

Orleans County Local Development Corporation

121 North Main Street
Albion, NY 14411

Office: (585) 589-7060
Fax: (585) 589-5258

Agenda

Thursday October 3, 2024 at 8:30 AM

Updated: 10/02/24

- **Call OCLDC Board meeting to order-Chair**
- **Roll Call** – Calling of Board members, announcement as to whether a quorum is present
- **Approval of Previous Board Meeting Minutes**
 - *August 1, 2024 (Electronic)-Motion*
- **Financials**
 - *Consider the acceptance of the monthly financials report for OCLDC – Motion*
- **Legal**-Kevin Zanner
- **Executive Session – If Required – Motion (Including invitees)**
 - *Close-Executive Session – Motion*
 - *Action on any matters from executive session – Motion*
- **Loans/Grants**
 - Matt -
- **Operations**
 - Report
 - Update on Loan Default Collection Matters
- **Projects**
- **Old Business**
- **New Business**
 - *Consider the acceptance of the operating budget for 2025 – Motion*
 - *Consider the engagement letter for Hurwitz Fine P.C. – Motion*
 - *Consider resolution to authorize the establishment of a grant program for microenterprises, the execution of a grant agreement with the County of Orleans, the approval of Policy Guidelines and Operating Plan and other documents and actions necessary or appropriate to establish and administer the grant program – Motion*
 - *Consider resolution to retain a consultant to provide CDBG Administration and Technical Services – Motion*
 - *Consider the acceptance of the 2023 PARIS report submission (Electronic) - motion*
- **Motion to adjourn**



KeyBank
 P.O. Box 93885
 Cleveland, OH 44101-5885

Business Banking Statement
August 31, 2024
 page 1 of 3

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4 13 T 908 0000 R EM AO
 ORLEANS COUNTY LOCAL DEVELOPMENT
 CORPORATION
 HUD UNRESTRICTED ACCOUNT
 121 NORTH MAIN STREET
 FLOOR 2
 ALBION NY 14411-1237

Questions or comments?
 Call our Key Business Resource Center
 1-888-KEY4BIZ (1-888-539-4249)

OLLDC

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 Access your available accounts, transfer funds and view your transactions right from your PC.*

KeyBank Business Interest Checking ██████████6741
 ORLEANS COUNTY LOCAL DEVELOPMENT
 CORPORATION
 HUD UNRESTRICTED ACCOUNT

| | |
|-------------------------------|-------------------|
| Beginning balance 7-31-24 | \$6,503.85 |
| 1 Addition | +717.08 |
| 4 Subtractions | -535.00 |
| Interest paid | +0.06 |
| Ending balance 8-31-24 | \$6,685.99 |

Additions

| Deposits | Date | Serial # | Source | |
|------------------------|------|----------|------------------------------|-----------------|
| | 8-12 | | Deposit Branch 0290 New York | \$717.08 |
| Total additions | | | | \$717.08 |

Subtractions

*Paper Checks * check missing from sequence*

| Check | Date | Amount | Check | Date | Amount | Check | Date | Amount |
|--------------------------|------|----------|-------|------|--------|-------|------|-----------------|
| 384 | 8-7 | \$100.00 | 386 | 8-23 | 85.00 | 387 | 8-23 | 200.00 |
| 385 | 8-7 | 150.00 | | | | | | |
| Paper Checks Paid | | | | | | | | \$535.00 |

Interest earned

| | |
|---------------------------------------|--------|
| Annual percentage yield (APY) earned | 0.01% |
| Number of days this statement period | 31 |
| Interest paid 8-30-24 | \$0.06 |
| Interest earned this statement period | \$0.05 |

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2:27 PM

09/03/24

Orleans County Local Development Corporation
Reconciliation Summary
Checking Key Bank-HUD Unrest, Period Ending 08/31/2024

| | Aug 31, 24 |
|-----------------------------------|-------------|
| Beginning Balance | 6,503.85 |
| Cleared Transactions | |
| Checks and Payments - 4 Items | -535.00 |
| Deposits and Credits - 2 Items | 717.14 |
| | <hr/> |
| Total Cleared Transactions | 182.14 |
| | <hr/> |
| Cleared Balance | 6,685.99 |
| | <hr/> <hr/> |
| Uncleared Transactions | |
| Checks and Payments - 2 Items | -427.00 |
| Deposits and Credits - 3 Items | 1,633.75 |
| | <hr/> |
| Total Uncleared Transactions | 1,206.75 |
| | <hr/> |
| Register Balance as of 08/31/2024 | 7,892.74 |
| | <hr/> <hr/> |
| Ending Balance | 7,892.74 |

2:27 PM

09/03/24

Orleans County Local Development Corporation
Reconciliation Detail
Checking Key Bank-HUD Unrest, Period Ending 08/31/2024

| Type | Date | Num | Name | Clr | Amount | Balance |
|--|------------|------|------------------------|-----|----------|----------|
| Beginning Balance | | | | | | 6,503.85 |
| Cleared Transactions | | | | | | |
| Checks and Payments - 4 Items | | | | | | |
| Check | 08/05/2024 | 385 | Lake Country Media | X | -150.00 | -150.00 |
| Check | 08/07/2024 | 384 | Lake Country Media | X | -100.00 | -250.00 |
| Check | 08/14/2024 | 387 | Lake Country Media | X | -200.00 | -450.00 |
| Check | 08/14/2024 | 386 | Roush C.P.A. PC | X | -85.00 | -535.00 |
| Total Checks and Payments | | | | | -535.00 | -535.00 |
| Deposits and Credits - 2 Items | | | | | | |
| Deposit | 08/12/2024 | | | X | 717.08 | 717.08 |
| Deposit | 08/31/2024 | | | X | 0.06 | 717.14 |
| Total Deposits and Credits | | | | | 717.14 | 717.14 |
| Total Cleared Transactions | | | | | 182.14 | 182.14 |
| Cleared Balance | | | | | 182.14 | 6,685.99 |
| Uncleared Transactions | | | | | | |
| Checks and Payments - 2 Items | | | | | | |
| Check | 01/31/2023 | | | | -15.00 | -15.00 |
| Check | 08/27/2024 | 388 | HurwitzFine, P.C. | | -412.00 | -427.00 |
| Total Checks and Payments | | | | | -427.00 | -427.00 |
| Deposits and Credits - 3 Items | | | | | | |
| Payment | 04/21/2021 | 1123 | Laura Loxley Vintag... | | 250.00 | 250.00 |
| Payment | 01/23/2023 | 0216 | Gallo's Hauling | | 666.67 | 916.67 |
| Deposit | 05/10/2024 | | | | 717.08 | 1,633.75 |
| Total Deposits and Credits | | | | | 1,633.75 | 1,633.75 |
| Total Uncleared Transactions | | | | | 1,206.75 | 1,206.75 |
| Register Balance as of 08/31/2024 | | | | | 1,388.89 | 7,892.74 |
| Ending Balance | | | | | 1,388.89 | 7,892.74 |

Orleans County Local Development Corporation
Profit & Loss Budget Performance
August 2024

11:46 AM
 10/01/24
 Cash Basis

| | Aug 24 | Budget | Jan - Aug 24 | YTD Budget | Annual Budget |
|---------------------------|---------|--------|--------------|------------|---------------|
| Ordinary Income/Expense | | | | | |
| Income | | | | | |
| Grants | | | | | |
| HUD | 0.00 | | 80,048.84 | | |
| Total Grants | 0.00 | | 80,048.84 | | |
| Interest Income | | | | | |
| Interest Income-Bank | 13.68 | | 100.68 | | |
| Total Interest Income | 13.68 | | 100.68 | | |
| RLF Income-HUD | | | | | |
| Unrestricted | 0.00 | | 1,166.66 | | |
| Total RLF Income-HUD | 0.00 | | 1,166.66 | | |
| Total Income | 13.68 | | 81,316.18 | | |
| Expense | | | | | |
| Bank Service Charges | 0.00 | | 45.00 | | |
| Grant Expense | 26.45 | | 80,048.84 | | |
| Professional Fees | | | | | |
| Accounting | 85.00 | | 3,598.00 | | |
| Legal Fees | 412.00 | | 10,230.39 | | |
| Professional Fees - Other | 0.00 | | 6,666.00 | | |
| Total Professional Fees | 497.00 | | 20,494.39 | | |
| Program Expense | | | | | |
| Supplies | 0.00 | | 489.00 | | |
| Marketing | 450.00 | | 450.00 | | |
| Total Supplies | 450.00 | | 450.00 | | |
| Total Expense | 973.45 | | 101,527.23 | | |
| Net Ordinary Income | -959.77 | | -20,211.05 | | |
| Net Income | -959.77 | | -20,211.05 | | |



220 Liberty Street, P.O. Box 227, Warsaw, NY 14569-0227

Page: 1 of 1
 Statement Date: 08/27/2024
 Primary Account: XXXXXX0339

Address Service Requested



108 1 SP 0.730 1
 THE ORLEANS COUNTY LOCAL
 DEVELOPMENT CORPORATION
 121 N MAIN ST # 2
 ALBION, NY 14411-1237

Contact us.



877.226.5578



220 Liberty Street
 Warsaw, NY 14569



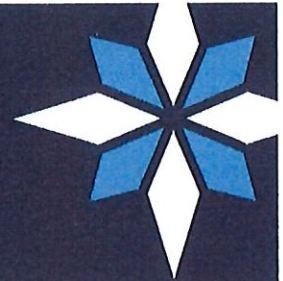
Five-StarBank.com

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 00001-00001-000108 000758525

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ENROLL NOW!

