

REQUEST FOR ADDITIONAL APPROPRIATION

Instructions: Complete all information in Parts A and B. Have Director/ Department Head sign and date on appropriate lines in Part C. Forward original to OPM Director, 10th Floor. OPM Director will forward to the Boards. Submit to OPM by the 20th of the month in order to be included on the next Board of Finance and Representatives meeting agendas.

Part A - Account Information

		Grant Year	FY23-24
Project #	S33NEW	Dept. Name	Grants Office
Revenue #	243S0003322000	Account Title	State Assistance
Expend. #	244XNEW3601	Account Title	Dept of Economic and Community Dev
Source:	100% Grant Funded		

Request Amount \$950,000

Previous Year's Expenditure	_____
Department Request	_____
Approved by Mayor	_____
Approved by Finance Board	_____
Approved by Board of Reps.	_____
Revised Budget	_____
Balance in Account	_____
Projected Exp. & Enc.	_____


Part B - Request Description and Supporting Calculations


The City of Stamford has been awarded \$950,000 from the CT Department of Economic and Community Development to subaward to Henry Street LLC for the purpose of Brownfield Remediation at the Blickenderfer Building located at 650 Atlantic Street. This project will remediate impacted soil and groundwater at the 650 Atlantic Street property. The project does not require any engineering involvement from the City. The total project costs are \$10,300,000. The developer (Henry Street LLC) is committing \$9,350,000 to complete the construction phase.


TAX IMPACT 0.000 Mills

Part C - Approvals


Anita Carpenter (Feb 23, 2023 16:51 EST)
Feb 23, 2023
Anita Carpenter, Grants Officer


Elda Sinani (Feb 24, 2023 12:43 EST)
Feb 24, 2023
Elda Sinani, Director of OPM


Sandra Dennies (Feb 24, 2023 13:06 EST)
Feb 24, 2023
Sandra Dennies, Director of Administration


Caroline Simmons (Feb 24, 2023 16:07 EST)
Feb 24, 2023
Caroline Simmons, Mayor

CAROLINE SIMMONS
MAYOR
CITY OF STAMFORD, CONNECTICUT



TEL: 203 977 4150
FAX: 203 977 5845
E-MAIL: CSIMMONS@STAMFORDCT.GOV

February 21, 2023

TO: Members of the Board of Representatives

RE: Resolution Authorizing the Mayor to enter into an Agreement with CT Department of Economic and Community Development for Brownfield Remediation at the Blickenderfer Building

Dear Board Members:

Enclosed is a resolution authorizing me, as Mayor, to execute a contract so that the City can subaward funding to Henry Street LLC, to support the Brownfield Remediation at the Blickenderfer Building. The state has awarded \$950,000 dollars for Brownfield remediation.

Please consider this resolution at your next regular Board meeting. Questions regarding this resolution may be made to Anita Carpenter, Grants Officer at (203) 977-4911.

Sincerely,

Caroline Simmons

Caroline Simmons
Mayor

CS:ac
Enclosure

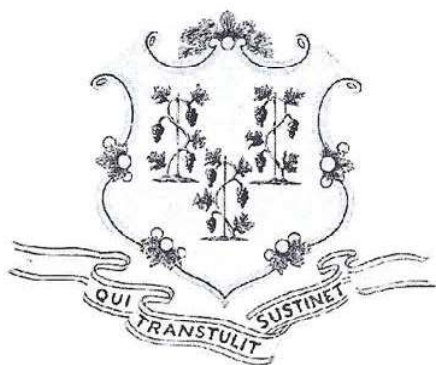
cc: Anita Carpenter, Grants Officer

State of Connecticut

Governor Ned Lamont

Department of Economic and Community Development

Commissioner David Lehman



**Financial Assistance Proposal
To
The City of Stamford
Pass-through to Henry Stamford LLC**

**For
Blickensderfer Building
650 Atlantic Street**

November 2022



Deputy Commissioner Alexandra Daum
Department of Economic and Community Development

November 1, 2022

Caroline Simmons
Mayor
City of Stamford
Stamford Government Center
888 Washington Boulevard
10th Floor
Stamford, CT 06901

Dear Hon. Mayor Caroline Simmons:

The Department of Economic and Community Development is pleased to submit a proposal for assistance in support of the City of Stamford's plans to clean up the property at the 650 Atlantic Street (Blickensderfer) property in Stamford, CT. The following pages contain a project description and supporting details of a financial assistance package developed jointly between your staff and ours.

This proposal represents Governor Lamont's continuing commitment to support Connecticut's municipalities and we are pleased to have an opportunity to work with you on this project. The success of your project and your community are important to us.

Our staff will continue to be available to you and your staff throughout the duration of the project. If you have any questions concerning this proposal, please contact William Wallach at 860.500.2335.

Sincerely,

Alexandra Daum
Deputy Commissioner

Agreed and Accepted By:

City of Stamford

Caroline Simmons, Mayor

Approved as to Form
Corporation Counsel

By

Date Nov 17, 2022

11/18/22
Date

Henry Stamford LLC

By:

Ted Ferrarone
Authorized Signatory

11/2/22
Date

BACKGROUND

Applicant (Primary Recipient) Description: The City of Stamford has a population of 135,000 and encompasses an area of approximately 52 square miles. Stamford is in the Bridgeport-Stamford-Norwalk-Danbury metropolitan statistical area, which is part of the New York City metropolitan area. Stamford is home to four Fortune 500 Companies, nine Fortune 1000 Companies, and 13 Courant 100 Companies, as well as numerous divisions of large corporations. This gives Stamford the largest financial district in New York Metro outside New York City itself and one of the largest concentrations of corporations in the nation.

