March 7, 2006

Commissioner  
Department of Economic & Community Development  
505 Hudson Street  
Hartford, CT 06106-7106

Dear Commissioner:

This is to advise you that a bank signature card with the signature of the Commissioner of Economic and Community Development will not be required to enforce the attached agreement.

Sincerely,

[Signature]

David F. Weber  
Vice President
PROJECT EXPENDITURES ACCOUNT AGREEMENT

between

THE STATE OF CONNECTICUT,

(Town of Redding, Local Agency)

Peoples Bank of Connecticut, (Bank)

THIS AGREEMENT, made and entered into between the State of Connecticut, hereinafter referred to as the "State," acting herein by its Commissioner of Economic and Community Development, hereinafter referred to as the "Commissioner," Town of Redding, hereinafter referred to as the "Local Agency," and Peoples Bank of Connecticut, hereinafter referred to as the "Bank."

WHEREAS, the Local Agency has entered into an agreement, herein called the "Assistance Agreement," with the State of Connecticut, acting by the Commissioner of Economic and Community Development, herein called the "Commissioner," dated the __________ day of ______________ 20 ___, for financial assistance from the State to enable the Local Agency to finance the cost of a program designated as TOWN OF REDDING SMALL CITIES CDBG # SC0611701 and Project Name and No.)

WHEREAS, the Local Agency has undertaken said project; and

WHEREAS, the Assistance Agreement provides that the Local Agency will establish and maintain in a bank or banks, as shall be approved by the Commissioner, a separate and special account which shall be designated "Expenditures Account: Project #SC0611701," and will deposit in said Account all funds received from the State or Local authorities for the purpose of the program, and all other income from the program including interest, and will use the funds in said account solely for the purpose of paying expenses incident to the operation and management of the program, as approved by the Commissioner.

NOW THEREFORE, in consideration of the mutual promises and undertakings herein provided and for the purpose of carrying out the provisions of the Assistance Agreement the parties hereto do mutually agree as follows:

1. The Local Agency designates the Bank to be the depositary of the funds to be received by said Local Agency for or from the operation, and management of the program, and the Bank agrees that it will credit all funds deposited with it as such depositary in a separate account entitled "Expenditures Account: Project #SC0611701," and that it will make payments out of the funds in said account only as hereinafter expressly provided.

2. The Local Agency hereby authorizes the Bank to disclose to the Commissioner, any and all financial records of the Local Agency upon request of the Commissioner.
3. In the event the Bank shall at any time receive notice from the Commissioner that no further withdrawals by the Local Agency from said account are to be permitted until authorized by the Commissioner, the Bank will upon and after receipt of such notice refuse to honor any further checks drawn by the Local Agency on said account or to permit any withdrawals by the Local Agency on said account until thereafter expressly authorized to do so by written notice from the Commissioner.

4. The Bank will honor any withdrawals on the account by the Commissioner if such withdrawal shall contain or the Bank shall have received a certificate from the Commissioner addressed to the Bank and to the Local Agency in either of the following forms:

(a) "The withdrawal to which this certificate relates is drawn to pay a proper share to the TOWN OF REDDING SMALL CITIES CDBG #SC0611701 (Local Agency and Project Name and No.)"

(b) "The withdrawal to which this certificate relates is drawn to pay to the State of Connecticut all unexpended State funds, including any interest accrued, which remains on deposit in the account designated "Project Expenditures Account Number 027-7013877". The Commissioner has mailed to the Local Agency a Statement setting forth the reasons for and the purposes of the withdrawal to which this certificate relates.

(c) The requirements, if any, for a bank signature card to be kept on file at the bank on behalf of the Commissioner of Economic and Community Development is more fully specified in Attachment A, attached hereto and made a part hereof.

5. The Bank is not expected to be familiar and shall not be charged with knowledge of the provisions of the Assistance Agreement and shall be under no duty to investigate or determine whether any action taken by the Commissioner in respect to said account is consistent with default under the provisions thereof. The Bank shall be fully justified in accepting and acting upon without investigation any certificate, statement, opinion, notice or demand furnished to it pursuant to the provisions of this agreement and with the Bank shall in good faith believe to have been fully authorized and executed on behalf of the party in whose name it purports to have been executed.