- 1 Enroll or log in to Digital Banking.
- 2 Select "Tools & Services" and choose the "View Statements" option.
- 3 Review and accept the terms.



TotalValue Business

THE ORLEANS COUNTY LOCAL
 DEVELOPMENT CORPORATION

| | | | |
|---------------------|------------|------------------------------|----------------------|
| TotalValue Business | | Number of Enclosures | 0 |
| Account Number | XXXXXX0339 | Statement Dates | 7/29/24 thru 8/27/24 |
| Beginning Balance | .00 | Days in the Statement Period | 30 |
| Deposits/Credits | .00 | Average Ledger | .00 |
| Checks/Debits | .00 | Average Collected | .00 |
| Service Charge | .00 | | |
| Interest Credited | .00 | | |
| Ending Balance | .00 | | |

DAILY BALANCE INFORMATION

| Date | Balance | Date | Balance | Date | Balance |
|------|---------|------|---------|------|---------|
| 7/29 | 0.00 | | | | |

2:29 PM

09/03/24

Orleans County Local Development Corporation
Reconciliation Summary
Five Star -Check-Non Intert 339, Period Ending 08/31/2024

| | <u>Aug 31, 24</u> |
|-----------------------------------|--------------------|
| Beginning Balance | 0.00 |
| Cleared Balance | 0.00 |
| Uncleared Transactions | |
| Deposits and Credits - 1 item | <u>1.00</u> |
| Total Uncleared Transactions | <u>1.00</u> |
| Register Balance as of 08/31/2024 | <u><u>1.00</u></u> |
| Ending Balance | 1.00 |

2:29 PM

09/03/24

Orleans County Local Development Corporation
Reconciliation Detail
Five Star -Check-Non Intert 339, Period Ending 08/31/2024

| Type | Date | Num | Name | Clr | Amount | Balance |
|-----------------------------------|------------|-----|------|-----|-------------|-------------|
| Beginning Balance | | | | | | 0.00 |
| Cleared Balance | | | | | | 0.00 |
| Uncleared Transactions | | | | | | |
| Deposits and Credits - 1 Item | | | | | | |
| General Journal | 12/31/2017 | y/e | | | 1.00 | 1.00 |
| Total Deposits and Credits | | | | | 1.00 | 1.00 |
| Total Uncleared Transactions | | | | | 1.00 | 1.00 |
| Register Balance as of 08/31/2024 | | | | | 1.00 | 1.00 |
| Ending Balance | | | | | 1.00 | 1.00 |

11:45 AM

Orleans County Local Development Corporation

Balance Sheet Prev Year Comparison

As of August 31, 2024

10/01/24

Accrual Basis

| | Aug 31, 24 | Aug 31, 23 | \$ Change | % Change |
|--|-------------------|-------------------|-----------------|-------------|
| ASSETS | | | | |
| Current Assets | | | | |
| Checking/Savings | | | | |
| Cash Account | | | | |
| Checking Key Bank-HUD Unrest | 7,892.74 | 5,453.07 | 2,439.67 | 44.7% |
| Total Cash Account | 7,892.74 | 5,453.07 | 2,439.67 | 44.7% |
| Five Star -Check-Non Intert 339 | 1.00 | 1.00 | 0.00 | 0.0% |
| HSBC Savings Acct High Interest | 75,363.82 | 85,199.20 | -9,835.38 | -11.5% |
| Total Checking/Savings | 83,257.56 | 90,653.27 | -7,395.71 | -8.2% |
| Accounts Receivable | | | | |
| Accounts Receivable | 482.97 | 727.97 | -245.00 | -33.7% |
| Total Accounts Receivable | 482.97 | 727.97 | -245.00 | -33.7% |
| Other Current Assets | | | | |
| Undeposited Funds | 0.00 | 505.46 | -505.46 | -100.0% |
| Total Other Current Assets | 0.00 | 505.46 | -505.46 | -100.0% |
| Total Current Assets | 83,740.53 | 91,886.70 | -8,146.17 | -8.9% |
| Other Assets | | | | |
| Due from HUD | 73,526.99 | 45,019.77 | 28,507.22 | 63.3% |
| Loan Rec. - ST | | | | |
| Less Current Portion of L/R | -19,021.62 | -29,388.47 | 10,366.85 | 35.3% |
| Loan Rec. - ST - Other | 19,021.62 | 29,388.47 | -10,366.85 | -35.3% |
| Total Loan Rec. - ST | 0.00 | 0.00 | 0.00 | 0.0% |
| Revolving Fund Rec-GOSC | | | | |
| DC Hauling | 1,750.19 | 4,083.51 | -2,333.32 | -57.1% |
| FastFitness for Women Inc. 2013 | 849.98 | 1,416.74 | -566.76 | -40.0% |
| Gallo's Hauling | 3,333.15 | 4,666.49 | -1,333.34 | -28.6% |
| Laura Loxley Vintage Insp Goods | 3,000.00 | 3,250.00 | -250.00 | -7.7% |
| Rachel & Rob's Wildwood Camp 08 | 11,120.44 | 17,185.96 | -6,065.52 | -35.3% |
| Shirt Factory Cafe | 2,962.90 | 5,502.34 | -2,539.44 | -46.2% |
| Total Revolving Fund Rec-GOSC | 23,016.66 | 36,105.04 | -13,088.38 | -36.3% |
| Total Other Assets | 96,543.65 | 81,124.81 | 15,418.84 | 19.0% |
| TOTAL ASSETS | 180,284.18 | 173,011.51 | 7,272.67 | 4.2% |
| LIABILITIES & EQUITY | | | | |
| Liabilities | | | | |
| Current Liabilities | | | | |
| Other Current Liabilities | | | | |
| Due to High Int Acct | 73,526.99 | 45,019.77 | 28,507.22 | 63.3% |
| Grant Payable | 0.00 | 20,036.14 | -20,036.14 | -100.0% |
| Total Other Current Liabilities | 73,526.99 | 65,055.91 | 8,471.08 | 13.0% |
| Total Current Liabilities | 73,526.99 | 65,055.91 | 8,471.08 | 13.0% |
| Total Liabilities | 73,526.99 | 65,055.91 | 8,471.08 | 13.0% |
| Equity | | | | |
| Retained Earnings | 126,968.24 | 153,646.24 | -26,678.00 | -17.4% |
| Net Income | -20,211.05 | -45,690.64 | 25,479.59 | 55.8% |
| Total Equity | 106,757.19 | 107,955.60 | -1,198.41 | -1.1% |
| TOTAL LIABILITIES & EQUITY | 180,284.18 | 173,011.51 | 7,272.67 | 4.2% |