Sub-Recipient Description: Henry Stamford LLC, the sub-recipient of the grant, is the current owner of the property. The parent or upstream entity is Harbor Point Holding Company LLC, a Delaware limited liability company.

Project Description: The City of Stamford will use the \$950,000 Brownfield Grant to remediate impacted soil and groundwater at the 650 Atlantic Street property.

The City is partnering with Henry Stamford LLC, who will construct a mixed-use, transit-oriented development on the 2.5-acre site, hereinafter, the “Redevelopment Project.” The project will include preservation of historic structures at the site and demolition of a portion of the Blickensderfer (factory) building for remediation. The Redevelopment Project will be a separate phase from the current proposed DECD remediation project (Phase I). The proposed development is mixed-use, including retail and approximately 1,000 dwelling units.

The direct recipient of the State Funding will be the City of Stamford (hereinafter, the “Primary Recipient” or “Applicant”). The State Funding will be a pass-through in the form of a Grant from the Applicant to Henry Stamford LLC (the “Sub-Recipient”) pursuant to a Sub-Recipient Agreement by and between the Applicant and the Sub-Recipient in form and substance satisfactory to the DECD. The Sub-Recipient will be the owner of the Project and be responsible for the implementation of the Project.

Project Property Description and Access Details: The project property includes the parcel located at 650 Atlantic Street and is currently owned and operated by Henry Stamford LLC, the Sub-Recipient.

SOURCE AND USE OF FUNDS

Sources of Funds

DECD – Brownfield Grant (“State Funding”)	\$950,000
Developer Funding (Sub-Recipient)	\$9,350,000
Total	\$10,300,000

Use of Funds

Construction	\$9,350,000
Remediation	\$ 950,000

Total**\$10,300,000**

** The figures above may be amended from time to time through requests for revisions to the Project Financing Plan and Budget, as approved by the Department of Economic and Community Development.*

FINANCIAL ASSISTANCE PROPOSAL

This financial assistance proposal is based upon the commitment of the City of Stamford (hereafter, the "Applicant"), to take responsibility for the implementation of the Project by the Sub-Recipient, and as described herein. The State of Connecticut, acting through the Department of Economic and Community Development ("DECD" or "the State") and under the provisions of Connecticut General Statutes ("C.G.S.") Sec. 32-763 proposes a financial assistance package consisting of a grant in the total amount of \$950,000. DECD financial assistance shall not exceed \$950,000, as described in this proposal and as set forth in the most recently approved Project Financing Plan and Budget. The components of this financial assistance are outlined below:

Applicant:	City of Stamford				
DECD Financing:	\$ 950,000 Grant				
Amount and Use of DECD Funds:	<table><tbody><tr><td><u>\$950,000</u></td><td><u>Remediation</u></td></tr><tr><td>\$950,000</td><td>Total</td></tr></tbody></table>	<u>\$950,000</u>	<u>Remediation</u>	\$950,000	Total
<u>\$950,000</u>	<u>Remediation</u>				
\$950,000	Total				

SUB-RECIPIENT AGREEMENT

The Applicant will enter into a Sub-Recipient Agreement with the Sub-Recipient satisfactory to the DECD, which will contain but not be limited to provisions of this proposal and set forth the terms and conditions of the State Funding and will execute and/or deliver such other documents, agreements, and instruments as DECD may require in connection with the State Funding or any required security therefor.

SUB-RECIPIENT TERMS

The Primary Recipient will pass-through the State Funding to the Sub-Recipient in the form of grant. The following will be the terms of the pass-through funding:

Sub-Recipient:	Henry Stamford LLC				
Applicant Financing:	<table><tbody><tr><td><u>\$950,000</u></td><td><u>Grant</u></td></tr><tr><td>\$950,000</td><td>Total</td></tr></tbody></table>	<u>\$950,000</u>	<u>Grant</u>	\$950,000	Total
<u>\$950,000</u>	<u>Grant</u>				
\$950,000	Total				
Use of Pass-through Funds:	<table><tbody><tr><td><u>\$950,000</u></td><td><u>Remediation</u></td></tr><tr><td>\$950,000</td><td>TOTAL</td></tr></tbody></table>	<u>\$950,000</u>	<u>Remediation</u>	\$950,000	TOTAL
<u>\$950,000</u>	<u>Remediation</u>				
\$950,000	TOTAL				

COLLATERAL

All legal matters in connection with the State Funding and any required security therefor shall be acceptable to DECD and its legal counsel. Language that will be finally included

in the Assistance Agreement supersedes any language included under this clause in the Financial Assistance Proposal.

Limited Corporate Guaranty

Henry Stamford LLC shall provide a limited, unconditional guaranty in support of the terms and conditions of this financial assistance. The Limited Guaranty shall provide for the repayment of the entire State Funding or Grant released to date, if the Redevelopment Project as described in the Project Description, is not completed.

Completion of the Redevelopment Project shall be demonstrated by issuance of a Certificate of Occupancy.

Upon the fulfillment of all obligations contained herein or in any of the Project Documents, whichever occurs last, and provided that no default has occurred or is continuing under the terms of this Agreement, any and all security interest provided to the State with respect to the Funding will be released.

PROPERTY RESTRICTIONS

All legal matters in connection with the State Funding and any required security therefor shall be acceptable to DECD and its legal counsel. Language that will be finally included in the Assistance Agreement supersedes any language included under this clause in the Financial Assistance Proposal.