6. The rights and duties of the Bank under this agreement shall not be transferred or assigned by it without the written approval of the Local Agency and the Commissioner.

7. The Local Agency or the Bank may terminate this agreement at any time upon sixty (60) days written notice to the other and to the Commissioner. Except as herein provided, this agreement shall not be amended, rescinded, modified or terminated without the prior written consent of the Commissioner.

8. This agreement shall inure to the benefit of and be valid and binding upon the parties hereto and their respective legal representatives, successors and assigns.

9. This agreement may be executed in several counterparts, each of which shall be deemed to be an original and such counterparts shall constitute one and the same instrument.
IN WITNESS WHEREOF, the Local Agency and the Bank, acting by their duly authorized Agents and the Commissioner, have caused this Agreement to be executed on the dates indicated below.

Town of Redding
Local Agency

(SEAL)

Witness Susan C. Henderson

(SIGNATURE)

Witness Lynda Lewis

(SEAL)

Witness

BY: Natalie T.Ketcham
Agent
Date: 2/14/06
Natalie T.Ketcham, First Selectwoman

Bank

BY: Agent
Date: 3/14/06

CONNECTICUT DEPARTMENT OF ECONOMIC & COMMUNITY DEVELOPMENT

Commissioner

BY: Date: 3/27/06
March 7, 2006

Commissioner
Department of Economic & Community Development
505 Hudson Street
Hartford, CT 06106-7106

Dear Commissioner:

This is to advise you that a bank signature card with the signature of the Commissioner of Economic and Community Development will not be required to enforce the attached agreement.

Sincerely,

[Signature]

David F. Weber
Vice President
PROJECT EXPENDITURES ACCOUNT AGREEMENT

between

THE STATE OF CONNECTICUT,

Town of ___________ of ___________ and

(Local Agency)

People’s Bank of Connecticut

(Bank)

THIS AGREEMENT, made and entered into between the State of Connecticut, hereinafter referred to as the “State,” acting herein by its Commissioner of Economic and Community Development, hereinafter referred to as the “Commissioner,” Town of ___________ hereinafter referred to as the “Local Agency,” and People’s Bank of CONNECTICUT, hereinafter referred to as the “Bank.”

WHEREAS, the Local Agency has entered into an agreement, herein called the “Assistance Agreement,” with the State of Connecticut, acting by the Commissioner of Economic and Community Development, herein called the “Commissioner,” dated the _______ day of ___________ 20___, for financial assistance from the State to enable the Local Agency to finance the cost of a program designated as TOWN OF REDDING SMALL CITIES CDBG # SC0611701 and

   Project Name and No.)

WHEREAS, the Local Agency has undertaken said project; and

WHEREAS, the Assistance Agreement provides that the Local Agency will establish and maintain in a bank or banks, as shall be approved by the Commissioner, a separate and special account which shall be designated “Expenditures Account: Project #SC0611701,” and will deposit in said Account all funds received from the State or Local authorities for the purpose of the program, and all other income from the program including interest, and will use the funds in said account solely for the purpose of paying expenses incident to the operation and management of the program, as approved by the Commissioner.

NOW THEREFORE, in consideration of the mutual promises and undertakings herein provided and for the purpose of carrying out the provisions of the Assistance Agreement the parties hereto do mutually agree as follows:

1. The Local Agency designates the Bank to be the depository of the funds to be received by said Local Agency for or from the operation, and management of the program, and the Bank agrees that it will credit all funds deposited with it as such depository in a separate account entitled “Expenditures Account: Project #SC0611701,” and that it will make payments out of the funds in said account only as hereinafter expressly provided.

2. The Local Agency hereby authorizes the Bank to disclose to the Commissioner, any and all financial records of the Local Agency upon request of the Commissioner.
3. In the event the Bank shall at any time receive notice from the Commissioner that no further withdrawals by the Local Agency from said account are to be permitted until authorized by the Commissioner, the Bank will upon and after receipt of such notice refuse to honor any further checks drawn by the Local Agency on said account or to permit any withdrawals by the Local Agency on said account until thereafter expressly authorized to do so by written notice from the Commissioner.