11:47 AM

10/01/24

Accrual Basis

Orleans County Local Development Corporation

Transaction Detail by Account

August 2024

| Type | Date | Num | Name | Memo | Class | Clr | Split | Amount | Balance |
|--|------------|------|----------------------|------------------|-------|-----|------------------|---------|---------|
| Cash Account | | | | | | | | | |
| Checking Key Bank-HUD Unrest | | | | | | | | | |
| Check | 08/02/2024 | | Key Bank | Credit card... | | X | Grant Expense | -26.45 | -26.45 |
| Check | 08/05/2024 | 385 | Lake Country Media | #2024-66... | | X | Marketing | -150.00 | -176.45 |
| Check | 08/07/2024 | 384 | Lake Country Media | #2024-66... | | X | Marketing | -100.00 | -276.45 |
| Deposit | 08/12/2024 | | | Deposit | | X | -SPLIT- | 717.08 | 440.63 |
| Check | 08/14/2024 | 386 | Roush C.P.A. PC | Accounti... | | X | Accounting | -85.00 | 355.63 |
| Check | 08/14/2024 | 387 | Lake Country Media | MAP progr... | | X | Marketing | -200.00 | 155.63 |
| Check | 08/27/2024 | 388 | HurwitzFine, P.C. | #2061300 ... | | | Legal Fees | -412.00 | -256.37 |
| Deposit | 08/31/2024 | | | Interest | HUD | X | Interest Inco... | 0.06 | -256.31 |
| Total Checking Key Bank-HUD Unrest | | | | | | | | -256.31 | -256.31 |
| Total Cash Account | | | | | | | | -256.31 | -256.31 |
| HSBC Savings Acct High Interest | | | | | | | | | |
| Deposit | 08/31/2024 | | | Interest | LDC | X | Interest Inco... | 13.62 | 13.62 |
| Total HSBC Savings Acct High Interest | | | | | | | | 13.62 | 13.62 |
| Accounts Receivable | | | | | | | | | |
| Invoice | 08/01/2024 | 3774 | Rachel & Rob's Wi... | | HUD | | -SPLIT- | 505.46 | 505.46 |
| Invoice | 08/01/2024 | 3786 | Shirt Factory Cafe | | HUD | | -SPLIT- | 211.82 | 717.08 |
| Payment | 08/12/2024 | 3244 | Shirt Factory Cafe | | | | Undeposited ... | -211.82 | 505.46 |
| Payment | 08/12/2024 | 8348 | Rachel & Rob's Wi... | | | | Undeposited ... | -505.46 | 0.00 |
| Total Accounts Receivable | | | | | | | | 0.00 | 0.00 |
| Undeposited Funds | | | | | | | | | |
| Payment | 08/12/2024 | 3244 | Shirt Factory Cafe | | | X | Accounts Rec... | 211.82 | 211.82 |
| Payment | 08/12/2024 | 8348 | Rachel & Rob's Wi... | | | X | Accounts Rec... | 505.46 | 717.08 |
| Deposit | 08/12/2024 | 3244 | Shirt Factory Cafe | Deposit | | X | Checking Key... | -211.82 | 505.46 |
| Deposit | 08/12/2024 | 8348 | Rachel & Rob's Wi... | Deposit | | X | Checking Key... | -505.46 | 0.00 |
| Total Undeposited Funds | | | | | | | | 0.00 | 0.00 |
| Revolving Fund Rec-GOSC | | | | | | | | | |
| Rachel & Rob's Wildwood Camp 08 | | | | | | | | | |
| Invoice | 08/01/2024 | 3774 | Rachel & Rob's Wi... | Prinicipal Pa... | HUD | | Accounts Rec... | -505.46 | -505.46 |
| Total Rachel & Rob's Wildwood Camp 08 | | | | | | | | -505.46 | -505.46 |
| Shirt Factory Cafe | | | | | | | | | |
| Invoice | 08/01/2024 | 3786 | Shirt Factory Cafe | Prinicipal Pa... | HUD | | Accounts Rec... | -211.82 | -211.62 |
| Total Shirt Factory Cafe | | | | | | | | -211.82 | -211.62 |
| Total Revolving Fund Rec-GOSC | | | | | | | | -717.08 | -717.08 |
| Interest Income | | | | | | | | | |
| Interest Income-Bank | | | | | | | | | |
| Deposit | 08/31/2024 | | | Interest | HUD | | Checking Key... | -0.06 | -0.06 |
| Deposit | 08/31/2024 | | | Interest | LDC | | HSBC Saving... | -13.62 | -13.68 |
| Total Interest Income-Bank | | | | | | | | -13.68 | -13.68 |
| Total Interest Income | | | | | | | | -13.68 | -13.68 |
| RLF Income-HUD | | | | | | | | | |
| Unrestricted | | | | | | | | | |
| Invoice | 08/01/2024 | 3774 | Rachel & Rob's Wi... | RLF Loan In... | HUD | | Accounts Rec... | 0.00 | 0.00 |
| Invoice | 08/01/2024 | 3786 | Shirt Factory Cafe | RLF Loan In... | HUD | | Accounts Rec... | 0.00 | 0.00 |
| Total Unrestricted | | | | | | | | 0.00 | 0.00 |
| Total RLF Income-HUD | | | | | | | | 0.00 | 0.00 |
| Grant Expense | | | | | | | | | |
| Check | 08/02/2024 | | Key Bank | Credit card ... | HUD | | Checking Key... | 26.45 | 26.45 |
| Total Grant Expense | | | | | | | | 26.45 | 26.45 |
| Professional Fees | | | | | | | | | |
| Accounting | | | | | | | | | |
| Check | 08/14/2024 | 386 | Roush C.P.A. PC | Accountl... | LDC | | Checking Key... | 85.00 | 85.00 |
| Total Accounting | | | | | | | | 85.00 | 85.00 |

11:47 AM

10/01/24

Accrual Basis

Orleans County Local Development Corporation Transaction Detail by Account

August 2024

| Type | Date | Num | Name | Memo | Class | Ctr | Split | Amount | Balance |
|-------------------------|------------|-----|--------------------|---------------|-------|-----|-----------------|-------------|-------------|
| Legal Fees | | | | | | | | | |
| Check | 08/27/2024 | 388 | HurwitzFine, P.C. | #2061300 ... | LDC | | Checking Key... | 412.00 | 412.00 |
| Total Legal Fees | | | | | | | | 412.00 | 412.00 |
| Total Professional Fees | | | | | | | | 497.00 | 497.00 |
| Supplies | | | | | | | | | |
| Marketing | | | | | | | | | |
| Check | 08/05/2024 | 385 | Lake Country Media | #2024-6638... | LDC | | Checking Key... | 150.00 | 150.00 |
| Check | 08/07/2024 | 384 | Lake Country Media | #2024-66... | LDC | | Checking Key... | 100.00 | 250.00 |
| Check | 08/14/2024 | 387 | Lake Country Media | MAP prog... | LDC | | Checking Key... | 200.00 | 450.00 |
| Total Marketing | | | | | | | | 450.00 | 450.00 |
| Total Supplies | | | | | | | | 450.00 | 450.00 |
| TOTAL | | | | | | | | 0.00 | 0.00 |

Aging Report

Local Development Corporation
 Funds: All
 City: All
 Status: All
 County: All
 Loan Officer: All

Cutoff Date: 10/1/2024
 Run Date: 10/01/2024
 Run Time: 2:26:14 pm
 Page 1 of 1

Include loans from 35 to 55

-----Analysis of Payments Due-----

| | Loan Amt | Disbursed | Current Balance | Regular Payment | 1 Payment | 2 Payments | 3 Payments | Over 3 | Total Due | Lt Days |
|----|-------------------|-------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|---------|
| 35 | 75,000.00 | 75,000.00 | 10,109.52 | 505.46 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0 |
| 49 | 45,000.00 | 45,000.00 | 1,132.76 | 141.69 | 141.69 | 141.69 | 141.69 | 707.69 | 1,132.76 | 335 |
| 50 | 30,000.00 | 30,000.00 | 2,751.28 | 285.25 | 0.00 | 0.00 | 0.00 | 0.00 | 2,751.28 | 0 |
| 53 | 40,000.00 | 40,000.00 | 3,999.82 | 666.67 | 666.67 | 666.67 | 666.67 | 1,999.81 | 3,999.82 | 366 |
| 55 | 15,000.00 | 15,000.00 | 3,250.00 | 250.00 | 250.00 | 250.00 | 250.00 | 2,500.00 | 3,250.00 | 488 |
| | <u>205,000.00</u> | | <u>21,243.38</u> | <u>1,058.36</u> | <u>1,058.36</u> | <u>1,058.36</u> | <u>1,058.36</u> | <u>5,207.50</u> | <u>11,133.86</u> | |
| | | <u>205,000.00</u> | | <u>1,849.07</u> | | <u>1,058.36</u> | | <u>5,207.50</u> | | |

Totals

11,133.86

*** Total Delinquent Dollars

11,133.86

Percent Delinquent Dollars

52.41%

***Total of loan balances which are in arrears

39.46%

**Orleans County Local Development Corporation
Proposed 2025 Budget**

10/1/2024

| | <u>Jan-Aug 24</u> | <u>Est Year End Totals</u> | <u>2024 Budget</u> | <u>2025 Budget</u> | <u>Budget Change</u> | <u>PARIS Report</u> |
|----------------------------------|-------------------|--------------------------------|------------------------|------------------------|--------------------------|-------------------------|
| Ordinary Income/Expense | | | | | | |
| Income | | | | | | |
| Grants | | | | | | |
| CDBG/GOSC | 6,325.68 | 9,488.52 | 20,522.00 | 15,488.97 | -5,033.03 | |
| HUD | 80,048.84 | 80,048.84 | | | | |
| Total Grants | <u>86,374.52</u> | <u>89,537.36</u> | <u>20,522.00</u> | <u>15,488.97</u> | | |
| Interest Income | | | | | | |
| Interest Income-Bank | 100.68 | 135.00 | 135.00 | 135.00 | 0.00 | |
| Interest Income-Loan | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| Total Interest Income | <u>100.68</u> | <u>135.00</u> | <u>135.00</u> | <u>135.00</u> | <u>0.00</u> | IE |
| Loan Penalty Income | | | | | | |
| Professional Fees | 0.00 | | | | | |
| Loan Penalty Income | 0.00 | 0.00 | 50.00 | 50.00 | | |
| Program Fees | 0.00 | 0.00 | 1,000.00 | 500.00 | -500.00 | |
| Total Loan Penalty Income | <u>0.00</u> | <u>0.00</u> | <u>1,050.00</u> | <u>550.00</u> | <u>-500.00</u> | OOB |
| Miscellaneous-Income | 0.00 | 2,100.00 | 1,000.00 | 3,600.00 | 2,600.00 | |
| Program Fees | 0.00 | 0.00 | 500.00 | 15,000.00 | 14,500.00 | OOB |
| Reimbursed Expenses | 0.00 | 0.00 | | | | |
| RLF Income-GOSC | | | | | | |
| Restricted | | | 0.00 | 0.00 | 0.00 | |
| RLF Income - GOSC | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | OOB |
| Total RLF Income-GOSC | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | <u>0.00</u> | |
| RLF Income-HUD | | | | | | |
| Unrestricted | 1,166.66 | 0.00 | | | | |
| Total RLF Income-HUD | <u>1,166.66</u> | <u>0.00</u> | | | <u>0.00</u> | |
| Total Income | <u>87,641.86</u> | <u>91,772.36</u> | <u>23,207.00</u> | <u>34,773.97</u> | <u>16,600.00</u> | |
| Expense | | | | | | |
| Bank Service Charges | 45.00 | 155.00 | | | | |
| Grant Expense | 80,048.84 | 80,048.84 | | | | |
| Insurance | | | | | | |
| Liability Insurance | 0.00 | 400.00 | 400.00 | 400.00 | 0.00 | |
| Total Insurance | <u>0.00</u> | <u>400.00</u> | <u>400.00</u> | <u>400.00</u> | <u>0.00</u> | G&D |
| Interest Expense | | | | | | |
| Loan Interest | 0.00 | 0.00 | | | | |
| Total Interest Expense | <u>0.00</u> | <u>0.00</u> | | | | |
| Miscellaneous | 0.00 | 150.00 | 250.00 | 250.00 | 0.00 | OOE |

