusetts. It is the express intention of the parties to this Agreement that the exclusive venue of all legal actions and procedures of any nature whatsoever which relate in any way to this Agreement shall be solely and exclusively brought, heard, conducted, prosecuted, tried and determined within the City of Springfield, Hampden County, Massachusetts, in either the Superior Court Department of the Trial Court of the Commonwealth of Massachusetts sitting in the Hampden County Hall of Justice, Springfield, Massachusetts or the United States District Court sitting in Springfield, Massachusetts.

XIV. ENTIRE AGREEMENT

The parties hereto agree that the entire Agreement of the Parties is contained herein and that this agreement supersedes all oral agreements and negotiation between the parties relating to the subject matter thereto.

XV. SIGNATURES

SUBRECIPIENT shall designate an authorized representative for purposes of this Agreement. The execution of this Agreement by SUBRECIPIENT shall be deemed as evidence that the authorized representative has full power to bind the SUBRECIPIENT for any act performed having a relationship to this Agreement, and that such act or acts of the authorized representative are not limited by SUBRECIPIENT's charter and are authorized by SUBRECIPIENT's principals or charter.

IN WITNESS WHEREOF, the CITY and the SUBRECIPIENT have signed and sealed this Agreement as of the date first above written, the City of Springfield, Commonwealth of Massachusetts.

SUBRECIPIENT

By: _____

Its: President & CEO

CITY OF SPRINGFIELD

By: _____

Kevin E. Kennedy
Chief Development Officer

26451817-530105-69516 \$300,000.00

Approved as to Appropriation:

Jan Palick 2/16/17
City Comptroller

Approved as to Form:

Law Department

Reviewed:

J. J. [Signature]
Chief Administrative and Financial Officer

APPROVED:

Domenic J. Sarno
Domenic J. Sarno
Mayor
Date Signed: 2/23/16

Part II: Attachments

- APPENDIX A: Agreement between The City of Springfield & DevelopSpringfield for CDBGN-NDR Competition executed October 27, 2015**
- APPENDIX B: Scope of Services & Budget**
- APPENDIX C: Leverage Commitment Letter**
- APPENDIX D: Corporate Certification**
- APPENDIX E: Board Authorization to Execute Contract**
- APPENDIX F: Insurance Certificate**
- APPENDIX G: Internal Control Questionnaire**
- APPENDIX H: Debarment Certificate**
- APPENDIX I: Conflict of Interest Statement**
- APPENDIX J: Notarized Tax Certification Form**
- APPENDIX K: National Objective Compliance Certification**
- APPENDIX L: Subrogation Agreement**
- APPENDIX M: Lobbying Certification**
- APPENDIX N: Duplication of Benefits Affidavit**

5



RUSH

Contract 2016 0439

City of Springfield Contract Tracer Document

The purpose of this document is to provide continuous responsibility for the custody of CONTRACTS during the processing period.

INSTRUCTIONS: Upon receipt, please initial and write in the date of receipt. When your department has approved and signed the contract, please initial and date in the forwarding section and deliver to the next department.

DEPARTMENT	DATE RECEIVED		DATE FORWARDED TO NEXT DEPT.	
	Initials	Date	Initials	Date
Community Development			M.L.	10-15-15
Planning	CM	10-19-15	CM	10-20-15
City Comptroller	LL	10/21/15	LL	10/21/15
Law	EW	10/21/15	EW	10/21/15
Mayor	EG	10/21/15	EG	10/21/15
City Comptroller	LL	10/22/15	LL	10/22/15
Community Development				

Vendor No.: 6382 Contract No.: 20160439 Contract Date: 10/14/2015

Contract Amt.: \$0.00 Issue Date: 10/15/2015 Renewal Date:

Appropriation Code1:
 Appropriation Code2:
 Appropriation Code3:
 Appropriation Code4:

Description of Funding Source: CDBG- NDRC

Bid No.: Requisition No.: N/A PO No.:

Vendor Name: DevelopSpringfield

Contract Type: CDBG-~~NDRC~~ NDRC

Contract Purpose: CDBG- NDRC Sub-Recipient Agreement

Originating Dept.: Community Development

Expiration Date: Amendment Date: Extension Date:

TYPE OF DOCUMENT (Please select at least one):
 New Renewal Amendment Extension

**PARTNERHSIP AGREEMENT
BETWEEN THE CITY OF SPRINGFIELD
AND
DEVELOP SPRINGFIELD
FOR
Community Development Block Grant National Disaster Resilience Competition
(CDBG-NDR)**

THIS AGREEMENT, entered this 21st day of October, 20 15 by and between the City of Springfield (herein called the "Applicant") and DevelopSpringfield (herein called the "Partner").

WHEREAS, the Applicant has applied for funds from the United States Department of Housing and Urban Development under the Disaster Relief Appropriations Act, 2013, Public Law 113-2, for the Community Development Block Grant National Disaster Resilience (CDBG-NDR) competition; and

WHEREAS, the Applicant wishes to engage the Partner to assist the Applicant in using such funds if awarded;

NOW, THEREFORE, it is agreed between the parties hereto, contingent upon the award of CDBG-NDR funds to the Applicant, that;

I. SUBRECIPIENT AGREEMENT/DEVELOPER AGREEMENT/CONTRACT

If the Applicant is awarded a CDBG-NDR grant from HUD, the Applicant/Grantee will execute a second subrecipient agreement, as applicable, with the Partner, for the use of the CDBG-NDR funds before disbursing any CDBG-NDR funds to the Partner. The written agreement will conform with all CDBG-NDR requirements and shall require the Partner to comply with all applicable CDBG-NDR requirements, including those found in Disaster Relief Appropriations Act, 2013 (Public Law 113-2), title I of the Housing and Community Development Act of 1974 (42 USC 5302 et seq.), the CDBG program regulations at 24 CFR part 570, the Notice of Funding Availability for HUD's National Community Development Block Grant Resilient Disaster Recovery Allocation and any subsequent published amendments (the CDBG-NDR NOFA), and the Applicant's CDBG-NDR NOFA application.