Negative Pledge

The Applicant shall require the Sub-Recipient to execute a Negative Pledge and Agreement ("Negative Pledge") in a form acceptable to the Commissioner, which Negative Pledge shall provide that the Sub-Recipient shall not sell, lease, transfer, assign, or in any way encumber or otherwise dispose of the Applicant's property, located at 650 Atlantic Street in Stamford, CT for 10 years, in whole or in part, without first obtaining the written consent of the Commissioner. The Negative Pledge shall be recorded on the land records of the City of Stamford.

Use Restriction

The Applicant shall require the Sub-Recipient to covenant and agree that the Project Property, located at 650 Atlantic Street in Stamford, CT, shall be used primarily as multi-use commercial/residential property for 10 years. The Applicant agrees that it shall require the Sub-Recipient to execute a Declaration of Restrictive Covenant ("the Covenant") in a form acceptable to the Commissioner, which shall be filed on the land records of the City of Stamford. The Covenant shall be enforceable by the City of Stamford and the State and shall provide that any conveyance of the Sub-Recipient's interest in the Project Property shall be subject to the terms of the Covenant.

ENVIRONMENTAL COMPLIANCE

Connecticut Environmental Policy Act

Disbursement of state funds may be subject to the completion of the appropriate Connecticut Environmental Policy Act (CEPA) review of project activities. If project analysis and review under the provisions of CEPA is necessary, then DECD will contract a professional engineering/planning firm experienced in preparing CEPA documents,

using funds appropriated to the project. Said firm shall work at the direction of the DECD in assessing the project activities in accordance with CEPA (C.G.S. Sec. 22a-1 and R.C.S.A. Sec. 22a-1a-1 to 22a-1a-12).

Demolition or major alteration of any facility (i.e., building or structure) or site listed or eligible to be listed on the National or State Register of Historic Places as determined by the State Historic Preservation Office, is subject to CEPA.

Environmental Condition of the Real Property

As determined by DECD, the environmental site assessments, survey, reports and remedial action plans will be prepared for real property subject to project activities. A professional firm licensed to practice in the State of Connecticut shall prepare the reports. The scope of investigations and report shall conform to the applicable Department of Energy and Environmental Protection (DEEP) laws and regulations, and the applicable American Standards for Testing Materials document standards. Copies of all reports shall be made available to DECD.

If the Applicant and/or other parties for the subject properties within the project area have conducted Environmental Site Assessments, copies of such documents must be submitted to DECD.

Voluntary Remediation Program

In conformance with DECD policy and in compliance with C.G.S. Sections 32-763 and 32-765, all recipients of brownfield remediation loan or grant funding not subject to C.G.S. Sec. 22a-134a (Transfer of Hazardous Waste Establishments) shall enter into a program for voluntary remediation of the property pursuant to C.G.S. Sections 22a-133x, 22a-133y, 32-768, and 32-769. This requirement does not apply if the project is receiving remediation funding solely for hazardous building abatement and if, such hazardous building materials represent the sole or sole remaining environmental contamination on the property. As a note, there is no fee associated with entering into a voluntary remediation program as per C.G.S. Sec. 22a-6(i).

As a policy, DECD will not release any DECD funds until relevant documentation to support successful enrollment into a voluntary program (submittal of the Environmental Condition Assessment Form (ECAAF) form to the CT Department of Energy and Environmental Protection is provided.

CONSTRUCTION COMPLIANCE

The DECD requires submission of project design documents, specifications, construction documents and cost estimates and other documents outlined in Schedule A. All submissions are subject to review, comment, and/or approval by the Office of Brownfields and Capital Projects and/or the Office of the DECD Commissioner.

The Applicant shall require the Sub-Recipient to submit for review and comment the following construction-related documents which need to comply with the latest version of the DECD Bidding, Contracting and Construction Guidelines: a) bonding and insurance requirements; b) copies of contracts; c) schedule of values; d) payment requisitions and change orders.

DECD requirements for approval of the release of funds for construction include review of construction documents, latest updated budget, submittal of bidding process, project schedule and cash flow updates, progress reports, and any appropriate back up materials as may be needed for review such as application and certificate of payment (AIA Document G702) approved by the architect and/or engineer, appropriate invoices, etc.

DECD will hold back the last five percent (5%) of the project funds until all required construction closeout documentation in accordance with DECD Bidding, Contracting and Construction Guidelines is submitted. This includes proof of completion of remediation work funded by DECD funds including, but not limited to, a Remediation Action Report, Verification Report, a recorded copy of the Environmental Land Use Restriction (ELUR), EPA Reports, DEEP Audit, abatement report, demolition report, or any other reports requested by the DECD Commissioner.

ADMINISTRATIVE AND PROJECT MONITORING PLAN

The Applicant and Sub-Recipient shall be required to submit to the DECD a project administration plan, acceptable to the DECD, that describes how they will document and monitor the financial and construction oversight of the State funds as required by the Assistance Agreement and as approved in the DECD's Project Financing Plan and Budget. The purpose of the plan is to assure the completion of the project within the approved Financing Plan and Budget and the appropriate use of State funds. The plan should address how State funds will be disbursed in conjunction and in accordance with all contractual agreements. The plan should include the process that they will undertake to approve payment requisitions and project construction change orders. It may be noted that the Administration and Project Monitoring Plan is not a requirement for Assessment-only projects but may be requested on a case by case basis by the DECD Project Manager.

INSURANCE

The Applicant shall require the Sub-Recipient to maintain all required insurance in amounts, form, substance, and quality acceptable to DECD, as described more fully in Schedule C, attached to this proposal. A certificate evidencing such insurance shall be delivered to the Commissioner at the time of execution of the Assistance Agreement, and annually thereafter for the duration of the Assistance Agreement. Annual submissions should be sent to DECD, Attn: Office of Financial Review, 450 Columbus Boulevard, Hartford, CT 06103.