| | <u>Jan-Aug 24</u> | <u>Est Year End Totals</u> | <u>2024 Budget</u> | <u>2025 Budget</u> | <u>Budget Change</u> | <u>PARIS Report</u> |
|--------------------------------|--------------------------|--------------------------------|------------------------|------------------------|--------------------------|-------------------------|
| Office Supplies | 0.00 | 100.00 | 300.00 | 300.00 | 0.00 | OOE |
| Printing Reproduction | 0.00 | 50.00 | 250.00 | 250.00 | | |
| Professional Fees | | | | | | |
| Accounting | 3,598.00 | 4,000.00 | 8,020.00 | 9,000.00 | 980.00 | |
| Consulting | 0.00 | 0.00 | 2,500.00 | 2,500.00 | 0.00 | |
| Legal Fees | 10,230.39 | 13,000.00 | 7,000.00 | 10,000.00 | 3,000.00 | |
| Professional Fees - Other | 6,666.00 | 7,500.00 | 1,000.00 | 1,000.00 | 0.00 | |
| Total Professional Fees | <u>20,494.39</u> | <u>24,500.00</u> | <u>18,520.00</u> | <u>22,500.00</u> | <u>3,980.00</u> | PSC |
| Program Expense | 489.00 | 500.00 | 500.00 | 500.00 | 0.00 | |
| Supplies | | | | | | |
| Supplies Other | 0.00 | | | | | |
| Marketing | 450.00 | 1,500.00 | 1,750.00 | 2,500.00 | 750.00 | |
| Total Supplies | <u>450.00</u> | <u>1,500.00</u> | <u>1,750.00</u> | <u>2,500.00</u> | <u>750.00</u> | S&M |
| Travel & Ent | | | | | | |
| Meals | 0.00 | 50.00 | 300.00 | 300.00 | 0.00 | |
| Travel | 0.00 | 0.00 | 250.00 | 250.00 | 0.00 | |
| Total Travel & Ent | <u>0.00</u> | <u>50.00</u> | <u>550.00</u> | <u>550.00</u> | <u>0.00</u> | OOE |
| Total Expense | <u>101,527.23</u> | <u>107,403.84</u> | <u>22,270.00</u> | <u>27,000.00</u> | <u>4,730.00</u> | |
| Net Ordinary Income | -13,885.37 | -15,631.48 | 937.00 | 7,773.97 | 6,836.97 | |
| Other Income/Expense | | | | | | |
| Other Expense | | | | | | |
| Other Expenses | 0.00 | 140.00 | 0.00 | 0.00 | 0.00 | |
| Total Other Expense | <u>0.00</u> | <u>140.00</u> | <u>0.00</u> | <u>0.00</u> | | |
| Net Other Income | <u>0.00</u> | <u>-140.00</u> | | | <u>0.00</u> | |
| Net Income | <u><u>-13,885.37</u></u> | <u><u>-15,771.48</u></u> | <u><u>937.00</u></u> | <u><u>7,773.97</u></u> | <u><u>6,836.97</u></u> | |



Kevin J. Zanner
kjz@hurwitzfine.com

September 27, 2024

VIA EMAIL

Michael Dobell
Chief Executive Officer
The Orleans County Local Development Corporation
121 North Main Street
Albion, New York 14411

RE: Representation of The Orleans County Local Development Corporation

Dear Michael:

Hurwitz Fine P.C. is pleased to provide this letter to formally extend our engagement as general counsel to The Orleans County Local Development Corporation ("OCLDC"). This Letter of Engagement sets forth our proposed arrangement for representing OCLDC during this extended term, sets forth the details of our billing, and is being provided to you in accordance with Part 1215 of the Joint Rules of the New York State Appellate Division.

I will remain principally responsible for handling this representation, but other firm attorneys will also work on OCLDC matters as may be necessary or appropriate. Our extended engagement would be for an additional two-year term and would be reviewed by OCLDC's Board of Directors upon the expiration of the term. We propose to bill our legal fees in accordance with the following arrangements: legal fees for loan and grant transactions will be billed at a blended rate of \$228.00 per hour for partners and associates and \$127.00 for paralegals working on those transactions. Fees for general corporate and all other services would continue to be billed at our firm's standard hourly rates, with the exception that I will continue to discount my current standard hourly rate to \$325.00. We charge a minimum rate of one-tenth per hour for our work, including telephone and email communications. We charge for attorney travel time at a reduced hourly rate equal to one-half of the applicable standard rate. Invoices will be issued on a monthly basis. Our firm generally adjusts its hourly rates annually in July but will agree to limit fee increases to three percent (3%) annually.

Our statement for legal services would also detail the actual costs of disbursements incurred and advanced on behalf of you, such as filing fees, disbursements, mileage at the federal rate, photocopying, long distance phone and telefax charges and express mail charges, as appropriate in handling the work, for which you would be responsible for paying. We reserve the right to withdraw as counsel if our fees or disbursements are not timely paid, although we hope and trust this would not be necessary.

We appreciate that this letter might appear to you to be unduly formal. However, our Code of Professional Responsibility requires a clear statement in writing of the arrangements for the engagement of





attorneys, and we believe that our clients prefer such statements to avoid any misunderstanding later. Additionally, the Office of Court Administration requires that we advise you that you may be entitled to resolve a fee dispute by arbitration. If a fee dispute arises that we cannot resolve between us and it is eligible for arbitration, we will provide you with written notice of your right to arbitrate as provided under the Part 137 of the Rules of the Chief Administrator of the Courts.

If the foregoing terms are acceptable, please sign a copy of this letter and return it via email to me at kjz@hurwitzfine.com. We look forward to continuing our role as counsel to OCLDC and helping the OCLDC advance economic development in Orleans County.

Very truly yours,

HURWITZ FINE P.C.

A handwritten signature in blue ink, appearing to read 'Kevin J. Zanner', is written over a horizontal line.

Kevin J. Zanner

KJZ/sas

The terms of this Engagement Letter are understood and accepted on behalf of The Orleans County Local Development Corporation this ____ day of October, 2024.

THE ORLEANS COUNTY LOCAL DEVELOPMENT CORPORATION

By: _____

Name: Michael Dobell
Title: CEO



RESOLUTIONS OF THE BOARD OF DIRECTORS OF THE ORLEANS COUNTY LOCAL DEVELOPMENT CORPORATION AUTHORIZING THE ESTABLISHMENT OF A GRANT PROGRAM FOR MICROENTERPRISES, THE EXECUTION OF A GRANT AGREEMENT WITH THE COUNTY OF ORLEANS AND OTHER DOCUMENTS AND ACTIONS NECESSARY OR APPROPRIATE TO ESTABLISH AND ADMINISTER THE GRANT PROGRAM

WHEREAS, The Orleans County Local Development Corporation (“LDC”) was formed under Section 1411 of the New York State Not-for-Profit Corporation Law as a not-for-profit local development corporation operating for the exclusively charitable or public purposes of relieving and reducing unemployment, promoting and providing for additional and maximum employment, bettering and maintaining job opportunities, instructing or training individuals to improve or develop their capabilities for such jobs, carrying on scientific research for the purpose of aiding Orleans County, New York (the “County”) by attracting new industry to the County or by encouraging the development of, or retention of, an industry in the County and lessening the burdens of government and acting in the public interest; and

WHEREAS, the County has applied for and received a grant in the amount of Three Hundred Thousand Dollars (\$300,000.00) (“Grant”) from the New York State Housing Trust Fund Corporation (“HFTC”) represented by the Office of Community Renewal through the Community Development Block Grant (“CDBG”) Program (OCR Grant #857ME561-24) for the purpose of financing a microenterprise grant program (the “Grant Program”) which would be used to provide grants to microenterprises within the County; and

WHEREAS, the County will enter into a grant agreement with the LDC pursuant to which the County will provide the Grant proceeds to the LDC for the purpose of funding the Grant Program, and to fund related administrative and program delivery costs, in accordance with the Grant; and

WHEREAS, the LDC, as a not-for-profit local development corporation, is eligible to receive grants of CDBG funds pursuant to Section 105(a)(15) of the Housing and Community Development Act of 1974, as amended (42 U.S.C. §5305) and has the capacity to make microenterprise grants and to fund and administer the Grant Program in the best interests of the County and in furtherance of its corporate purposes; and

WHEREAS, in order to better and more efficiently administer the Grant Program, the LDC has determined that it is advisable for the LDC Board to delegate to the LDC’s Finance/Loan Committee the authority to approve grants under the Grant Program.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of The Orleans County Local Development Corporation as follows:

Section 1. The LDC is hereby authorized to negotiate and execute a grant agreement and other appropriate documents with the County and to receive funds from the County in the form

of a grant to be used (i) to fund the Grant Program to provide grants to microenterprises within Orleans County and (ii) to fund related administrative and program delivery costs, all in accordance with the Grant and in accordance with applicable CDBG regulations.