4. The Bank will honor any withdrawals on the account by the Commissioner if such withdrawal shall contain or the Bank shall have received a certificate from the Commissioner addressed to the Bank and to the Local Agency in either of the following forms:

(a) “The withdrawal to which this certificate relates is drawn to pay a proper share to the TOWN OF REDDING SMALL CITIES CDBG #SC0611701
   (Local Agency and Project Name and No.)

(b) “The withdrawal to which this certificate relates is drawn to pay to the State of Connecticut all unexpended State funds, including any interest accrued, which remains on deposit in the account designated “Project Expenditures Account Number 027-7013877.” The Commissioner has mailed to the Local Agency a Statement setting forth the reasons for and the purposes of the withdrawal to which this certificate relates.

(c) The requirements, if any, for a bank signature card to be kept on file at the bank on behalf of the Commissioner of Economic and Community Development is more fully specified in Attachment A, attached hereto and made a part hereof.

5. The Bank is not expected to be familiar and shall not be charged with knowledge of the provisions of the Assistance Agreement and shall be under no duty to investigate or determine whether any action taken by the Commissioner in respect to said account is consistent with default under the provisions thereof. The Bank shall be fully justified in accepting and acting upon without investigation any certificate, statement, opinion, notice or demand furnished to it pursuant to the provisions of this agreement and with the Bank shall in good faith believe to have been fully authorized and executed on behalf of the party in whose name it purports to have been executed.

6. The rights and duties of the Bank under this agreement shall not be transferred or assigned by it without the written approval of the Local Agency and the Commissioner.

7. The Local Agency or the Bank may terminate this agreement at any time upon sixty (60) days written notice to the other and to the Commissioner. Except as herein provided, this agreement shall not be amended, rescinded, modified or terminated without the prior written consent of the Commissioner.

8. This agreement shall inure to the benefit of and be valid and binding upon the parties hereto and their respective legal representatives, successors and assigns.

9. This agreement may be executed in several counterparts, each of which shall be deemed to be an original and such counterparts shall constitute one and the same instrument.
IN WITNESS WHEREOF, the Local Agency and the Bank, acting by their duly authorized Agents and the Commissioner, have caused this Agreement to be executed on the dates indicated below.

(SEAL)

Town of Redding
Local Agency

By: Natalie T. Ketcham
Agent
Natalie T. Ketcham, First Selectwoman
Date: 2/24/06

(SEAL)

People's Bank

By: [Signature]
Agent
Date: 3/14/06

CONNECTICUT DEPARTMENT OF ECONOMIC & COMMUNITY DEVELOPMENT

(SEAL)

Witness

By: [Signature]
Commissioner
Date: 3/23/06

Witness

Lynda Lewis
# STATE OF CONNECTICUT DEPARTMENT OF ECONOMIC & COMMUNITY DEVELOPMENT
## SMALL CITIES CDBG PROGRAM
### FINANCING PLAN & BUDGET

<table>
<thead>
<tr>
<th>Name of Applicant:</th>
<th>Contract Number:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Town of Redding</td>
<td>SC0611701</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name of Project:</th>
<th>Original Date: From:</th>
<th>To:</th>
</tr>
</thead>
</table>

**NEW X**

<table>
<thead>
<tr>
<th>Amendment:</th>
<th>Budget Extension: From:</th>
<th>To:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### PART A: SUMMARY OF PROJECT ACTIVITIES (SOURCES & USES)