REPORTING

Project Audit

Each Applicant subject to a federal and/or state single audit must have an audit of its accounts performed annually (see Schedule B). The audit shall be in accordance with the DECD Audit Guide (located at <https://portal.ct.gov/-/media/DECD/OFR/DECD-Audit-Guide-January--2019.pdf>) and the requirements established by federal law and state statute. All Applicants not subject to a federal and/or state single audit shall be subject to a Project-specific audit of its accounts within ninety (90) days of the completion of the Project or at such times as required by the Commissioner. Such audit shall be in accordance with the DECD Audit Guide. An independent public accountant as defined

by generally accepted government-auditing standards (GAGAS) shall conduct the audits. At the discretion and with the approval of the Commissioner, examiners from the Department of Economic and Community Development may conduct Project-specific audits. The Sub-Recipient shall also be subject to such audit requirements as described herein.

The completion of the project will be determined by the end date of the most recently approved Project Financing Plan and Budget.

Project Financial Statements

The Applicant shall require the Sub-Recipient to provide a cumulative Statement of Program Cost and a Detailed Schedule of Expenditures to the Commissioner in the approved DECD project statement format as outlined in the most current Accounting Manual located at <http://www.ct.gov/ecd.cwp/view.asp?a=1096&q=249670>. This information will be required to be provided within ninety (90) days after the expiration date of the Project Financing Plan and Budget or earlier as determined by the Commissioner. Further information, such as supporting documentation (i.e., copies of invoices, cancelled checks, contracts etc.) for the expenditures charged may be requested from the Sub-Recipient, as necessary.

Project Progress Reporting

The Applicant shall submit project milestone and progress reports acceptable to the DECD with each payment request or at any time as requested by the DECD Project Manager. The reports will be due upon request and will be required to be provided until the expiration of the Project Financing Plan and Budget.

REQUIRED DOCUMENTS

The Applicant and/or Sub-Recipient must provide the following required documents prior to contract closing. No financial assistance agreements will be signed by DECD until all required documents have been received, which include the following:

- Phase I, II and III Environmental Site Assessment (ESA)
- Remedial Action Plan
- Good Standing Letters (for the Sub-Recipient) from the Department of Labor, Revenue Services and Secretary of the State

PROJECT START/END DATE

For purposes of this proposal, this project will have a start date of January 6, 2022, and any eligible Applicant project expenditures after that date will be permitted as part of the project. The end date of the project will be determined by the most recently approved Project Financing Plan and Budget.

EXPIRATION

The Applicant and the Sub-Recipient must accept this proposal no later than 30 calendar days after the date of proposal. In the event the DECD does not receive the acceptance of this proposal by the aforementioned date, the offer will be considered null and void and withdrawn.

INSTANCES OF DEFAULT

If funding for the project is approved, the Assistance Agreement between DECD and the Applicant may be subject, but not limited to the following default provisions: breach of agreement, misrepresentation, receivership or bankruptcy, condemnation or seizure, lack of adequate security, violation of terms in other project documents. In addition to repayment in full of the funding, DECD's remedies may include, but not be limited to, the ability to collect an additional 5% in liquidated damages on the total amount of financial assistance, and to charge a 15% per annum rate of interest on financing provided.

It is recommended that the Applicant include the default provision in the Sub-Recipient Agreement.

CLOSING AND TRANSACTION COSTS

The Applicant and/or Sub-Recipient shall be responsible for the payment of all necessary and appropriate costs associated with this transaction, whether or not a closing takes place, including but not limited to the State's attorneys' fees and other such costs incurred by the State or associated with securing the State Financial Assistance. Such costs may also include reasonable attorney fees, appraisal costs, and other possible fees and costs related to the closing. No financing will be provided until the Applicant and/or Sub-Recipient has paid DECD's legal fees.

LABOR COMPLIANCE

Nondiscrimination

The Applicant and Sub-Recipient will comply with C.G.S. Sec. 4a-60, as may be amended, which prohibits the Applicant from discriminating or permitting discrimination against any person or group of persons on the grounds of race, color, religious creed, age, marital status, national origin, ancestry, sex, gender identity or expression, status as a veteran, intellectual disability, mental disability 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 Applicant and Sub-Recipient will comply with C.G.S. Sec. 4a-60a, as may be amended, which prohibits the Applicant from discriminating or permitting discrimination against any person or group of persons on the grounds of sexual orientation.

Affirmative Action

The Applicant and Sub-Recipient will comply with C.G.S. Sec. 4a-60, which prohibits the Applicant from engaging in or permitting discrimination in the performance of the work involved as well as requires that the company take affirmative action to ensure that all job applicants with job related qualifications are employed and that employees are, when employed, treated in a nondiscriminatory manner.

Executive Orders and Other Enactments

- (a) All references in this Agreement to any Federal, State, or local law, statute, public or special act, executive order, ordinance, regulation or code (collectively, "Enactments") shall mean Enactments that apply to the Agreement at any time during

its term, or that may be made applicable to the Agreement during its term. This Agreement shall always be read and interpreted in accordance with the latest applicable wording and requirements of the Enactments. At the Applicant's request, the DECD shall provide a copy of these Enactments to the Applicant. Unless otherwise provided by Enactments, the Applicant is not relieved of its obligation to perform under this Agreement if it chooses to contest the applicability of the Enactments or the DECD'S authority to require compliance with the Enactments.