Section 2. The LDC hereby adopts the Policy Guidelines and Operating Plan for the administration of the Grant Program in the form attached as Schedule A to these Resolutions.

Section 3. In accordance with Section 6.1(a) of the Policy Guidelines and Operating Plan, the LDC Board hereby delegates to the Finance/Loan Committee the authority to approve Program funding for microenterprise grants, include committing Grant Program funds and establishing associated terms.

Section 4. The Chairman, Vice Chairman, Treasurer, Secretary and CEO/CFO are each individually authorized to execute all necessary documents to effectuate the LDC’s participation in the Grant and the establishment and administration of the Grant Program, all as contemplated by these Resolutions, on such terms and conditions as may be approved by the officer executing the same.

Section 5. These Resolutions shall take effect immediately.

ROLL CALL VOTE:

| | <u>Yes</u> | <u>No</u> | <u>Absent</u> | <u>Abstain</u> |
|-----------------|------------|-----------|---------------|----------------|
| John Misiti | [] | [] | [] | [] |
| Kathy Blackburn | [] | [] | [] | [] |
| Laura Bentley | [] | [] | [] | [] |
| Fred Miller | [] | [] | [] | [] |
| Bill Eick | [] | [] | [] | [] |
| Merle Draper | [] | [] | [] | [] |

Adopted: October ____, 2024

SCHEDULE A

Policy Guidelines and Operating Plan

County of Orleans Microenterprise Assistance Program

as implemented by the

The Orleans County Local Development Corporation

POLICY GUIDELINES AND OPERATING PLAN

Implementing New York State Office of Community Renewal Grant #857ME561-24

Awarded to Orleans County, New York on July 24, 2024

Adopted _____, 2024

Orleans County Microenterprise Grant Program
Policy Guidelines and Operating Plan

Section 1. GENERAL

1.1 Program Overview. The County of Orleans, New York (the "County") has received a \$300,000.00 grant (#857ME561-24) of Community Development Block Grant ("CDBG") funding (the "Grant") from the New York Housing Trust Fund Corporation as administered by the New York State Office of Community Renewal (the "OCR") through its Microenterprise Program for the purpose of implementing the County of Orleans Microenterprise Grant Program (the "Program"). The County and The Orleans County Local Development Corporation ("LDC") have entered into an agreement (the "Grant Agreement") whereby the LDC will use the OCR grant funds to implement the Program. For the purposes of this Policy Guidelines and Operating Plan, the Program is defined as the following activities that are further detailed in the Grant Agreement:

- (a) Entrepreneurship training;
- (b) Cash grants to microenterprises using OCR grant funds;
- (c) Program delivery using OCR funds including grant application underwriting; and
- (d) OCR grant administration.

1.2 Policy Guidelines and Operating Plan. This Policy Guidelines and Operating Plan (the "Plan") is adopted by the Board of Directors of the LDC (the "Board") and is intended to serve as the primary administrative document for the Program. Any changes to the Plan must also be adopted by the Board and must be consistent with the terms and conditions of the Grant Agreement.

1.3 Objectives. The primary objectives of the Program are to assist in the establishment and expansion of microenterprise business activity within the County of Orleans, create employment opportunities for County residents, and preserve and expand the County's tax base.

1.4 Program Administration. The LDC will have responsibility for administering and/or overseeing the administration of all aspects of the Program as set forth in the Grant Agreement and as detailed herein.

1.5 LDC Program Committee. The LDC has a standing Loan/Finance Committee (the "Committee") which will oversee Program implementation activities. The Committee, in coordination with LDC staff and contracted services, will be responsible for the following:

- (a) Review client applications;

Orleans County Microenterprise Grant Program
Policy Guidelines and Operating Plan

- (b) Negotiate Program assistance to be offered to clients;
- (c) Make recommendations to the Board regarding the approval or declination of program applications; and
- (d) Provide guidance and recommendations to LDC staff regarding general Program operations.

1.6 Form of Assistance. Assistance to clients using OCR grant funding may only be in the form of capital grants to microenterprises and such other activities as the OCR may approve for Program funding. Technical assistance and other business support activities may be provided from other funding sources at the discretion of the Board.

Section 2. ELIGIBILITY REQUIREMENTS

2.1 Eligible Program Participants.

- (a) Eligible Program participants must be an existing or to-be-formed microenterprise, which is defined as a commercial enterprise having five or fewer employees, one or more of whom own the enterprise. Microenterprise status with respect to ownership and the number of employees is determined at the time of the Program application. The form of the microenterprise may be a sole proprietorship, partnership, corporation, LLC, LLP, cooperative, or any other legal form of business. Not-for-profit corporations or similar nonprofit entities are not eligible Program participants.
- (b) The assisted microenterprise must either (i) be owned by a low- or moderate-income person or persons (as such term is defined by HUD), or (ii) the assisted business activity to be undertaken with assistance from the Program must directly result in the creation of at least 1 full-time equivalent employment position consistent with the low- and moderate-income benefit provisions of the Federal regulations governing the CDBG program.

2.2 Eligible Activities.

- (a) The principal business activity to be assisted with Program funding must be located within the County of Orleans.
- (b) Program assistance may be provided for any business activity that meets the Program objectives.

Orleans County Microenterprise Grant Program
Policy Guidelines and Operating Plan

- (c) For a microenterprise not owned by a low- or moderate-income person, the business activity to be undertaken with assistance from the Program must directly result in the creation of at least 1 full-time equivalent employment position consistent with the low- and moderate-income benefit provisions of the Federal regulations governing the CDBG program. Whether a microenterprise owner is a low- or moderate-income person will be determined based on his or her most recent Federal income tax return.

2.3 Ineligible Activities. Activities that primarily consist of investing, speculation, or realty ownership held primarily for sale or investment; any activity which is illegal; and any activity which does not further the objectives of the Program will be ineligible for Program financing.

2.4 Eligible Uses of Program Funds.

- (a) Program grants may be used to fund fixed assets including machinery and equipment, personal property including furnishings and fixtures, current assets including inventory and receivables, operating expenses, and working capital. The use of Program funds must also be eligible pursuant to the Federal regulations governing the CDBG program. All eligible Program expenses must be incurred after the grant has been approved by the LDC.
- (b) Program grants may not be used to fund construction or construction-related costs of any kind including new construction, rehabilitation, renovations, leasehold improvements, demolition, or clearance activities.
- (c) Program grants may not be used to reimburse costs that were paid for with funding from any other business assistance program or relief benefits from any other source, including, but not limited to, any program funded under the CARES Act or other COVID-19 relief legislation, such as the Paycheck Protection Program or Economic Injury Disaster Loans.
- (d) All uses of funds shall be detailed in the LDC/Client grant agreement.

Section 3. PROGRAM STANDARDS

3.1 General. The existing or proposed microenterprise must present a reasonable likelihood for long-term commercial viability based on such factors as management, product, marketability, competition, and capitalization. Program clients must be of generally good character and credit standing and must not be in arrears in the payment

Orleans County Microenterprise Grant Program
Policy Guidelines and Operating Plan

of any real property taxes or other taxes or fees to the County or any municipality or municipal agency within Orleans County.

3.2 Employment. Where the microenterprise must result in the creation of employment opportunities to establish Program eligibility pursuant to Section 2.1, a minimum of 51% of those opportunities must be held by, or made available to, low- and moderate-income persons as defined by HUD. For the purposes of calculating employment opportunities, the following will apply:

- (a) Only permanent jobs will be counted; temporary and construction jobs will not be counted.
- (b) Jobs of 37.5 or more hours per week will be considered as one full-time job. Part-time permanent jobs of less than 37.5 hours per week will be converted to full-time equivalent jobs by dividing the number of part-time hours by 40.
- (c) Seasonal jobs will be considered to be permanent jobs if the duration of the working period is long enough to classify the job as the employee's principal occupation. The eligibility of seasonal jobs will be determined by the LDC and will be subject to approval by OCR.
- (d) Projected employment must be reasonably expected to occur as a direct result of the expanded business activity, and such projection may in no instance extend beyond 24 months of the Grant approval date of July 24, 2024. Evidence of job creation will be required prior to disbursement of grant proceeds.

3.3 Funding for Start-Up Business. A minimum of 50% of Program grant funding must be provided to start-up businesses, defined by OCR as a business that has been in operation for less than 6 months prior to submitting an application for Program assistance.

3.4 Program Funding Amount. Consistent with Federal regulations governing the CDBG program, Program assistance must be no greater than the minimum amount necessary to implement the business activity. Applicants must therefore demonstrate that all other private and public sources of debt and equity have either been maximized or are inappropriate, unaffordable, or unavailable.

3.5 Funding Match. Grantees shall be required to provide a minimum of ten percent (10%) of the total cost of the Program-assisted project from cash proceeds of the grantee, such cash amount (i) to represent equity of the grantee or the grantee's owner(s) as determined by the LDC; (ii) to be invested by the grantee or lent to the grantee by an owner or owners of the grantee subject to terms and conditions

Orleans County Microenterprise Grant Program
Policy Guidelines and Operating Plan

acceptable to the LDC; and (iii) to be expended by the grantee for project costs. Such minimum equity amount shall be invested or lent to the grantee and expended for project costs prior to or concurrent with the disbursement of Program funds unless an alternative schedule is determined by the LDC to be appropriate and prudent. The equity requirement, including the schedule for investment, shall be detailed in the LDC/Client grant agreement.