<table>
<thead>
<tr>
<th>LINE ITEM / ACTIVITY</th>
<th>SMALL CITIES HARD COSTS</th>
<th>SMALL CITIES PROGRAM COSTS</th>
<th>SMALL CITIES TOTAL ACTIVITY COSTS</th>
<th>ALL OTHER COSTS FUNDED BY OTHER SOURCES</th>
<th>TOTAL ACTIVITY COSTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. ACQUISITION OF REAL PROPERTY</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>2. DISPOSITION</td>
<td>0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. CLEARANCE AND DEMOLITION</td>
<td>530,000.00</td>
<td>20,000.00</td>
<td>550,000.00</td>
<td>100,000.00</td>
<td>650,000.00</td>
</tr>
<tr>
<td>4. COMMUNITY FACILITIES AND IMPROVEMENTS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Senior Centers</td>
<td>0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Recreational Facilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Centers for the Handicapped</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. Neighborhood Facilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>e. Removal of Architectural Barriers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>f. Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. WATER / SEWER / FLOOD AND DRAINAGE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Water Facilities</td>
<td>0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Sewer Facilities</td>
<td>0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Flood &amp; Drainage Facilities</td>
<td>0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. Assessments</td>
<td>0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>e. Other Utilities</td>
<td>0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6. STREETS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Street Improvements</td>
<td>0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Sidewalk / Pedestrian Malls / Streetscape</td>
<td>0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Parking Facilities</td>
<td>0.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LINE ITEM / ACTIVITY</td>
<td>SMALL CITIES HARD COSTS</td>
<td>SMALL CITIES PROGRAM COSTS</td>
<td>SMALL CITIES TOTAL ACTIVITY COSTS</td>
<td>OTHER COSTS FUNDED BY OTHER SOURCES</td>
<td>TOTAL ACTIVITY COSTS (Sum of SC Total Activity Costs + All Other Costs)</td>
</tr>
<tr>
<td>---------------------</td>
<td>-------------------------</td>
<td>---------------------------</td>
<td>----------------------------------</td>
<td>------------------------------------</td>
<td>---------------------------------------------------------------------</td>
</tr>
<tr>
<td>7. INTERIM EMERGENCY REPAIRS</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>8. PUBLIC / SOCIAL SERVICES</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>9. RELOCATION</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>10. REHABILITATION, PRESERVATION, AND HOUSING ACTIVITIES</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>a. Rehabilitation of Public Residential Structures</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>b. Rehabilitation of Private Residential Structures</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>c. Code Enforcement</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>d. Historic Preservation</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>e. Public Housing Modernization</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>f. Rehabilitation of Commercial Buildings</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>11. ECONOMIC DEVELOPMENT ACTIVITIES</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>a. Job Creation / Retention for Private For-Profit Corporation</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>b. Job Creation / Retention for Private Non-Profit Corporation</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>c. Micro-enterprise Loan Program</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>12. SPECIAL ACTIVITIES BY NON-PROFIT CORPORATION</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>13. DOWNPAYMENT ASSISTANCE</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>14. SUBTOTAL (Sum of Lines 1-13)</td>
<td>$530,000.00</td>
<td>$20,000.00</td>
<td>$550,000.00</td>
<td>$100,000.00</td>
<td>$650,000.00</td>
</tr>
<tr>
<td>15. PLANNING</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>a. Development of a Comprehensive Community Development Plan</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>b. Development of a Policy, Management, Capacity Building</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>c. Special Functional Planning Activities</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>16. GENERAL ADMINISTRATION</td>
<td>50,000.00</td>
<td>50,000.00</td>
<td>50,000.00</td>
<td>50,000.00</td>
<td>50,000.00</td>
</tr>
<tr>
<td>a. General management, Oversight, and Coordination</td>
<td>50,000.00</td>
<td>50,000.00</td>
<td>50,000.00</td>
<td>50,000.00</td>
<td>50,000.00</td>
</tr>
<tr>
<td>b. Indirect Costs</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>c. Citizen Participation</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>d. Environmental Assessment</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>17. TOTAL (Sum of Lines 1-16)</td>
<td>$580,000.00</td>
<td>$20,000.00</td>
<td>$600,000.00</td>
<td>$100,000.00</td>
<td>$700,000.00</td>
</tr>
</tbody>
</table>
PART B: BLOCK GRANT RESOURCES FOR PROJECT ACTIVITY COSTS

1. Small Cities Grant Amount ("Small Cities Total Project Costs" from Line 17 of Part A) $ 600,000.00
2. Program Income $ -
3. TOTAL BLOCK GRANT RESOURCES (Sum of Lines 1 & 2 of Part B) $ 600,000.00