- (b) This Agreement is subject to the provisions of Executive Order No. Three of Governor Thomas J. Meskill, promulgated June 16, 1971, concerning labor employment practices, Executive Order No. Seventeen of Governor Thomas J. Meskill, promulgated February 15, 1973, concerning the listing of employment openings and Executive Order No. Sixteen of Governor John G. Rowland promulgated August 4, 1999, concerning violence in the workplace, all of which are incorporated into and are made a part of this Agreement as if they had been fully set forth in it.
- (c) This Agreement may be subject to (1) Executive Order No. 14 of Governor M. Jodi Rell, promulgated April 17, 2006, concerning procurement of cleaning products and services; (2) Executive Order No. 61 of Governor Dannel P. Malloy promulgated December 13, 2017 concerning the Policy for the Management of State Information Technology Projects, as issued by the Office of Policy and Management, Policy ID IT-SDLC-17-04; and (3) Executive Order Nos. 13F and 13G of Governor Ned Lamont, promulgated September 3, 2021 and September 10, 2021, respectively, concerning protection of public health and safety during COVID-19 pandemic, as extended by Executive Order No. 14A of Governor Ned Lamont, promulgated September 30, 2021. If any of the Executive Orders referenced in this subsection is applicable, it is deemed to be incorporated into and made a part of this Agreement as if fully set forth in it.

WITHDRAWAL OF FINANCIAL ASSISTANCE PROPOSAL

Notwithstanding any other provisions of this proposal, the State, in its discretion, may elect to withdraw this proposal and withhold payment of funds if:

- The Applicant or the Sub-Recipient shall have made to the State any material misrepresentation in the project data supporting the funding request, in the application or any supplement thereto or amendment thereof, or thereafter in the agreement, or with respect to any document furnished in connection with the project; or
- The Applicant or the Sub-Recipient shall have abandoned or terminated the project or made or sustained any material adverse change in its financial stability and structure, or shall have otherwise breached any condition or covenant, material or not, in this proposal and/or thereafter in the agreement.

ADDITIONAL TERMS AND CONDITIONS

The Applicant shall require the Sub-Recipient and its principals to comply with Section 9-612 of the Connecticut General Statutes, which requires that on and after December 31, 2006, no principal of a state contractor or prospective state contractor shall make a contribution to, or solicit contributions on behalf of (i) an exploratory committee or candidate committee established by a candidate for nomination or election to the office of Governor, Lieutenant Governor, Attorney General, State Comptroller, Secretary of the

State or State Treasurer, (ii) a political committee authorized to make contributions or expenditures to or for the benefit of such candidates, or (iii) a party committee. A violation of this statute could void any existing contracts with the State of Connecticut and could prevent any future contracts from being awarded for up to one year after the election for which such contribution is made or solicited.

The Applicant acknowledges that the obligation of DECD to provide the financial assistance set forth herein is subject to the normal State approval process, including but not limited to approval by the State Bond Commission, and may be subject to review and approval of any documentation by the Attorney General as to form and substance.

The State financial assistance will be subject to the standard terms and conditions established by DECD for financial assistance under C.G.S. Sec. 32-763. The Applicant will enter into an Assistance Agreement with the State of Connecticut, acting through DECD, which will contain but not be limited to provisions of this proposal, and set forth the terms and conditions of the state financial assistance, and will execute and/or deliver such other documents, agreements, and instruments as DECD may require in connection with the State financial assistance or any required security.

This proposal is not a contract by the State of Connecticut or the Applicant. The State shall not be bound until a contract has all approvals required by law, and is executed in accordance with all applicable State procedures.

SPECIAL CONDITIONS

The Applicant and Sub-Recipient acknowledge that State Funding will be released by the DECD to the Applicant, on a reimbursement basis, in the following manner:

- Eligible project expenses will be reimbursed on a pro-rata basis with non-DECD sources. However, approximately 5% of the \$950,000 Brownfield Grant Funding will be held back until relevant project closeout documents are submitted.

COMMUNICATIONS AND OUTREACH

In any news release or printed material promoting the project, the Applicant and Sub-Recipient shall give credit, prominently placed, to the Office of Brownfield Remediation and Development, Department of Economic and Community Development. The Office of Brownfield Remediation and Development, Department of Economic and Community Development shall be consulted prior to scheduling public events such as a ribbon cutting or a groundbreaking and will be afforded an opportunity to provide remarks at such an event. The Applicant shall erect and maintain a project sign at the project site in accordance with the specifications provided in the DECD Bidding and Construction Guidelines.

DECD CONTACTS

Project Manager (Contracts): Your Project Manager (Contracts) is responsible for coordinating all aspects of the contracting and closeout process of your project as it moves forward. Please consider the Project Manager (Contracts) as your main point of contact throughout the life of your project for contract-related questions.

Contact: William Wallach

Phone #: 860.500.2335

Project Manager (Technical): Your Project Manager (Technical) is responsible for all environmental, technical, project-scope, and contractor/consultant selection aspects of the project. The Project Manager (Technical) will also be responsible for project monitoring and payment reimbursements. Please copy both Project Managers on all project related emails.

Contact: Mark Burno

Phone #: 860.500.2442

Managing Supervisor: Your Managing Supervisor is also available to you at any time for issues pertaining to all aspects of your project.

Contact: Binu Chandy

Phone #: 860.500.2454

CLIENT OBLIGATION CHECKLIST

The following is a brief outline of the documents that will be required to be provided by the Applicant and/or Sub-Recipient over the life of the agreement. This is not an attempt to define all of the terms and conditions as outlined in this proposal, but to provide a snapshot of the requirements.