II. SCOPE OF SERVICE

A. Activities

The Partner will be responsible for using \$300,000 in CDBG-NDR funds and \$3,879,414 in private and state funding to carry out activities in a manner satisfactory to the Applicant and consistent with any standards required as a condition of providing these funds. Such use will be in compliance with the CDBG-NDR NOFA, the Applicant/Grantee's application for CDBG-NDR assistance and the Applicant/Grantee's Grant Agreement for CDBG-NDR. Such use will include the following activities:

Program/Project Delivery

Activity #1 DevelopSpringfield will rehabilitate the buildings at 270-276 Bridge Street, Springfield, Massachusetts for the Springfield Innovation Center.

Activity #2 The City of Springfield will provide DevelopSpringfield \$300,000 in CDBG-NDR funding to allow the Springfield Innovation Center (SIC) to offer 80% discounted rental space for the Valley Venture Mentors business accelerator program, 20% discounted office suites and 30% discounted café space. A minimum of 50 start-up businesses will be assisted through this project.

The Valley Ventures Mentor business accelerator program will offer support to emerging entrepreneurs through focused mentorship, education, programming and inter-business collaboration. Discounted office-suites on the third floor of the SIC will be available to successful business start-ups from the accelerator program. The Innovation Café which will provide a test kitchen, which will be open to food service entrepreneurs.

B. Project Schedule

CDBG-NDR funding is subject to strict statutory deadlines for expenditure. In accordance with section 904(c) of title IX of the Disaster Relief Appropriations Act, 2013, a Grantee is required to expend all CDBG-NDR funds within two years of the date that HUD signs the grant agreement. Consistent with this duty, the Partner is required to complete all CDBG-NDR assisted activities identified in section II.A above within 24 months.

The Partner agrees to implement the following:

Construction of Springfield Innovation Center Begins	December 31, 2015
Construction of Springfield Innovation Center Complete	June, 2016
Innovation Center Opens & Incubator Space Available	July 1, 2016
Business Accelerator Program Begins	July 1, 2016
Innovation Café Opens	July 1, 2016
NDRC Low-Rent Subsidy Expended	September 1, 2019

C. Staffing

DevelopSpringfield will provide all staffing associated with this project. Any changes in the Key Personnel assigned or their general responsibilities under this project are subject to the prior approval of the Applicant/Grantee.

III. BUDGET

The City of Springfield reserves the right to adjust proposed budget based upon award of funding from HUD.

Sources of Funds

Private Funding:	\$1,216,690
State/Quasi-State Agency Funding:	\$2,662,724
CDBG-NDR Funding:	\$300,000
TOTAL SOURCES:	\$4,179,414

Uses of Funds

Hard Costs

Direct Construction:	\$2,095,160
----------------------	-------------

Construction Contingency:	\$209,516
<u>Soft Costs</u>	
Construction Loan Interest:	\$8,300
Architectural & Engineering:	\$213,968
Permits & Fees:	\$23,451
Environmental Consultant:	\$5,100
Historical Consultant:	\$20,000
Legal, Title and Recording:	\$28,266
Real Estate Taxes:	\$12,170
Utilities:	\$20,400
Insurance:	\$14,084
Security System:	\$8,380
Construction Bidding & Monitoring:	\$41,000
Property Management:	\$11,800
Accounting, Cost Certification:	\$6,000
Developer Fee:	\$390,395
Soft Cost Contingency:	\$41,304
<u>Post-Development Costs</u>	
Fit-Up:	\$325,000
Reduced Rent Subsidy:	\$300,000
TOTAL USES:	\$4,179,414

The Applicant/Grantee may require a more detailed budget breakdown than the one contained herein, and the Partner shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the Applicant/Grantee. Any amendments to the budget must be approved by both the Applicant/Grantee and the Partner.

IV. SEVERABILITY

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

V. SECTION HEADINGS AND SUBHEADINGS

The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

VI. WAIVER

The Applicant's failure to act with respect to a breach by the Partner does not waive its right to act with respect to subsequent or similar breaches. The failure of the Applicant to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

VII. ENTIRE AGREEMENT

This Agreement between the Partner and the Applicant for the use of CDBG-NDR funds, supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written between the Partner and the Applicant/Grantee with respect to this Agreement. By way

of signing this agreement, the Partner is bound to perform the agreements within this agreement or any HUD approved amendment thereof. Any amendment to this agreement must receive prior approval by HUD.

Date Oct 14, 2015

IN WITNESS WHEREOF, the Parties have executed this contract as of the date first written above.

PARTNER:

By: [Signature]
DevelopSpringfield Corporation
Title President & CEO

CITY OF SPRINGFIELD:

By: [Signature]
Chief Development Officer

By: [Signature]
Disaster Recovery & Compliance

W APPROVED AS TO APPROPRIATION: N/A

[Signature] 10/21/15
Comptroller, DEPUTY

REVIEW:

Approved as to Form:

[Signature] 10/21/15
Law Department

APPROVED:

[Signature]
Domenic J. Sarno
Mayor

Date Signed: 10/21/15

APPENDIX B – SCOPE OF SERVICES

General

DevelopSpringfield will utilize \$300,000 in CDBG-NDR to subsidize rental space in the Springfield Innovation Center to support new and start-up businesses. The preliminary goal of this funding is to increase the number of viable small businesses within Springfield. All funds will be utilized in a manner satisfactory to the City of Springfield and consistent with the regulations required as a condition of these funds.