PART C: IDENTIFICATION OF OTHER FUNDING SOURCES

<table>
<thead>
<tr>
<th>NAME OF ALL OTHER FUNDING SOURCES</th>
<th>CASH</th>
<th>IN-KIND SERVICES</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. GLDC</td>
<td>$ 100,000.00</td>
<td>$ -</td>
<td>$ 100,000.00</td>
</tr>
<tr>
<td>2.</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>3.</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>4. TOTAL ALL OTHER FUNDING SOURCES (Sum of Lines 1-3 of Part C)</td>
<td>$ 100,000.00</td>
<td>$ -</td>
<td>$ 100,000.00</td>
</tr>
</tbody>
</table>

I request approval of the Small Cities Finance Plan & Budget:

[Signature]
Natalie T. Ketcham, First Selectwoman

(TYPE or PRINT) Name and Title

Approved by:
[Signature]
James F. Aromitis
Commissioner
Department of Economic & Community Development

Date: Feb 24, 2016

3-23-06
April 20, 2006

Honorable Natalie Ketcham
First Selectwoman
Town of Redding
100 Hill Road
Redding, CT 06875

Dear First Selectwoman Ketcham:

RE: SC Contract #SC0611701

Enclosed is a fully executed counterpart of the Assistance Agreement for the Small Cities Grant referenced above. This grant is for the following activity:

**Gilbert & Bennett Wire Mill Site Buildings (3) Demolition**

Also enclosed are two counterparts of the Project Expenditures Account Agreement for this grant. Please forward one counterpart to the appropriate financial institution and retain the other for your records.

Please feel free to contact me at 860-270-8192 if you have questions or need additional assistance.

Sincerely,

[Signature]

Delores Capers
Community Development Agent
Office of Community Development

Enclosures
Cc: Laurence E. Wagner, L. Wagner & Associates, Inc.
ASSISTANCE AGREEMENT BETWEEN THE STATE OF CONNECTICUT AND THE TOWN OF REDDING UNDER THE SMALL CITIES COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

THIS AGREEMENT (the Agreement) is entered into by and between the State of Connecticut, hereinafter referred to as the "State," acting by its Commissioner of Economic and Community Development, hereinafter referred to as the "Commissioner," pursuant to Section 8-206 of the Connecticut General Statutes and Title I of the Housing and Community Development Act of 1974, as amended, and 24 CFR Part 570 of the regulations of the United States Department of Housing and Urban Development, and the Town of Redding, a municipal corporation of the State of Connecticut, hereinafter referred to as the "Municipality" or "Grantee", acting herein by its First Selectwoman, duly authorized.

WITNESSETH THAT,

Whereas, the State has applied for and received from the Secretary (the Secretary) of the United States Department of Housing and Urban Development (HUD) Small Cities Community Development Block Grant ("CDBG") funds pursuant to Title I of the Housing and Community Development Act of 1974, as amended (hereinafter "the Small Cities Program"); and

Whereas, the Municipality has submitted to the State an application for a grant to implement and carry out an eligible activity under the Small Cities Program for the Gilbert & Bennett Wire Mill Site Building Demolition, located at 1 North Street, Georgetown, CT; and

WHEREAS, the Municipality acknowledges that it has received a copy of the Small Cities Program Implementation Manual, which describes the requirements of the Small Cities Program; and

WHEREAS, the Municipality will carry out the Project in accordance with the requirements of the Small Cities Program and 24 CFR Part 570, which are incorporated by reference and made a part hereof; and

WHEREAS, in reliance upon the information submitted by the Municipality in its application, which is incorporated herein by reference and made a part hereof, the State is willing to make a grant to the Municipality utilizing Small Cities Program funds through periodic disbursements for the intended uses and purposes of the Project, subject to compliance with and satisfaction of the terms and conditions set forth in this Agreement;

NOW, THEREFORE, in consideration of the mutual obligations, covenants, and promises of the parties herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Municipality and the State agree as follows:
THE GRANT