General Requirement	Comment	Y E A R S										Status
		1	2	3	4	5	6	7	8	9	10	
State Single Audit (if applicable) – See Schedule B	Due within 180 days of FYE until all project funds are expended	X	X	X								
Project Audit (includes non-profits if they don't qualify for state single audit)	Due within 90 days after budget expiration	X	X	X								
Project Financial Statement (Unaudited Balance Sheet and Cumulative Statement of Program Costs)	Due 90 days after the expiration date of the Project Financing Plan and Budget.			X								
Progress Reports	Due upon request or with Client's payment request	X	X	X								
Insurance Certificate	Due annually prior to expiration	X	X	X								
Financial Reporting/ Applicant's Annual Financial Statements	Due only upon request by DECD.											

Applicant Initials _____

Date _____

NEXT STEPS

The enclosed documents, accompanying this financial assistance proposal, must be completed and returned to DECD within thirty (30) calendar days of acceptance of this assistance proposal.

- * Application (already on file)
- * Project Financing Plan and Budget
- * Certified Resolution
- * Non-discrimination Certification

Please return the signed acceptance letter and initialed Client Obligation Checklist to:

Department of Economic and Community Development
Office of Brownfield Remediation and Development (OBRD)
450 Columbus Boulevard
Hartford, CT 06103-1843

Attn: William Wallach, Suite 5, 4th Floor

SCHEDULE A (Construction Related Documentation - Brownfield Projects)

Schedule of Submissions and Approvals required for State Assistance

The DECD will require the Applicant to provide certain documents prior to the start of construction and through the completion of the project. For brownfield projects, "construction" shall be considered any combination thereof of hazardous building materials abatement, demolition, remediation or activities directly related to such items. In addition, DECD will require certain reviews and opportunities for comment during design and construction, through the completion of the project. The following outlines some of these documents and some of the anticipated DECD approvals:

Submissions to DECD – Start of Project to Construction Completion:

- Schematic Design Plans/Remediation Action Plans
- Contracts with professional consultants and construction/remediation contractors
- Consultant Engineering Reports (including but not limited to, civil/site, environmental site assessments and other environmental reports, geotechnical, and structural)
- C.G.S. Sec. 25-68(d) Floodplain Certification Submission (if applicable)
- Appraisal Reports
- Historic and Archeological Surveys, Reports, SHPO Review Letter and Mitigation Deliverables (if applicable)
- Affirmative Action Compliance Reports
- Risk Register
- Environmental Condition Assessment Form (ECAAF) submitted to DEEP
- DEEP's formal response acknowledging receipt of Voluntary Remediation Program (VRP) documentation
- Applicant Single Audit Act Reports
- Third Party Special Inspection Reports
- Progress Reports by Applicant (format to be approved by DECD)
- Meeting Minutes and Correspondence (between owner, architect, environmental consultant/LEP, and/or contractor)

DECD Site Development Involvement: DECD on and off-site project access on regular basis for review of design and construction developments.

Submissions to DECD Upon Completion of Construction:

- Project Financial Statement
- Certificate of Occupancy (where applicable)
- Proof of completion of remediation (DEEP Verification Report, Environmental Land Use Restriction (ELUR), and/or DEEP Audit etc. as per applicable regulations.)
- Proof of completion of abatement as per applicable regulations
- Record documents (As-Builts)
- Certificate of Substantial Completion (AIA form G704)
- Contractor's Affidavit of Payment of Debts and Claims (AIA form G706)
- Contractor's Affidavit of Release of Liens (AIA form G706A)
- Subcontractors and Suppliers Release or Waiver of Liens
- Consent of Surety Company to Final Payment (AIA G707)

- Consent of Surety to a Reduction in or Partial Release of Retainage at 50% project completion, if applicable: (AIA form G707A) Requires DECD concurrence.
- Final Application and Certificate for Payment (AIA form G702, and continuation sheet G703)

If the contractor has provided Contractor's Affidavit of Release of Liens (AIA form G706A) and lien waivers from major subcontractors and suppliers, a contractor may request the balance of retainage. If these documents are not provided, retainage cannot be paid until 91 days after the date on the Certificate of Substantial Completion.

SCHEDULE B

TO: Municipal or Nonprofit Agency Grantee – DECD Program

FROM: Donald Lapointe, Supervising Accountant
Office of Financial Review

SUBJECT: DECD and State Single Audit Submission Requirements

Pursuant to Sections 4-230 through 4-236, as amended, of the Connecticut General Statutes, each municipality, audited agency, tourism district and not-for-profit organization that expends state financial assistance equal to or in excess of three hundred thousand dollars in any fiscal year of such nonstate entity beginning on or after July 1, 2009, shall have a single audit made for such fiscal year in accordance with the provisions of the above-referenced General Statutes. If total state financial assistance expended for the fiscal year is for a single state program, a program-specific audit may be conducted in lieu of a single audit.

Copies of the state single audit report package must be filed with the state grantor agencies, the cognizant agency and pass-through agencies (if applicable). Submission of the report package must be made within 30 days of completion of the audit report, if possible, but no later than six months after the end of the audit period. For recipients with a June 30, 2005 fiscal year end, the filing deadline is December 31, 2005. Cognizant agencies must be notified of the Independent Auditor appointed to conduct the audit. Such notification must be made not later than thirty days before the end of the fiscal year of the entity to be audited.

The Office of Policy and Management is the cognizant agency for municipalities, tourism districts, other quasi-governmental entities, and nonprofit organizations under the State Single Audit Act. The Dept. of Economic & Community Development is the cognizant agency for Housing Authorities. Your Cognizant Agency has the authority under C.G.S. Section 7-393 and State Single Audit Regulations to grant an extension for filing an audit report past the statutory deadline. In order for such an extension to be considered, an Audit Submission Extension Request Form must be submitted to the cognizant agency no later than 30 days prior to the required filing date. Both the independent auditor and the Chief executive officer of the audited entity must sign the request. If the reason for the extension relates to deficiencies in the entity's accounting system, a corrective action plan must accompany the request. The request may be faxed to the cognizant agency as indicated on the request form.