DevelopSpringfield agrees that they will bill the City on a monthly basis for leased space in accordance with the following:

- The City will reimburse DevelopSpringfield up to 80% of the leased market rate for the Valley Venture Mentors Business Accelerator Program.
- The City will reimburse DevelopSpringfield 20% of the leased market rate for office suites on the third floor.
- The City will reimburse DevelopSpringfield 30% of the leased market rate for café space.

The Valley Ventures Mentor business accelerator program will offer support to emerging entrepreneurs through focused mentorship, education, programming and inter-business collaboration. Discounted office-suites on the third floor of the Springfield Innovation Center will be available to successful new and start-up businesses. The Innovation Café which will provide a test kitchen, which will be open to food service entrepreneurs.

DevelopSpringfield agrees that the Springfield Innovation Center will be open and operating on or before March 1, 2017 and that all CDBG-NDR funding will be expended no later than December 31, 2020.

DevelopSpringfield will procure all goods and services purchased with CDBG-NDR funding in compliance with local, state and federal procurement requirements, including 2 CFR Part 200.

The City of Springfield will disburse all funding on a reimbursement basis in accordance with applicable local, state and federal regulations. The City of Springfield will monitor progress in accordance with all local, state and federal regulations. Any changes to the schedule must be approved by the City of Springfield in writing.

Accomplishments, Quarterly Reporting & Leverage

DevelopSpringfield agrees that it will submit quarterly reports throughout the entire duration of the agreement. Quarterly reports no later than the 1st of each quarter, on the following dates for the duration of this agreement:

January 1

April 1

July 1

October 1

Quarterly reports shall be submitted via email to tquagliato@springfieldcityhall.com, spham@springfieldcityhall.com and mlynch@springfieldcityhall.com.

DevelopSpringfield agrees that it will spend a minimum of \$3,879,414 in leverage funding for the build-out, management and maintenance of the Springfield Innovation Center. Leverage funding must come from a source other than CDBG-NDR funding. DevelopSpringfield agrees to report on expended leverage in each quarterly reporting period.

DevelopSpringfield agrees the Springfield Innovation Center will assist a minimum of 50 start-up businesses. DevelopSpringfield agrees that the Springfield Innovation Center will assist in the creation of 60 new jobs. DevelopSpringfield will also be required to report quarterly on the number of businesses created, the demographics of businesses created, the number, type and salary of jobs created and the income for each business assisted and the decrease/increase in business income for each business assisted with CDBG-NDR funding.

Staffing & Labor

DevelopSpringfield and its' vendors will furnish all oversight, staffing and labor related to the construction, build-out, maintenance and operation of the Springfield Innovation Center. The City will not be responsible for construction, build-out, equipment and or maintenance as related to the Springfield Innovation Center.

BUDGET

Sources of Funds

Leverage Private Funding: \$1,216,690.00
Leverage State/Quasi-State Agency Funding: \$2,662,724.00
CDBG-NDR Funding: \$300,000.00
TOTAL SOURCES: \$4,179,414.00

USES OF CDBG-NDR FUNDING

Reduced Rental Subsidy: \$300,000.00
TOTAL USES OF CDBG-NDR FUNDING: \$300,000.00

USES OF NON CDBG-NDR FUNDING

Hard Costs

Springfield Innovation Center Build-Out: \$2,095,160.00
Hard Cost: \$209,516.00

Soft Costs

Loan Interest: \$8,300.00
Architectural & Engineering: \$213,968.00
Permits & Fees: \$23,451.00
Environmental Consultant: \$5,100.00
Historical Consultant: \$20,000.00
Legal: \$28,266.00
Real Estate Taxes: \$12,170.00
Utilities: \$20,400.00
Security System: \$8,380.00
Bidding & Monitoring: \$41,000.00
Property Management: \$11,800.00
Accounting, Cost Certification: \$6,000.00
Developer Fee: \$390,395.00
Fit-Up: \$325,000.00
Soft Cost Contingency: \$41,304.00
TOTAL NON CDBG-NDR FUNDING USES: \$3,879,414



February 7, 2017


Office of Community Development/
Disaster Recovery & Compliance
Springfield, Massachusetts

Re: CDBG NDR Program - New Business Rental Subsidy Program – Springfield
Innovation Center

To Whom It May Concern:

Let this letter confirm that in addition to its reporting requirements under the grant, DevelopSpringfield ensures that not less than \$3,879,414 is committed in leverage funds, as detailed in APPENDIX B, dedicated to creating and building-out the Springfield Innovation Center business incubator. DevelopSpringfield agrees to report on all leveraged funds expended in its quarterly reports and to submit source documentation and proof of leverage funding commitment expenditures. Thank you for your assistance and consideration.

Sincerely,



Jay Minkarah
President & CEO

**VOTE OF CORPORATION AUTHORIZING
EXECUTION OF CONTRACT**

I, the undersigned, a resident of Springfield in the State of Mass. hereby certify that I am the Clerk or duly authorized officer of Develop Springfield, a Massachusetts Corporation duly organized by law and that this is a true, correct and complete copy of vote prepared at a meeting of the Directors of said corporation, duly called and held on Jan. 26, 2017, at which meeting a majority of the Directors were present and acting throughout.