1. The State agrees to make a grant to the Municipality in an amount of $600,000.00.

2. From time to time the State will disburse to the Municipality such portions of the grant as shall be required under the Program and pursuant to the limitations set out in Appendix I, Project Schedule, subject to the following conditions:

   a. The Municipality shall requisition funds on account of the grant provided in Section 1 hereof, by filing with the State, on forms prescribed, a written requisition which shall describe in detail the Project cost items for which such funds will be used.

   b. As part of said requisition, the Municipality will file with the State a written statement demonstrating to the State's satisfaction that the requisitioned funds are then presently needed for Project cost items and will be expended within three days of their receipt from the State and that the amounts so requisitioned for such Project cost items are reasonable.

   c. Upon request by the State, the Municipality will demonstrate to the State's satisfaction that the Municipality has complied with any particular provision or provisions of this agreement.

3. Funds made available by the State to the Municipality pursuant to Section 2 are received from the United States Department of the Treasury and, as such, the State has no control over their timely receipt. The State agrees to take all actions required to secure these funds; however, delays resulting from actions or inaction by United States Government in making these funds available to the State are determined to be beyond the State's control and no liability shall attach for such delays.

4. The Municipality will comply with all pertinent provisions of local, State, and Federal law in administering and executing the Project.

5. The Municipality will carry out the Project with all practicable dispatch in a sound, economical, and efficient manner in accordance with the Project Plan, its application, and with this agreement.

FISCAL MANAGEMENT AND AUDIT

6. The Municipality will establish and maintain in a bank or banks, an account that shall hereinafter be referred to as the "Project Expenditures Account". Such account shall be a non-interest bearing account.

7. Immediately upon the establishment of a Project Expenditures Account, the Agency will notify the State in writing of the name of the bank in which such account has been established and of the number of such account.
8. The Municipality will deposit in its Project Expenditures Account:
   a. All funds received by the Municipality from the State pursuant to the grant contained in Section 1 of this Agreement; and
   b. Any other income received by this Project; and,
   c. No funds other than those described in subparagraphs "a" and "b" of this paragraph.

9. The Municipality will not draw or permit to be drawn, or encumber or permit to be encumbered in any way, any funds in any Project Expenditures Account except for the purpose of paying a Project cost item which appears in the Project Budget. Said Budget is entitled “Finance Plan and Budget” and is attached hereto as Appendix II.

10. No check, draft, or order shall be drawn by the Municipality upon any Project Expenditures Account unless a signed voucher setting forth in detail the purpose for which such check, draft, or order is to be drawn has been filed with the fiscal officer of the Municipality who is responsible for the issuance of such check, draft, or order.

11. All paid checks, drafts and orders drawn upon any Project Expenditures Account, and all vouchers relating to such checks, drafts and orders shall be safely stored by the Municipality and shall be made available to the State for inspection while this agreement is in effect and for a period of six (6) years after the last payment by the State on account of the grant or advance provided for in Section 1 hereof or until the Project has been audited to the satisfaction of the State and a Certificate of Termination has been issued.

12. Immediately upon the establishment by the Municipality of a Project Expenditures Account, the Municipality will execute an agreement with the State and with the bank or banks in which such account has been established on a form to be prescribed, which agreement will grant to the Commissioner the right to order such bank or banks not to honor checks, drafts, or other orders drawn on such account until further notice from the State and the right to withdraw funds from such account to be used by the State to pay any proper charge of the Project, or to return such funds to the State.

13. In the management of funds received under this contract, the Municipality shall comply with the Federal requirements as contained in OMB Circular No. A-87, "Cost Principles for State and Local Governments," 24 CFR Part 85, Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments, and OMB Circular No. A-133, "Audits of State and Local Governments". In assuring compliance with OMB Circulars Nos. A-87 and A-133, and 24 CFR Part 85, it is understood that the Commissioner shall have all of the rights granted to the Federal Government by those Circulars and Part 85.