3.6 Minimum Amount of Program Assistance. Program assistance will not be considered where the amount of such required assistance is less than ten thousand dollars (\$10,000.00).

3.7 Maximum Amount of Program Assistance. Program assistance provided to a single microenterprise or to any owner of a microenterprise may not exceed the aggregate amount of thirty-five thousand dollars (\$35,000).

Section 4. GRANT POLICIES

4.1 General. All terms and conditions for Program grants will be established by LDC based upon the credit analysis (as detailed at Section 5.3 herein) and the nature and extent of public benefit to result from the funding.

4.2 Program Grant Terms. The following terms and conditions shall apply to Program grants:

- (a) Program grants shall require no repayment except upon certain conditions of default as set forth in the LDC/Client grant agreement. The grant agreement shall include appropriate default provisions that address the grantee's failure to comply with the terms, conditions, or covenants of the agreement.
- (b) Security for the repayment of Program grants in the event of a default shall consist of a blanket lien on all assets of the business receiving grant funding unless LDC determines that additional or alternative security is appropriate or that no security will be required.
- (c) No Program grant disbursements may be made until the required minimum amount of owner equity has been invested or is being invested consistent with the schedule set forth in the grant agreement.
- (d) No Program grant disbursements may be made to a business that is required to create employment opportunities as a condition of receiving assistance until appropriate documentation of the minimum required employment creation has been received by LDC.

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- (e) Program assistance may be provided only where the microenterprise owner or owners shall have successfully completed the business educational course designated by LDC or a similar program as determined to be acceptable by LDC and the OCR.

Section 5. APPLICATION PROCESSING

5.1 Program Applications. Applications to receive Program grant assistance must include a business plan in a format acceptable to LDC and the OCR, the information required by the Program Application Form (attached hereto as Appendix A), and any additional information as may be reasonably requested by LDC.

5.2 Application Fee. No application fee will be required.

5.3 Application Processing. The processing of Program applications will be the joint responsibility of LDC, the Committee, and the LDC's contracted underwriters (the "Underwriters") and will generally consist of the following:

- (a) Review of applications for completeness and procurement of appropriate additional information (LDC and Underwriters);
- (b) Review for Program eligibility criteria and eligibility pursuant to Federal CDBG regulations (LDC and Underwriters);
- (c) Notification to applicants that the application has been received and is complete, and an anticipated schedule for processing (LDC).
- (d) Determination of the commercial viability of the existing or proposed business and assessment of risk through the performance of a credit analysis (Underwriters);
- (e) Performance of an appropriateness review, if applicable, in conformance with HUD guidelines for businesses not owned by a low- or moderate-income person or persons (Underwriters);
- (f) The provision of a written report to the Committee detailing the credit analysis and the appropriateness review (if applicable), and providing recommendations regarding OCR grant funding including grant terms and conditions (Underwriters); and

Orleans County Microenterprise Grant Program
Policy Guidelines and Operating Plan

- (g) Referral by the Committee to the Board with the Committee's recommendation for the approval or declination of the grant application and any associated terms and conditions (LDC).

Section 6. GRANT APPROVALS & POST-APPROVAL PROCESSING

6.1 Applicant Acceptance/Declination and Grant Approvals.

- (a) The Board shall have sole authority to approve Program funding for microenterprise grants. Such authority shall include the commitment to grant Program funds and to establish all associated terms and conditions. The authority to approve Program funding for microenterprise grants, include committing Program funds and establishing associated terms and conditions, may be delegated by the Board to the Committee, by a duly adopted Board resolution.
- (b) Accepted applicants shall be promptly notified in writing by the LDC's CEO ("CEO") of their acceptance and the amount, terms, and conditions of any Program funding being offered. Such notification shall include the following as applicable:
 - (i) The amount of the grant approved and the expiration date of the commitment.
 - (ii) The approved use of the Program grant funds and applicable disbursement requirements.
 - (iii) The amount and requirements for funding the cash equity match.
 - (iv) Information regarding employment requirements if applicable.
 - (v) Requirements regarding business training (if not yet fulfilled).
 - (vi) Any other applicable grant conditions.
 - (vii) A listing and explanation of any fees to be charged and other Program costs that will be the responsibility of the grantee.
 - (viii) A listing of those conditions and requirements of the applicant that must be fulfilled prior to the closing and funding of grant funds.

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- (ix) Any other information that could reasonably be expected to influence the applicant's decision to accept the terms of the grant.
- (c) Applicants not accepted shall be promptly notified in writing.

6.2 Grant Closings. LDC's counsel shall have the responsibility to prepare all appropriate grant closing documents based upon the terms and conditions of the grant approval. Such documents shall generally include the following:

- (a) A grant agreement that includes a description of the grant terms, eligible uses of the funds, appropriate representations and warranties, the conditions of granting, affirmative and negative covenants - including compliance with applicable federal laws and regulations, requirements regarding employment creation and reporting if applicable, requirements for business training and/or procurement of technical assistance, default provisions, and any other provisions which may be appropriate.
- (b) Other appropriate documents as required by the terms and conditions of the grant approval.

6.3 Security. Consistent with Section 4.2(b) herein, the requirement for security will be at the discretion of LDC and will be included in the grant approval resolution approved by the Board.

6.4 OCR Grant Draws. Draws of OCR grant funds for disbursements to microenterprises will be the responsibility of the County in coordination with the Underwriters and LDC staff. LDC staff will provide draw requests, including appropriate cost documentation to sustain the draw, to the Underwriters. OCR funds drawn by the County for grants will be disbursed to LDC within three (3) business days of their receipt. LDC will subsequently disburse OCR funds to recipient microenterprise businesses(es) within five (5) business days of LDC's receipt of funds.

6.5 Grant Disbursements. The disbursement of grant proceeds shall be the responsibility of the CEO under the following general guidelines:

- (a) Subject to the grantee's compliance with the terms and conditions of the grant agreement, all documents evidencing and, if applicable, securing the grant, and other guidelines for disbursement as described in this Section 6.4, LDC may disburse grant proceeds upon the grantee's presentation of vouchers and other such evidence satisfactory to LDC that represent paid or accrued expenses of the grantee and which are eligible costs as determined by LDC.

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- (b) Other debt or equity financing to be used in conjunction with the Program financing must, in the opinion of LDC, be firmly committed for such use. Evidence of the commitment(s) must be submitted by the grantee.
- (c) LDC will, in consultation with the Underwriters, determine an appropriate draw schedule for Program grant funding based on such factors as the magnitude of risk assumed by the Program, the nature of the activities being financed, the draw schedule for the other financing, and applicable federal regulations for the use of CDBG funds. The manner and terms of the disbursement of the Program financing shall be determined by the CEO.

Section 7. GRANT MANAGEMENT

7.1 Adjustment of Terms and Conditions. Requests by the grantee for adjustment of any of the terms and conditions of the grant will be reviewed by the CEO to determine whether the adjustment is in the best interests of the Program. Requests will be processed in accordance with the following:

- (a) Requests to increase the grant amount may only be approved by the Board.
- (b) Requests to adjust the use of the grant funds or revise any applicable security requirements may be approved by the CEO or by the Committee at the discretion of the CEO.
- (c) Requests for any other changes to the terms or conditions of the grant including, but not limited to such areas as reporting requirements, cost documentation, and maintenance of records may be approved by the CEO or by the Committee at the discretion of the CEO.

7.2 Grantee Monitoring. LDC shall be responsible for periodic monitoring of grantee progress, technical assistance needs, and compliance with all of the conditions and covenants of the grant agreement. Such responsibility shall include taking appropriate actions in the event of non-compliance, informing the Committee of any incidence of default under the terms and conditions of the grant, and providing file documentation as appropriate. LDC shall report to, and consult with, the County regarding any incidents of default or other issues that may affect grant eligibility or other OCR requirements.

7.3 OCR Reporting. Consistent with the Grant Agreement, LDC shall be responsible for the procurement and compilation of required data and information regarding Program grants to microenterprises and shall make such information available to the County and the Underwriters. The County and the Underwriters will have joint

Orleans County Microenterprise Grant Program
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responsibility for the submission of all required reports, data, and information to the OCR.

7.4 Other Grant Administration. The LDC, and the Underwriters shall be responsible for all other OCR grant management activities as detailed in the Grant Agreement.

□□□

GRANT AGREEMENT

THIS AGREEMENT, entered into this effective as of the 24th day of July, 2024 by and between the County of Orleans, a municipal corporation organized and existing under and by virtue of the laws of the State of New York and having its principal offices at 14016 Route 31 West, Albion, New York 14411, and hereinafter called "County", and The Orleans County Local Development Corporation, a not-for-profit corporation organized and existing under and by virtue of the laws of the State of New York and having its principal offices at 121 North Main Street, Albion, New York 14411, and hereinafter called "LDC".

WITNESSETH THAT:

WHEREAS, County has received Federal grant assistance in the amount of Three Hundred Thousand Dollars (\$300,000.00) from the New York State Housing Trust Fund Corporation (hereinafter the "HTFC") represented by the Office of Community Renewal (hereinafter the "OCR") through the Community Development Block Grant (hereinafter "CDBG") Program (OCR Grant #857ME561-24) for the purpose of providing grants to Microenterprises within the County of Orleans and otherwise implementing a microenterprise grant program (hereinafter the "Program"), and

WHEREAS, LDC has the capacity to implement the Program in the best interests of County, and

WHEREAS, the County, by a resolution of the Legislature dated May 28, 2024, has authorized the provision of the Grant proceeds to the LDC under the terms and conditions as herein provided.