VOTED: That Jay Minkarich the President & CEO of the
(Authorized Official*) (Title)

above mentioned corporation, be and hereby is authorized to affix the corporate Seal, sign and deliver in the name and on behalf of the corporation a contract with the City of Springfield Office of Community Development for CDBG-NDR funds in the amount of \$ 300,000 effective for the Fiscal Year 2017 commencing July 1, 2016 and ending June 30, 2017, for activities authorized in accordance with the United States Department of Housing and Urban Development.

I further certify that the said vote as set out above has not been revoked or rescinded and is now in full force and effect, that said vote and action ordered thereby are in pursuance of the By-Laws of this Corporation.

IN WITNESS WHEREOF, I hereto set my hand this 26th day of January, 2017.

Corporate Seal

Jean L. Clarke
Clerk/Secretary

***This Must be the Person Authorized in your By-Laws to sign contracts.**

NOTE: Since an Officer cannot certify to himself, this must be signed by someone other than the one signing the contract.



INSURANCE BINDER

DATE (MM/DD/YYYY)
2/7/2017

THIS BINDER IS A TEMPORARY INSURANCE CONTRACT, SUBJECT TO THE CONDITIONS SHOWN ON PAGE 2 OF THIS FORM.

AGENCY Leahy & Brown Insurance + Realty, Inc. 535 Allen Street, Suite 1 Springfield MA 01118-2009 PHONE (A/C, No, Ext): (413) 788-8393 FAX (A/C, No): (413) 788-6492 CODE: _____ SUB CODE: _____ AGENCY CUSTOMER ID: 00000274		COMPANY KINSALE INSURANCE COMPANY BINDER # B172700533													
INSURED AND MAILING ADDRESS DevelopSpringfield 83 Maple Street Springfield MA 01105		<table border="1"> <tr> <th>DATE</th> <th>EFFECTIVE</th> <th>TIME</th> <th>DATE</th> <th>EXPIRATION</th> <th>TIME</th> </tr> <tr> <td></td> <td>2/7/2017</td> <td>12:01</td> <td></td> <td>3/8/2017</td> <td>NOON</td> </tr> </table>		DATE	EFFECTIVE	TIME	DATE	EXPIRATION	TIME		2/7/2017	12:01		3/8/2017	NOON
DATE	EFFECTIVE	TIME	DATE	EXPIRATION	TIME										
	2/7/2017	12:01		3/8/2017	NOON										
		THIS BINDER IS ISSUED TO EXTEND COVERAGE IN THE ABOVE NAMED COMPANY PER EXPIRING POLICY # 0100038278													
		DESCRIPTION OF OPERATIONS / VEHICLES / PROPERTY (Including Location) Commercial building located at: 270-272 and 276 Bridge Street, Springfield MA 01103													

COVERAGES		LIMITS		
TYPE OF INSURANCE	COVERAGE / FORMS	DEDUCTIBLE	COINS %	AMOUNT
PROPERTY CAUSES OF LOSS <input type="checkbox"/> BASIC <input type="checkbox"/> BROAD <input checked="" type="checkbox"/> SPEC <input checked="" type="checkbox"/> Builders Risk	Commercial Property	2,500		405,000
		2,500		2,646,443
GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR	Commercial General Liability			
	RETRO DATE FOR CLAIMS MADE:	EACH OCCURRENCE		\$ 1,000,000
		DAMAGE TO RENTED PREMISES		\$ 100,000
		MED EXP (Any one person)		\$
		PERSONAL & ADV INJURY		\$
		GENERAL AGGREGATE		\$ 2,000,000
		PRODUCTS - COM/OP AGG		\$
VEHICLE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS		COMBINED SINGLE LIMIT		\$
		BODILY INJURY (Per person)		\$
		BODILY INJURY (Per accident)		\$
		PROPERTY DAMAGE		\$
		MEDICAL PAYMENTS		\$
		PERSONAL INJURY PROT		\$
		UNINSURED MOTORIST		\$
				\$
VEHICLE PHYSICAL DAMAGE DED <input type="checkbox"/> ALL VEHICLES <input type="checkbox"/> SCHEDULED VEHICLES <input type="checkbox"/> COLLISION: <input type="checkbox"/> OTHER THAN COL:		ACTUAL CASH VALUE		
		STATED AMOUNT		\$
GARAGE LIABILITY <input type="checkbox"/> ANY AUTO		AUTO ONLY - EA ACCIDENT		\$
		OTHER THAN AUTO ONLY:		
		EACH ACCIDENT		\$
		AGGREGATE		\$
EXCESS LIABILITY <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM	RETRO DATE FOR CLAIMS MADE:	EACH OCCURRENCE		\$
		AGGREGATE		\$
		SELF-INSURED RETENTION		\$
WORKER'S COMPENSATION AND EMPLOYER'S LIABILITY		PER STATUTE		
		E.L. EACH ACCIDENT		\$
		E.L. DISEASE - EA EMPLOYEE		\$
		E.L. DISEASE - POLICY LIMIT		\$
SPECIAL CONDITIONS / OTHER COVERAGES		FEES		\$
		TAXES		\$
		ESTIMATED TOTAL PREMIUM		\$

NAME & ADDRESS		<input type="checkbox"/> MORTGAGEE	<input checked="" type="checkbox"/> ADDITIONAL INSURED
City of Springfield 36 Court St Springfield, MA 01103		<input type="checkbox"/> LOSS PAYEE	
		LOAN #	
		AUTHORIZED REPRESENTATIVE	

CONDITIONS

This Company binds the kind(s) of insurance stipulated on page 1 of this form. The Insurance is subject to the terms, conditions and limitations of the policy(ies) in current use by the Company.