14. The Municipality shall provide for an annual audit acceptable to the State, in accordance with the provisions of OMB Circular A-133, "Audit Requirements for State
and Local Governments" pursuant to "the Single Audit Act of 1984," Public Law 98-502, and Section 7-396a of the Connecticut General Statutes. Small Cities Program funds may be used to pay for the portion of the audit that applies to use of Small Cities Program funds. Three copies of the audit must be submitted to Department of Economic and Community Development thirty (30) days after completion of the audit or nine months after the end of the fiscal year, which ever comes first.

15. During the administration of this Project, the Municipality shall erect appropriate signs, as determined by the State, which notify the public of the participation of the Federal Government and the State of Connecticut.

PROGRAM INCOME

16. Program Income may be used only for eligible CDBG activities and in accordance with the provisions of Title I of the Housing and Community Development Act of 1974, as amended, 24 CFR Part 570.489(e), and the Small Cities Implementation Manual.

17. The Municipality may retain program income derived from eligible activities funded with CDBG funds so long as such program income is used to continue such activities. Use of program income by the Municipality is subject to all applicable Small Cities Program rules. The Municipality will be required to disburse its program income prior to requesting additional funds or drawdowns for the same activity.

18. Program income in excess of $25,000 per year generated from this grant must be tracked separately and reported annually to the State of Connecticut.

RECORDS AND INSPECTION

19. The Municipality will maintain full, accurate, and current minutes and records of the Project in a form satisfactory to the State.

20. The Municipality will furnish at such time as the State shall determine, any documents, data, and information relating to the Project that the State shall request.

21. At such time as the State shall determine, the Municipality will submit to the State progress and status reports relating to the Project in the form prescribed. Failure to submit such reports by the date required will cause the State to withhold payment of requested funds.

22. The Commissioner or his delegate shall have the right at any time to inspect the minutes, records, books, files, and other papers of the Municipality relating to the Project. The Municipality shall aid and cooperate with the State in any such inspection.

23. The Commissioner and his delegate shall have the right to investigate all activities relating to the Project. The Municipality shall aid and cooperate with the Commissioner and his delegate in any such investigation.
NONDISCRIMINATION

24. Pursuant to Connecticut General Statutes Section 4a-60:

(a) For the purposes of this section, "minority business enterprise" means any small Contractor or supplier of materials assets of which is owned by a person or persons: (1) who are active in the daily affairs of the enterprise, (2) who have the power to direct the management and policies of the enterprise and (3) who are members of a minority, as such term is defined in subsection (a) of Connecticut General Statutes §32-9n; and "good faith" means that degree of diligence which a reasonable person would exercise in the performance of legal duties and obligations. "Good faith efforts" shall include, but not be limited to, those reasonable initial efforts necessary to comply with statutory or regulatory requirements and additional or substituted efforts when it is determined that such initial efforts will not be sufficient to comply with such requirements.

For purposes of this Section, "Commission" means the Commission on Human Rights and Opportunities.

(b) (1) The Contractor agrees and warrants that in the performance of the contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved, in any manner prohibited by the laws of the United States or of the state of Connecticut. The Contractor further agrees to take affirmative action to insure that applicants with job related qualifications are employed and that employees are treated when employed without regard to their race, color, religious creed, age, marital status, national origin, ancestry, sex, mental retardation, or physical disability, including, but not limited to, blindness, unless it is shown by such Contractor that such disability prevents performance of the work involved; (2) the Contractor agrees, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, to state that it is an "affirmative action-equal opportunity employer" in accordance with regulations adopted by the Commission; (3) the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such Contractor has a contract or understanding, a notice to be provided by the Commission advising the labor union or workers' representative of the Contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (4) the Contractor agrees to comply with each provision of Connecticut General Statutes §§ 4a-60, 46a-68e and 46a-68f and with each regulation or relevant order issued by said Commission pursuant to Connecticut General Statutes §§ 46a-56 and 46a-68e; (5) the Contractor agrees to provide the Commission on human rights and opportunities with such information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor as relate to the provisions of this section and section 46a-56. If the contract is a public work contract, the Contractor
agrees and warrants that he will make good faith efforts to employ minority and women business enterprises as subcontractors and suppliers of materials on such public works project.