The following is a list of the required components of a complete audited financial report package that must be filed by the deadline with your cognizant agency, each State agency that provides funding to you, such as the Dept. of Economic & Community Development, and pass-through agencies (if applicable):

1. The Audit Report on the Financial Statements of the auditee
2. State Single Audit Report or program-specific audit report (if applicable)
3. Federal Single Audit Report (if applicable)

4. Municipal Audit Questionnaire (Municipalities & Audited Agencies)
5. Management Letter (if applicable)
6. Corrective Action Plan (if applicable)
7. Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

The DECD requires that the DECD Audit Guide must be used in conjunction with a State Single Audit of DECD programs. The only additional requirements are that the DECD programs be tested for compliance with laws and regulations using the compliance supplements contained in Appendix A of this guide and that the financial statement format outlined in Exhibit 4-2 of the guide be followed. The DECD *Consolidated Audit Guide for DECD Programs* is available at the following website: <http://www.ct.gov/ecd> under Miscellaneous Publications.

State Single Audit Regulation Sec. 4-236-28, states, “In cases of continued inability or unwillingness to have a proper audit conducted of a program in accordance with these regulations, **state agencies** shall consider appropriate sanctions concerning the program including but not limited to:

- (a) withholding a percentage of awards until the audit is completed satisfactorily;
- (b) withholding or disallowing overhead costs; or
- (c) suspending state awards until the audit is completed”.

Any nonstate entity, which fails to have the audit report filed on its behalf within six months after the end of its fiscal year or within the time granted by the cognizant agency, may be assessed a civil penalty of not less than \$1,000 but not more than \$10,000.

While these are strong measures and, in most instances, not needed, they define the measures that state agencies and OPM may take to ensure that those grantees receiving state financial assistance submit timely and appropriate audit reports.

In summary, as a grantee of a DECD program, please file the following documents as applicable with DECD and OPM by the dates indicated:

File the following with the state grantor agency – [DECD, Office of Financial Review, 450 Columbus Boulevard, Hartford, CT 06103-1843]:

- *Complete Audit Reporting Package if your entity is subject to filing a State Single Audit (must be submitted within 30 days of completion but no later than the filing period deadline),*
OR
- *State Single Audit Exemption Notification Form if your entity is exempt from filing a State Single Audit (submit as soon as possible after fiscal year end but no later than six months after your fiscal year end)*

File the following with your cognizant agency – [OPM, Intergovernmental Policy Division, Municipal Finance Services, 450 Capitol Avenue - MS-54MFS, Hartford, CT 06106]:

- *Auditor Notification Form (submit no later than thirty days before the end of the fiscal year of the entity to be audited)*

- *Extension Request For Filing Financial and State Single Audits* if the audit cannot be filed by the due date (*submit at least 30 days prior to the end of the six-month filing period*)
- *Complete Audit Reporting Package* if subject to filing State Single Audit (*submit within 30 days of completion but no later than the filing period deadline*),
- *State Single Audit Exemption Notification Form* (submit as soon as possible after fiscal year end if you determine that your organization was not subject to the State Single Audit Act but no later than six months after your fiscal year end)

If you have any questions, please contact Steve Pons at (860) 500-2409.

Thank you for your attention to these matters.

Attachments:

- Extension Request for Filing Financial and State Single Audit Form
- Appointment of Auditor Notification Form
- State Single Audit Filing Exemption Notification Form

**EXTENSION REQUEST FOR FILING
FINANCIAL AND STATE SINGLE AUDITS**

Pursuant to C.G.S. 7-393 and/or S.S.A. Regulation 4-236-25, a _____ day extension
(Number of days)*
for filing the ____/____/____ Audited Financial Statements ____ State Single Audit ____ is
(Fiscal Year Ended) (Check applicable reports)
requested until ____/____/____ for _____
(New filing date) (Name of entity)

Entity Federal Employer Identification Number (FEIN): _____

Entity Address _____

Contact Person & Title _____

Telephone (____) _____ Facsimile (____) _____ Email _____

Special Reasons For the Request:

List State Agency(s) providing funds
(To be completed by entity receiving funds) _____

Requested by:
Independent Accountant or Accounting Firm _____

Address _____

_____ Zip _____

Telephone (____) _____ Facsimile (____) _____ Email _____

Independent Auditor's Signature _____ Date _____ Auditee CEO's Signature _____ Date _____

Mail or Fax (860) 418-6493 To OPM at least 30 days prior to the end of the 6-month filing period.

FOR OPM ACTION ONLY

Extension Approved _____ Denied _____ Date ____/____/____ For OPM _____

Date Auditor Notified: ____/____/____ Date State Agencies Notified: ____/____/____

Comments _____

* Requests for extensions should not exceed 30 days per request.