This binder may be cancelled by the Insured by surrender of this binder or by written notice to the Company stating when cancellation will be effective. This binder may be cancelled by the Company by notice to the Insured in accordance with the policy conditions. This binder is cancelled when replaced by a policy. If this binder is not replaced by a policy, the Company is entitled to charge a premium for the binder according to the Rules and Rates in use by the Company.

Applicable in Arizona

Binders are effective for no more than ninety (90) days.

Applicable in California

When this form is used to provide insurance in the amount of one million dollars (\$1,000,000) or more, the title of the form is changed from "Insurance Binder" to "Cover Note".

Applicable in Colorado

With respect to binders issued to renters of residential premises, home owners, condo unit owners and mobile home owners, the insurer has thirty (30) business days, commencing from the effective date of coverage, to evaluate the issuance of the insurance policy.

Applicable in Delaware

The mortgagee or Obligee of any mortgage or other instrument given for the purpose of creating a lien on real property shall accept as evidence of insurance a written binder issued by an authorized insurer or its agent if the binder includes or is accompanied by: the name and address of the borrower; the name and address of the lender as loss payee; a description of the insured real property; a provision that the binder may not be canceled within the term of the binder unless the lender and the insured borrower receive written notice of the cancellation at least ten (10) days prior to the cancellation; except in the case of a renewal of a policy subsequent to the closing of the loan, a paid receipt of the full amount of the applicable premium, and the amount of insurance coverage.

Chapter 21 Title 25 Paragraph 2119

Applicable in Florida

Except for Auto insurance coverage, no notice of cancellation or nonrenewal of a binder is required unless the duration of the binder exceeds 60 days. For auto insurance, the insurer must give 5 days prior notice, unless the binder is replaced by a policy or another binder in the same company.

Applicable in Maryland

The insurer has 45 business days, commencing from the effective date of coverage to confirm eligibility for coverage under the insurance policy.

Applicable in Michigan

The policy may be cancelled at any time at the request of the insured.

Applicable in Nevada

Any person who refuses to accept a binder which provides coverage of less than \$1,000,000.00 when proof is required: (A) Shall be fined not more than \$500.00, and (B) is liable to the party presenting the binder as proof of insurance for actual damages sustained therefrom.

Applicable in Oklahoma

All policies shall expire at 12:01 a.m. standard time on the expiration date stated in the policy.

Applicable in Oregon

Binders are effective for no more than ninety (90) days. A binder extension or renewal beyond such 90 days would require the written approval by the Director of the Department of Consumer and Business Services.

Applicable in the Virgin Islands

This binder is effective for only ninety (90) days. Within thirty (30) days of receipt of this binder, you should request an insurance policy or certificate (if applicable) from your agent and/or insurance company.

APPENDIX H
INTERNAL CONTROL QUESTIONNAIRE

DATE: Feb 7, 2017

NAME OF OPERATING AGENCY: DevelopSpringfield

ADDRESS OF OPERATING AGENCY: 83 Maple Street, Springfield, MA

TAX ID OF OPERATING AGENCY: 26-3862976

TEL #: 413-209-8808 FAX #: N/A CONTACT PERSON: Jay Minkarah

TITLE OF PROJECT: Business Rental Subsidies for Springfield Innovation Center

PROJECT LOCATION: 270-286 Bridge Street, Springfield, MA

AMOUNT OF FUNDING Three Hundred Thousand 00/100 (\$300,000.00) City CDBG-NDR
funding,

SOURCE OF FUNDING: CDBG E.C. OTHER (CDBG-NDR)

1. Name and Title of individual(s) signing Schedule of Reimbursable expenses request and checks:

A. REIMBURSABLE EXPENSE REQUEST Jay Minkarah

B. CHECK SIGNATURE Jay Minkarah, President & CEO

2. Name of person responsible for maintaining records for this contract (list title also).

Benjamin Murphy, Business Manager

3. Name of person who is responsible for:

A. Maintaining payrolls Benjamin Murphy

B. Maintaining Time Sheets Benjamin Murphy

C. Reconciling Bank Statements Benjamin Murphy

D. Preparing Statement of Project Costs Benjamin Murphy

E. Preparing Checks Benjamin Murphy

F. Purchasing Benjamin Murphy

4. Name of person who will maintain the following books of record (at least)

1. Cash receipts and Disbursements Ledger Benjamin Murphy

2. Voucher Register Benjamin Murphy

3. Project Cost Ledger Benjamin Murphy

5. Name of Employees Bonded:

6. Does the agency maintain a purchase requisition system, and who authorizes purchases?

Yes - Jay Minkarah, President & CEO

7. Who signs all vouchers ready for payment? Jay Minkarah

8. What is included or needed for authorization to disburse checks (e.g., voucher, purchase order, receiving slip)? Invoice & contract or agreement as applicable

9. Who is responsible for hiring personnel? Jay Minkarah

10. Who is responsible for submitting time sheets of employees? Jay Minkarah

11. What controls are in place for equipment purchases?

Authorized by Jay Minkarah, purchased by Benjamin Murphy.

I HEREBY ATTEST THAT THE ABOVE INFORMATION IS ACCURATE AND CORRECT.



Signature of Authorized Representative for Agency

2/7/2017

Date

APPENDIX I
DEBARMENT CERTIFICATE

Name of Subrecipient Develop Springfield

Described herein and attached here to as Attachment IV is a certification from the SUBRECIPIENT stating that neither the SUBRECIPIENT nor any subcontractor secured by the SUBRECIPIENT has been debarred, suspended or determined ineligible to engage in the activity necessary to perform the services of this contract.