(c) Determination of the Contractor's good faith efforts shall include but shall not be limited to the following factors: The Contractor's employment and subcontracting policies, patterns and practices; affirmative advertising, recruitment and training; technical assistance activities and such other reasonable activities or efforts as the Commission may prescribe that are designed to ensure the participation of minority/women business enterprises in public works projects.

(d) The Contractor shall develop and maintain adequate documentation, in a manner prescribed by the Commission, of its good faith efforts.

(e) The Contractor shall include the provisions of subsection (b) of this section in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with Connecticut General Statutes § 46a-56, as amended by Section 5 of Public Act 89-253; provided if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.

(f) The Contractor agrees to comply with the regulations referred to in this section as they exist on the date of this contract and as they may be adopted or amended from time to time during the term of this contract and any amendments thereto.

25. (a) Pursuant to the provisions of Connecticut General Statutes Section 4a-60a, the Contractor agrees and warrants that in the performance of the contract such Contractor will not discriminate or permit discrimination against any person or group of persons on the grounds of sexual orientations, in any manner prohibited by the laws of the United States or of the State of Connecticut, and that employees are treated when employed without regard to their sexual orientation; (2) the Contractor agrees to provide each labor union or representative of workers with which such Contractor has a collective bargaining agreement or other contract or understanding and each vendor with which such Contractor has a contract or understanding, a notice to be provided by the Commission on human rights and opportunities advising the labor union or workers' representative of the Contractor's commitments under this section, and to post copies of the notice in conspicuous places available to employees and applicants for employment; (3) the Contractor agrees to comply with each provision of this section and sections 46a-68e and 46a-68f of the general statutes and with each regulation or relevant order issued by said Commission pursuant to section 46a-56, 46a-68e and 46a-68f of the general
statutes; (4) the Contractor agrees to provide the Commission on human rights and opportunities with such information requested by the Commission, and permit access to pertinent books, records and accounts, concerning the employment practices and procedures of the Contractor as relate to the provisions of this section and section 46a-56 of the Connecticut General Statutes.

(b) The Contractor shall include the provisions of subsection (a) of this section in every subcontract or purchase order entered into in order to fulfill any obligation of a contract with the State and such provisions shall be binding on a subcontractor, vendor or manufacturer unless exempted by regulations or orders of the Commission. The Contractor shall take such action with respect to any such subcontract or purchase order as the Commission may direct as a means of enforcing such provisions including sanctions for noncompliance in accordance with section 46a-56 of the general statutes; provided, if such Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Commission, the Contractor may request the State of Connecticut to enter into any such litigation or negotiation prior thereto to protect the interests of the State and the State may so enter.

26. This contract is subject to the provisions of Executive Order No. 3 of Governor Thomas J. Meskill promulgated June 16, 1971, and, as such, this contract may be canceled, terminated, or suspended by the State Labor Commissioner for violation of or noncompliance with said Executive Order No. Three, or any State or Federal law concerning nondiscrimination, notwithstanding that the Labor Commissioner is not a party to this contract. The parties to this contract, as part of the consideration hereof, agree that said Executive Order No. Three is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the State Labor Commissioner shall have continuing jurisdiction in respect to contract performance in regard to nondiscrimination, until the contract is completed or terminated prior to completion.

27. This contract is subject to the provisions of Executive Order No. 17 of Governor Thomas J. Meskill, promulgated February 15, 1973, and, as such, this contract may be canceled, terminated, or suspended by the Commissioner of Department of Economic and Community Development or the State Labor Commissioner for violation of or noncompliance with said Executive Order No. Seventeen, notwithstanding that the Labor Commissioner may not be a party to this contract. The parties to this contract, as part of the consideration hereof, agree that Executive Order No. Seventeen is incorporated herein by reference and made a part hereof. The parties agree to abide by said Executive Order and agree that the Commissioner of Department of Economic and Community Development and the State Labor Commissioner shall have joint and continuing jurisdiction in respect to listing all employment openings with the Connecticut State Employment Service.

28. Federally assisted construction contracts subject to Federal Executive Order 11246, as amended, shall be subject to the implementing regulations at 41 CFR Chapter 60. The Municipality shall cause or require to be inserted in full in any nonexempt contract and