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

Section 1. Definitions

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

"Application" means County's grant application to OCR dated June 6, 2024 and accompanying submissions, and which is incorporated herein by reference and made a part hereof.

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

"CDBG Funds" means Community Development Block Grant funds, including funds in the form of grants under 24 CFR Part 570, Subpart I, that are subject to Grant Agreement #857ME513-22 between County and HTFC.

"Grant Agreement" means the agreement dated July 24, 2024 between County and HTFC that awards the CDBG Funds to the County, such agreement being incorporated herein and made a part hereof.

"HTFC" means the New York State Housing Trust Fund Corporation.

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

"OCR" means the Office of Community Renewal, an office of the New York State Division of Homes and Community Renewal.

"OCR Grant" means the award of CDBG funds to the County by HTFC as represented by OCR and as evidenced by Grant Agreement #857ME561-24 between County and HTFC dated July 24, 2024.

"Program" means the activities described in the Application that are to be undertaken by County or LDC in implementing the Orleans County Microenterprise Assistance Program, such activities to generally include the provision of grants to microenterprises (as such term is defined by HUD).

"Program Guidelines" means the County of Orleans Microenterprise Policy Guidelines and Operating Plan adopted by LDC with respect to the Program, as amended from time to time, which guidelines are incorporated herein.

Section 2. Statement of Work

2.1 LDC shall make its best efforts to implement the Program by using CDBG Funds in the amount of Two Hundred Forty Thousand Dollars (\$240,000.00) to fund grants in a manner consistent with the Program Guidelines. In implementing the Program, LDC, either itself, or through the contracted services of a qualified third-party, shall be responsible for the following activities as appropriate:

- (a) Marketing of the Program to prospective applicants;
- (b) Development of appropriate forms and systems for grant application processing;
- (c) Preliminary review of applications (including determination of eligibility) and procurement of appropriate application information;
- (d) Consideration of applications, including written analyses and financial underwriting (including documentation of the CDBG underwriting process consistent with the regulations at 24 CFR 570.209 and Appendix A to 24 CFR Part 570 "Guidelines and Objectives for Evaluating Project Costs and Financial Requirements"), approval and declination of grant applications, and appropriate notifications to applicants;
- (e) Establishment of terms and conditions of grants;
- (f) Maintenance of all relevant information regarding the application review process;
- (g) All actions necessary to effect Program grant closings including, but not limited to the preparation of grant agreements, security agreements, and other legal documents as appropriate and in a form consistent with applicable rules, regulations, and policies of the

CDBG program;

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

(i) Procurement of appropriate documentation to evidence and support disbursement of Grant proceeds; submittal of draw requests and supporting cost documentation to OCR; and coordination of disbursement of grant proceeds with the County in a manner consistent with the rules, regulations, and policies of the CDBG program;

(j) For each grant made by LDC with CDBG Funds pursuant to this Agreement, procurement of appropriate documentation to evidence the grantee's compliance with the grant conditions respecting employment, the grantee's project expenditures and financing, and such other information as may be required pursuant to the rules, regulations, and policies of the CDBG program;

(k) Periodic monitoring of compliance by grantees with the conditions and covenants of the grant;

(l) Prepare for and attend the OCR Grant monitoring; and

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

2.2 In addition to the activities described in Section 2.1 above, LDC shall itself, or through the contracted services of a qualified third-party, be responsible for the following with respect to the administration of the CDBG Funds and implementation of the Program:

(a) Performance of all administrative activities required pursuant to the use of CDBG Funds including, but not limited to environmental review requirements, maintenance of books of account, procurement and maintenance of requisite statistical information, periodic reporting, preparation for and attendance at any OCR monitoring of the Grant, and the preparation of all submissions required to facilitate a closeout of the Grant. With respect to CDBG environmental review requirements, the parties hereto acknowledge that County shall retain the ultimate responsibility for compliance, but that LDC shall cooperate with County in procuring requisite information and performing requisite reviews; and

(b) Development of appropriate forms and systems for the reporting and documentation of costs, employment, client eligibility, and all other information required to be maintained pursuant to the rules, regulations, and policies of the CDBG program.

2.3 In accomplishing the Statement of Work as described in this Section 2, LDC may use staff and/or contracted services. To the extent that contracted services are used, such use shall be in accordance with the provisions of 2 CFR Part 200. Subject to the restrictions contained in Section 3.2 herein, LDC may be reimbursed for costs incurred in accomplishing the Statement of Work where such costs represent eligible CDBG program costs pursuant to 24 CFR Part 570 and are necessary, reasonable, and directly related to the work performed in accordance with this Agreement. For the reimbursement of such costs, the following shall apply:

(a) Direct costs of LDC must be documented by timesheets, invoices, or

other appropriate information to evidence the nature of the cost. Such costs may include, but are not limited to employee salaries, benefits, and other compensation at rates not to exceed those paid by LDC for work not provided pursuant to this Agreement; and actual costs of materials, equipment, bonding, insurance, and services incurred by LDC; and

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

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

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

2.5 LDC shall make its best efforts to accomplish the Statement of Work as described in this Section 2 in a manner consistent with the requirements of the Grant Agreement.

2.6 LDC shall complete the Statement of Work set forth in this Section 2 as relates to the implementation of the Program by July 24, 2026 or by such later date as the OCR shall have approved as an extension of the termination date of the Grant Agreement.

2.7 Notwithstanding the obligation of LDC pursuant to Section 2.6 herein, unless this Agreement is terminated by County pursuant to Section 14.2 herein, LDC shall continue to provide Grant administration services until such time as the OCR issues a closeout of the Grant.

Section 3. Disbursements and Management of CDBG Funds

CDBG Funds shall be disbursed and managed by LDC in the following manner:

3.1 LDC may use CDBG Funds in a cumulative amount not to exceed \$240,000 to make grants to microenterprises consistent with the goals and objectives of the Program as set forth in the Program Policy and Operating Guidelines.

3.2 LDC may, at any time, requisition the County to draw and pay from CDBG Funds amounts due LDC for program delivery and administrative services provided pursuant to Section 2 of this Agreement. Such requisitions shall include an appropriate accounting of all charges to be paid from CDBG Funds. The amount of CDBG Funds provided by the County to LDC for the purpose of funding program delivery costs shall not exceed the sum of \$30,000 and the amount of CDBG Funds provided by the County to LDC for the purpose of funding administrative services shall not exceed the sum of \$30,000. The County shall be responsible for effecting any such draws of CDBG Funds in a timely manner upon requisition by LDC and

shall disburse CDBG Funds so drawn to LDC no more than three (3) business days after receiving such CDBG Funds from OCR.

3.3 At any time, LDC may requisition the County to draw CDBG Funds from OCR for the purpose of disbursing microenterprise grants. The County shall be responsible for effecting any such draws of CDBG Funds in a timely manner upon requisition by LDC and shall disburse CDBG Funds so drawn to LDC no more than three (3) business days after receiving such CDBG Funds from OCR. The cumulative amount of CDBG Funds provided by the County to LDC for the purpose of disbursing microenterprise grants shall not exceed the sum of Two Hundred Forty Thousand dollars (\$240,000.00).

3.4 LDC shall maintain CDBG Funds it receives for the purpose of making microenterprise grants or paying third-party costs in a non-interest-bearing bank checking account and shall disburse all such CDBG Funds no later than five (5) business days after their receipt.

3.5 Notwithstanding any other provision of this Agreement, County shall not be obligated to disburse to LDC any funds that are not made available to County pursuant to the Grant Agreement.

3.6 County shall be obligated to reimburse LDC for the cost of services provided prior to the effective date of this Agreement if such services; (a) were provided on or after the date of the Agreement between the County and the New York State Housing Trust Fund respecting the OCR Grant; (b) represent eligible costs pursuant to the OCR Grant; (c) were provided in a manner consistent with all provisions of this Agreement.

3.7 Notwithstanding any other provision of this Agreement, County shall not be obligated to reimburse LDC for any costs incurred pursuant to this Agreement that are in excess of, or inconsistent with, CDBG amounts approved under the OCR Grant.

Section 4. CDBG Grant

4.1 County and LDC acknowledge and agree that the CDBG Funds provided to LDC pursuant to this Agreement shall be in the form of a grant pursuant to Section 105(a)(15) of the Housing and Community Development of 1974, as amended (42 USC 5305), and that, consistent with the provisions of 24 CFR 570.489(e)(2)(ii), any income received by LDC resulting from LDC's use of CDBG Funds pursuant to this Agreement is not CDBG Program Income and may be retained and used by LDC without restriction.

Section 5. Financial Management

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

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

Section 6. Reports and Information

6.1 At such time and in such forms as OCR or County directs, LDC shall cooperate in submitting to County any statements, records, reports, data and information required by OCR or County pertaining to matters and services covered by this Agreement.

6.2 LDC shall retain all records that are directly pertinent to this Agreement for four years after the OCR Grant and all other pending matters have closed.

Section 7. Inspection of Records

7.1 At any time during normal business hours and as often as County may deem necessary, LDC shall make available to County, the OCR, the Comptroller General of the United States, or any of their duly authorized representatives or agents, all of its records with respect to matters covered by this Agreement, and LDC shall permit County, OCR, the Comptroller General of the United States, or their respective agents, to audit, examine and make excerpts or transcripts from such records and to make audits of all contracts, invoices, materials, reports of personnel, conditions of employment and other data relating to all matters covered by this Agreement.