By signing this Certificate, the organization expressly understands and acknowledges that any person responsible for performing activities/services under this agreement are currently eligible to engage in the activity under this contract.

Dated: 2/7/2017



(signature of authorized agent)

Jay Minkarah

(printed name of agent)

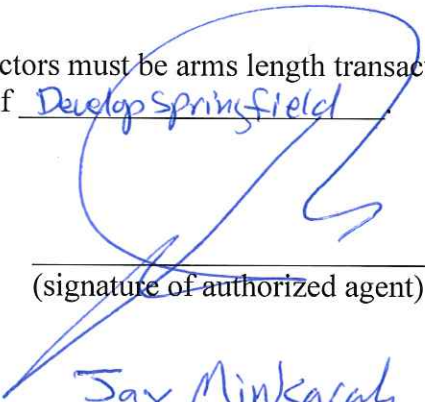
IF YOU DO NOT ALREADY HAVE A CONFLICT OF INTEREST STATEMENT, YOU MAY USE THE INFORMATION PROVIDED HERE; HOWEVER, THE CERTIFICATE MUST BE PRINTED ON YOUR ORGANIZATION'S LETTERHEAD AND SIGNED BY AN AUTHORIZED AGENT.

Conflict of Interest Statement

No staff or Board of Director of the Develop Springfield Corp. will financially benefit from performing their prescribed duties other than receiving their normal compensation per salary of contract. Additionally no staff member of Board of Director can use or take possession of any of the CDBG-NDR resources without express approval of its Board of Director's Chairperson.

All transactions conducted by staff and the Board of Directors must be arms length transactions, whose sole intent is to enhance the role and the mission of Develop Springfield

Dated: 2/7/2017



(signature of authorized agent)

Jay Minkarah

(printed name of agent)

APPENDIX K - TAX CERTIFICATION AFFIDAVIT FOR CONTRACTS

Individual Social Security Number _____ State Identification Number _____ Federal Identification Number 26-3862976

Company: DevelopSpringfield Corporation

P.O. Box (if any): _____ Street Address Only: 83 Maple Street

City/State/Zip Code: Springfield, MA 01105

Telephone Number: 413-209-8808 Fax Number: 413-301-7060

List address(es) of all other property owned by company in Springfield: 83 Maple St, 77 Maple St, 234 Union St, 270-286 Bridge St, 90 Carew St, 700 State St., 477 State St, 470 Union St, 34 & 36 Oak St, 25 Walnut St, 50 Spruce St, 213 Pine St.

Please Identify if the bidder/proposer is a:

- Corporation _____
- Individual _____ Name of Individual: _____
- Partnership _____ Names of all Partners: _____
- Limited Liability Company _____ Names of all Managers: _____
- Limited Liability Partnership _____ Names of Partners: _____
- Limited Partnership _____ Names of all General Partners: _____

You must complete the following certifications and have the signature(s) notarized on the lines below. Any certification that does not apply to you, write N/A in the blanks provided.

FEDERAL TAX CERTIFICATION

I, Jay Minkarah certify under the pains and penalties of perjury that DevelopSpringfield, to my best knowledge and (authorized agent) (Bidder/Proposer) belief, has/have complied with all **United States Federal taxes** required by law.

DevelopSpringfield Date: 2/8/17
Bidder/Proposer Authorized Person's Signature

CITY OF SPRINGFIELD TAX CERTIFICATION

I, Jay Minkarah certify under the pains and penalties of perjury that DevelopSpringfield, to my best knowledge and (authorized agent) (Bidder/Proposer) belief, has/have complied with all **City of Springfield taxes** required by law (has/have entered into a Payment Agreement with the City).

DevelopSpringfield Date: 2/8/17
Bidder/Proposer Authorized Person's Signature

COMMONWEALTH OF MASSACHUSETTS TAX CERTIFICATION

Pursuant to M.G.L. c. 62C § 49A, I, Jay Minkarah certify under the pains and penalties of perjury that DevelopSpringfield, (authorized agent) (Bidder/Proposer) to my best knowledge and belief, has/have filed all state tax returns and has/have complied with all state taxes required by law.

DevelopSpringfield Date: 2/8/17
Bidder/Proposer Authorized Person's Signature

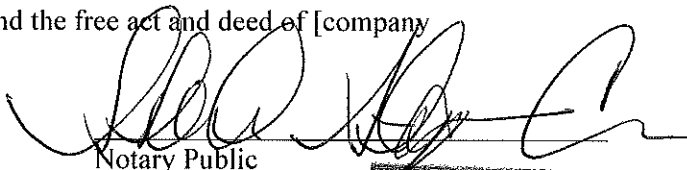
Notary Public

COMMONWEALTH OF MASSACHUSETTS

County of Hampden, ss.

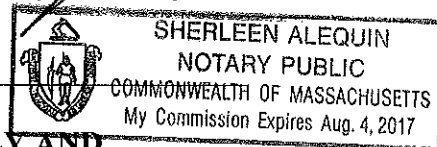
Feb 8th, 2017

Then personally appeared before me [name] Jay Minkarah, [title] President & CEO
of [company name] DevelopSpringfield, being duly sworn, and made oath that he/she has read the
foregoing document, and knows the contents thereof; and that the facts stated therein are true of his/her own knowledge,
and stated the foregoing to be his/her free act and deed and the free act and deed of [company
name] DevelopSpringfield.