<http://www.opm.state.ct.us/igp/services/Audits.htm>

APPOINTMENT OF AUDITOR NOTIFICATION

To: *Office of Policy and Management*
Intergovernmental Policy Division
Municipal Finance Services
450 Capitol Avenue – MS-54MFS
Hartford, Connecticut 06106-1308
Tel.(860) 418-6400 **Fax (860) 418-6493** E-Mail lori.stevenson@po.state.ct.us

From: Entity Name _____
Entity Address _____
_____ Zip _____
Federal Employer Identification Number (FEIN) _____
Chief Fiscal Officer (Municipal) _____
Executive Director (Nonprofit) _____
Telephone (with area code) _____ Facsimile _____
Internet E-Mail Address _____
Chair, Board of Directors (Nonprofit) _____
Telephone Number of Bd. Chairman _____

The following information is furnished in compliance with Connecticut General Statutes 7-396 and/or 4-232:

1. Independent Accountant or Accounting Firm Performing the Audit:

Name _____
Address _____
_____ Zip _____
State of CT Board of Accountancy CPA Firm Permit to Practice Number _____
Contact Person & Title _____
Telephone (with area code) _____ Facsimile _____
Internet E-mail Address _____

2. Fiscal Period(s) of Audit From _____ To _____, From _____ To _____

3. Appointment Date of Auditor _____

4. Name/Title of Appointing Authority _____

<http://www.opm.state.ct.us/igp/services/Audits.htm>

[ORGANIZATION'S LETTERHEAD]

STATE SINGLE AUDIT
FILING EXEMPTION NOTIFICATION

Date: _____

Lori Stevenson, Executive Secretary
Municipal Finance Services
Office of Policy and Management
450 Capitol Avenue MS#54MFS
Hartford, CT 06106-1308

Dear Ms. Stevenson,

This letter is to inform the Office of Policy and Management that for our fiscal year, which ended _____, the total expenditures of State financial assistance was less than \$300,000 for any fiscal year beginning on or after July 1, 2009. Total expenditures of State Financial Assistance for all programs was \$_____.

Based on the guidelines of C.G.S. 4-231(b), we are exempt from filing a State Single Audit for this fiscal period. If you have any questions please contact:

Contact Person: _____

Name of Nonprofit: _____

Address: _____

_____ Zip _____

Telephone: (____) _____ Facsimile (____) _____ Email _____

Very truly yours,

Chief Executive Officer

Chief Financial Officer

cc: Donald Lapointe, Supervising Accountant
Office of Financial Review and Special Projects
Department of Economic and Community Development
450 Columbus Boulevard
Hartford, CT 06103-1843

This form may be returned to OPM by facsimile (860) 418-6493 and DECD by facsimile (860) 270-8200.
<http://www.opm.state.ct.us/igp/services/Audits.htm>

SCHEDULE C

Insurance Requirements

(A) Applicant shall require the Sub-Recipient to procure and maintain for the duration of the Project Financing Plan and Budget (as specified within the proposal) the following types of insurance, in amounts no less than the stated limits, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder; provided however, that if this project is (i) financial assistance of less than \$100,000, (ii) a planning grant, or (iii) a predevelopment loan, only items 1 and 2 as set forth herein shall apply:

- 1) Commercial General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. Coverage shall include Premises and Operation, Independent Contractors, Product and Completed Operations and Contractual Liability. If a general aggregate is used, the general aggregate limit shall apply separately to the Agreement or the general aggregate limit shall be twice the occurrence limit.
- 2) Workers' Compensation and Employer's Liability: Statutory coverage in compliance with compensation laws of the State of Connecticut. Coverage shall include Employer's Liability with a minimum limit of \$100,000 each accident, and \$500,000 Disease – Policy limit, \$100,000 each employee.
- 3) Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury. Coverage extends to owned, hired and non-owned automobiles. If the vendor/contractor does not own an automobile, but one is used in the execution of the contract, then only hired and non-owned coverage is required. If a vehicle is not used in the execution of the contract then automobile coverage is not required.
- 4) Directors and Officers Liability: \$1,000,000 per occurrence limit of liability; provided, however, that Directors and Officers Liability insurance shall not be required for limited liability corporations or limited partnerships.
- 5) Comprehensive Crime Insurance: \$100,000 limit for each of the following coverages: Employee Dishonesty (Form O), Forgery/Alteration (Form B), and money and securities coverage for theft, burglary, robbery, disappearance, and destruction.
- 6) Builders Risk: (Construction Phase) With respect to any work involving the construction of real property during the construction project, the Applicant shall maintain Builder's Risk insurance providing coverage for the entire work at the project site. Coverage shall be on a Completed Value form basis in an amount equal to the projected value of the project. Applicant agrees to endorse the State of Connecticut as a Loss Payee.
- 7) Property Insurance: (Post Construction) The Applicant shall maintain insurance covering all risks of direct physical loss, damage or destruction to real and personal property and improvements and betterments (including flood insurance if property is within a duly designated Flood Hazard Area as shown on Flood Insurance Rate Maps (FIRM) set forth by the Federal Emergency Management Agency (FEMA)) at 100% of Replacement Value for

such real and personal property, improvements and betterments or the maximum amount available under the National Flood Insurance Program. The State of Connecticut shall be listed as a Loss Payee.

(B) Additional Insurance Provisions

1. The State of Connecticut Department of Economic and Community Development, its officials and employees shall be named as an Additional Insured on the Commercial General Liability policy. Additional Insured status is not required for items (A)2 through (A)7 above.
2. Described insurance shall be primary coverage and Applicant and Applicant's insurer shall have no right of subrogation recovery or subrogation against the State of Connecticut.
3. Applicant shall assume any and all deductibles in the described insurance policies.
4. Without limiting Applicant's obligation to procure and maintain insurance for the duration identified in (A) above, each insurance policy shall not be suspended, voided, cancelled or reduced except after thirty (30) days prior written notice by certified mail has been given to the State of Connecticut, with the exception that a ten (10) day prior written notice by certified mail for non-payment of premium is acceptable.
5. Each policy shall be issued by an Insurance Company licensed to do business by the Connecticut Department of Insurance and having a Best Rating of A-, VII, or equivalent or as otherwise approved by DECD.