Section 8. Assignment by LDC

8.1 LDC acknowledges that its rights, obligations, and duties under this Agreement shall not be assigned in whole or in part without the prior written consent of County.

Section 9. Federal Contract Requirements

To the extent applicable to the services provided by LDC under this Agreement, LDC shall comply with the following requirements. In addition, LDC shall include such provisions in any contracts it executes in accomplishing the Statement of Work as described in this Section 2.

9.1 Equal Employment Opportunity. All construction contracts awarded in excess of \$10,000 shall contain a provision requiring compliance with E.O. 11246, "Equal Employment Opportunity," as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

9.2 Anit-Discrimination. Section 109 of the Housing and Community Development Act of 1974 (the "Act"), as amended, and the implementing regulations at 24 CFR 570.602, which require that no person in the United States shall on the ground of race, color, national origin or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with community development funds made available pursuant to the Act. Section 109 of the Act, and the

implementing regulations at 24 CFR Part 146 and 24 CFR Part 8 further provide for the prohibition of discrimination on the basis of age under the Age Discrimination Act of 1975 {42 U.S.C. 6101 *et seq.*}, or with respect to an otherwise qualified handicapped person as provided in section 504 of the Rehabilitation Act of 1973 {29 U.S.C. 794}.

9.3 Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d *et seq.*). No person in the United States shall on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

9.4 Copeland "Anti-Kickback" Act (18 U.S.C. 874 and 40 U.S.C. 3145). All contracts and subgrants in excess of \$2000 for construction or repair shall include a provision for compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874 and 40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"), prohibiting a contractor from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he is otherwise entitled. All suspected or reported violations shall be reported to HUD.

9.5 Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). All construction contracts of more than \$2000 shall include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3148) and as supplemented by Department of Labor regulations (29 CFR part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction"), requiring contractors to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, contractors shall be required to pay wages not less than once a week. A copy of the current prevailing wage determination issued by the Department of Labor shall be placed in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. All suspected or reported violations shall be reported to HUD.

9.6 Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). All construction contracts awarded in excess of \$100,000 that involve the employment of mechanics or laborers shall include a provision for compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708), as supplemented by Department of Labor regulations (29 CFR part 5), requiring each contractor to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours and allowing work in excess of the standard work week provided that the worker is compensated at a rate of not less than 1½ times the basic rate of pay for all hours worked in excess of 40 hours in the work week. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous on federal and federally financed and assisted construction projects. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

9.7 Patent Rights to Inventions Made Under a Contract or Agreement. In the event services include the performance of experimental, developmental, or research work, the Federal Government and the recipient of the OCR Grant shall have patent rights in any resulting invention in accordance with 37 CFR part 401, "Rights to Inventions Made by Nonprofit

Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by HUD.

9.8 Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended. Contracts and subgrants of amounts in excess of \$100,000 shall contain a provision that requires compliance with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251 et seq.). Violations shall be reported to HUD and the Regional Office of the Environmental Protection Agency (EPA).

9.9 Section 3 of the Housing and Community Development Act of 1968 (12 U.S.C. 1701u), as amended, and its associated regulations (24 CFR Part 75). All contracts subject to Section 3 shall include such provisions as are required under 24 CFR Part 75.

9.10 Anti-Job Pirating 24 CFR 570.482 (h). CDBG Funds will not be used to assist directly the relocation of any industrial or commercial plant, facility, or operation, from one area to another area, if the relocation is likely to result in a significant loss of employment in the labor market area (LMA) from which the relocation occurs.

9.11 Additional Federal Law Provisions. The following Federal law provisions shall also apply: the Housing and Community Development Act of 1974, as amended, and the implementing regulations at 24 CFR Part 570; the flood insurance purchase requirements of Section 102 (a) of the Flood Disaster Protection Act of 1973 (42 U.S.C 4021a); the requirements of the Americans with Disabilities Act of 1990, as amended; the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4801 et seq) and the implementing regulations contained in 24 CFR 570.608; the Architectural Barriers Act of 1968, as amended (42 U.S.C. 4151 et seq) (if grant proceeds are used for the design, building or alteration of a building); and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601 et seq) (if grant proceeds are used for the acquisition of real property).

Section 10. Additional Provisions of Law to be Complied With

10.1 The parties hereto agree to comply with applicable State and local laws, rules and regulations, and any future revisions thereto, including but not limited to, 2 CFR Part 200 and 24 CFR Parts 570, in the performance of this Agreement.

Section 11. Indemnification

11.1 LDC shall defend, indemnify, and hold harmless HTFC and County and their respective agents and employees from and against any and all claims, actions, damages, losses, expenses, and costs of every nature and kind, including reasonable attorney's fees, incurred by or asserted or imposed against HTFC or County arising out of LDC's performance of the Statement of Work as set forth at Section 2 of this Agreement, except to the extent that such claims, actions, damages, losses, expenses, and costs arise from an inability of LDC to perform the Statement of Work due to a failure by County to perform its obligations under this Agreement.

Section 12. Supersedure of Prior Agreements

12.1 This Agreement shall supersede all prior agreements, both written and oral, between the parties respecting the use of CDBG Funds awarded by OCR for implementation of the Project.

Section 13. Amendments

13.1 This Agreement may be amended only by the mutual written consent of County and LDC.

Section 14. Notices

14.1 All notices, requests and demands to or upon the respective parties hereto shall be deemed to have been given or made when deposited in the mail, first class postage prepaid, or by recognized overnight carrier addressed as set forth below or to such other address as may be hereafter designated in writing by the respective parties hereto:

County: Chair, Orleans County Legislature
14016 Route 31 West
Albion, New York 14411

LDC: The Orleans County Local Development Corporation
121 North Main Street
Albion, New York 14411

Section 15. Term of Agreement

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

15.2 This Agreement may be terminated by County upon the failure of LDC to accomplish the Statement of Work in a timely manner (as determined by OCR) or otherwise fail to administer the Grant in a manner consistent with the rules, regulations, and policies of OCR. Such termination shall be effected by written notification to LDC by County and shall state the reason(s) for the termination and an effective date of the termination that is no earlier than fourteen (14) days after the date of such written notification.

15.3 Upon a termination of this Agreement for cause pursuant to Section 15.2 of this Agreement, County shall have the right to take the following actions:

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

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

15.4 This Agreement shall terminate immediately upon the occurrence of either of the following:

(a) Suspension or termination of the award of CDBG Funds to the County by OCR occurs due to LDC's material failure to comply with any of the terms and conditions of said award or this Agreement.

(b) The OCR shall have issued to the County a closeout of the Grant that is unconditional and requires no actions that are the responsibility of LDC pursuant to this Agreement.

15.5 Upon a termination of this Agreement, LDC shall not henceforth obligate or expend CDBG Funds.

15.6 Upon a termination of this Agreement, County shall be obligated to pay from CDBG Funds costs resulting from any obligations of CDBG Funds made by LDC pursuant to this Agreement where such obligations were made prior to the date of termination and in a manner consistent with the terms and conditions of this Agreement.

Section 16. Reimbursement of Grant Funds

16.1 In the event that (i) OCR shall make a finding regarding the implementation of the Project that requires County to pay to OCR, or to reimburse to County's CDBG account from non-CDBG Funds, any amount of the OCR Grant funds, and (ii) It is expressly stated by OCR that such OCR finding resulted in whole or in part from LDC's failure to meet its obligations pursuant to this Agreement in a manner acceptable to OCR; then County shall have the right to receive from LDC, and LDC shall have the obligation to pay to County, the lesser of (i) a sum equal to the amount County is required by the OCR finding to pay to OCR or reimburse to County's CDBG account, or (ii) the amount of CDBG Funds disbursed to LDC by County pursuant to this Agreement. County shall exercise such right of receipt by written notification to LDC which includes an assertion of such right, the amount of LDC's obligation, and written evidence of the applicable OCR finding. LDC shall effect such payment to County within twenty-one (21) calendar days of its receipt of such notification.

16.2 Notwithstanding any other provision of this Section 16, in the event that (i) OCR effects a closeout of the OCR Grant, and (ii) at the time of such closeout, there are no pending monetary findings by OCR that resulted in whole or in part from LDC's failure to meet its obligations pursuant to this Agreement in a manner acceptable to OCR, then LDC's performance of the Statement of Work shall be deemed satisfactory and LDC shall henceforth have no payment obligations to County pursuant to this Agreement.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

COUNTY OF ORLEANS, NEW YORK

By: _____
Lynne M. Johnson, Chair

THE ORLEANS COUNTY LOCAL DEVELOPMENT CORPORATION

By: _____
Michael Dobell, CEO

ACKNOWLEDGMENT OF SIGNATORY(IES)

State of New York)
)ss
County of Orleans)

On the day of in the year 2024 before me, the undersigned, a Notary Public in and for said state, personally appeared Lynne M. Johnson, to me known or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Signature of Notary Public

ACKNOWLEDGMENT OF SIGNATORY(IES)

State of New York)
)ss
County of Orleans)

On the day of in the year 2024 before me, the undersigned, a Notary Public in and for said state, personally appeared Michael Dobell, to me known or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Signature of Notary Public