Notary Public

My commission expires: _____



**YOU MUST FILL THIS FORM OUT COMPLETELY AND
YOU MUST FILE THIS FORM WITH YOUR BID.**



EXHIBIT I: NATIONAL OBJECTIVE COMPLIANCE CERTIFICATE

National Objective Compliance Certificate

In accordance with the statutes and regulations set forth by the U.S. Department of Housing and Urban Development (HUD), activities funded through the Community Development Block Grant (CDBG) must be used to meet one of three national objectives named by HUD. Those three objectives are: (1) benefiting low or moderate-income persons; (2) preventing or eliminating slums or blight; and (3) meeting an urgent need. To be eligible for funding, every CDBG-funded activity must meet one of these National Objectives.

I, Jay Minkarah, certify that the activity proposed in this application for CDBG funding will meet one of these three national objectives as set forth above. The Develop Springfield Corp. also certifies that it will maintain sufficient documentation to ensure compliance with National Objectives.

Dated: 2/7/2017



(signature of authorized agent)

Jay Minkarah

(printed name of agent)

President & CEO

(title of agent)

This Certificate must be printed on agency letterhead.



City of Springfield
Office of Disaster Recovery and Compliance

CDBG Disaster Recovery Program
Awarding Federal Agency: United States Department of Housing and Urban Development
Federal
Award Number: B-13-MS-25-0001

SUBROGATION AND ASSIGNMENT AGREEMENT

This Subrogation and Assignment Agreement ("Agreement") is made and entered into on this 7th day of Feb, 2017, by and between DevelopSpringfield ("Subrecipient") and the City of Springfield.

1. Assignment Relating to Funds Received under CDBG-Disaster Recovery Program.

In consideration of Subrecipient's receipt of funds or the commitment by the City of Springfield to evaluate Subrecipient's application for the receipt of funds under the CDBG Disaster Recovery Program (CDBG-DR) administered by the City of Springfield; Subrecipient hereby assigns to the City of Springfield all of Subrecipient's future rights to reimbursement and all payments received under any policy of casualty or property damage insurance (the "Policies") or under any reimbursement or relief program related to or administered by the Federal Emergency Management Agency ("FEMA") or the Small Business Administration ("SBA") for physical damage to the Structure (defined below) that was the basis of the calculation of Subrecipient's award to the extent of the Note or Loan proceeds paid to Subrecipient under the Program. The proceeds or payments referred to in the preceding sentence, whether they be from insurance, FEMA or the SBA, shall be referred to herein as "Proceeds." The rights Subrecipient assigns are specific to the structure with respect to which Note or Loan proceeds were paid (the "Structure") which is described in Subrecipient's application with the Program arising out of physical damage to the Structure originally caused by the June 2011 Tornado respectively but also including Proceeds received for damage to the Structure caused by any subsequent event that occurred until the commencement of repair or reconstruction utilizing Program funds. The causes of subsequent damage include, but are not limited to, the June 1, 2011 F3 Tornado respectively. The Policies include, but are not limited to, policies characterized as wind, flood or any other type of casualty or property damage insurance coverage held by Subrecipient and which provides coverage for physical damage to the Structure.

2. Cooperation and Further Documentation.

Subrecipient agrees to assist and cooperate with the City of Springfield should the City of Springfield elect to pursue any of the claims Subrecipient has against the insurers for reimbursement under any such policies. Subrecipient's assistance and cooperation shall include allowing suit to be brought in Subrecipient's name(s), giving depositions, providing documents, producing records and other

evidence, testifying at trial and any other form of assistance and cooperation reasonably requested by the City of Springfield. Subrecipient further agrees to assist and cooperate in the attainment and collection of any Proceeds that the Subrecipient would be entitled to under any applicable FEMA or SBA program as described above. If requested by the City of Springfield, Subrecipient agrees to execute such further and additional documents and instruments as may be requested to further and better assign to the City of Springfield, to the extent of the Note or Loan proceeds paid to Subrecipient under the Program, the Policies, the disaster relief funds from FEMA or SBA and/or any rights thereunder, and to take, or cause to be taken, all actions and to do, or cause to be done, all things requested by the City of Springfield to consummate and make effective the purposes of this Agreement.

3. Authorization for City of Springfield to Contact Third Parties. Subrecipient explicitly allows the City of Springfield to request of any company with which Subrecipient held Policies or FEMA or the SBA any non-public or confidential information needed by the City of Springfield to monitor/enforce its interest in the rights assigned to it under this Agreement and to give Subrecipient's consent to such company to release said information to the City of Springfield.

4. Agreement to Turn over Proceeds; Future Reassignment. If Subrecipient (or any entity holding a lien on the Structure, except to the extent required by superior loan documents) hereafter receives any insurance payment or disaster relief or reimbursement funds for physical damage to the Structure (not including proceeds received to cover contents), Subrecipient agrees to promptly pay such amounts to the City of Springfield if Subrecipient received grant proceeds under the Program in an amount greater than the amount Subrecipient would have received if such insurance and/or disaster relief or reimbursement payment had been considered in the calculation of Subrecipient's award. Once the City of Springfield has recovered an amount equal to the grant proceeds paid to Subrecipient, the City of Springfield will reassign to Subrecipient any rights assigned to the City of Springfield pursuant to this Agreement.

5. Mortgage City of Springfield Rights. Subrecipient acknowledges that this Agreement does not impair Subrecipient's mortgage or City of Springfield's rights as loss-payee under any deed of trust or mortgage on the Structure.

6. Miscellaneous.

(a) **WARNING: Subrecipient is hereby notified that intentionally or knowingly making a materially false or misleading written statement to obtain property or credit, including a mortgage loan, is a violation of Massachusetts General Law Part IV Title I Chapter 266 Section 67b, and, depending, is punishable by imprisonment for up to five years and/or a fine not to exceed \$10,000.00.**

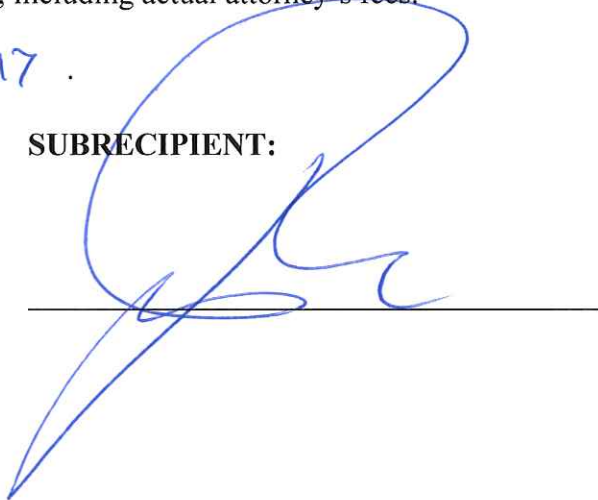
(b) Subrecipient hereby represents that he/she has received, read, and understand this notice of penalties for making a materially false or misleading written statement to obtain a home loan.

(c) Subrecipient represents that all statements and representations made by Subrecipient regarding Proceeds received by Borrower shall be true and correct as of the date of Closing.

(d) In any proceeding to enforce this Agreement, the City of Springfield shall be entitled to recover all costs of enforcement, including actual attorney's fees.

EXECUTED this 7th day of Feb, 20 17 .

SUBRECIPIENT:



EXECUTED this day of 20 .

CITY OF SPRINGFIELD:

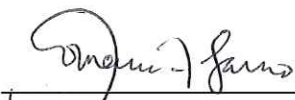
By: 
Name: Domenic J Sarno
Title: Mayor

EXHIBIT C: LOBBYING CERTIFICATION

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1326, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure. The SUBRECIPIENT hereby certifies that:

- [a] No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, an employee or officer of the CITY nor member of the CITY's governing body, 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 Agreement, the making of any Federal grant, of any Federal loan, the entering into of any cooperative agreement, nor any extension, renewal, amendment, or modification of any Federal Agreement, grant, loan or cooperative agreement;
- [b] If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, an employee or officer of the CITY nor member of the CITY's governing body, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal Agreement, grant, loan or cooperative agreement, it will complete and submit Standard Form LLL "Disclosure Form to Report Lobbying," in accordance with its instructions;
- [c] It shall require that the language of paragraph [d] of this certification be included in the award documents for all sub-awards at all tiers (including subcontractors, subgrants, and Agreements under grants, loans and cooperative agreements) and that all Developers shall certify and disclose accordingly; and
- [d] Any attempt by any officer, employee or agent of the CITY in soliciting or accepting gratuities, favors or anything of monetary value from SUBRECIPIENT shall be reported in writing immediately to responsible officials of the CITY. Such reports to CITY shall contain the name of the CITY officer, agent or employee and the detailed circumstances of the incident.

Dated: 2/7/2017

DevelopSpringfield

By: 
(signature of authorized agent)

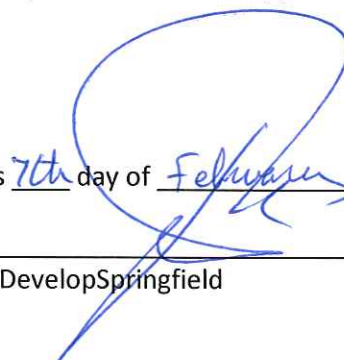
Bay Minkarah
(printed name of agent)

President & CEO
(title of agent)

I, Jay Minkarah, an authorized officer of DevelopSpringfield, on oath, hereby depose and state as follows:

1. I am the President & CEO of DevelopSpringfield. I have held this position since November 2012. As part of my duties I am responsible for the oversight of all disaster related funding and funding for all DevelopSpringfield's projects/programs.
2. I affirm that the building owned by DevelopSpringfield at 270-286 Bridge Street was not directly impacted by the June 1, 2011 tornado.
3. I affirm that DevelopSpringfield did not apply for any emergency disaster funding from FEMA, SBA, Insurance and/or other funding sources in order to provide Business Rental Subsidies for the Springfield Innovation Center located at 270-286 Bridge Street, Springfield, MA.
4. I affirm that DevelopSpringfield has not received any duplicative funding for the Business Rental Subsidies at the Springfield Innovation Center located at 270-286 Bridge Street, Springfield, MA. This includes funding from FEMA, SBA, Insurance and/or other sources.
5. I affirm that DevelopSpringfield does not anticipate receiving any duplicative Disaster Recovery funding in the future to provide Business Rental Subsidies for the Springfield Innovation Center located at 270-286 Bridge Street, Springfield, MA.
6. I acknowledge the obligation of DevelopSpringfield to repay any funds to the City of Springfield, Massachusetts and the United States Department of Housing and Urban Development if a Duplication of Benefits is discovered and/or occurs after funds have been disbursed.
7. I affirm that costs associated with the New Business Rental Subsidy Program at the Springfield Innovation Center located at 270-286 Bridge Street, Springfield, MA are necessary and reasonable and that there has been no Duplication of Benefits in accordance with the Robert T. Stafford Disaster Assistance and Emergency Relief Act and all applicable Federal Register Notices.

SIGNED under penalty of perjury this 7th day of February, 2017



DevelopSpringfield