



CDBG-CV SMALL BUSINESS GRANT PROGRAM

SAMPLE GRANT AGREEMENT

THIS AGREEMENT is entered into this ___th day of _____, 2020 by and between the CITY OF AUGUSTA, KANSAS, a municipal corporation, hereinafter referred to as the “City”, and _____, a Kansas Limited Liability Corporation, hereinafter referred to as “Grantee.”

WHEREAS, the City has received a grant under the Housing and Community Development Act of 1974, as amended, to benefit the low to moderate income persons by making a grant to private for-profit business entities;

WHEREAS, the purpose of the grant is to enable and assist in the retention of existing jobs within the community for employees of low to moderate incomes; and

WHEREAS, funding for this agreement was made available through the Coronavirus Aid, Relief and Economic Security Act (CARES Act)(Public Law 116-136) for grants to prevent, prepare for, and respond to coronavirus (CDBG-CV grants); and

WHEREAS, the Grantee has been negatively impacted as a result of the COVID-19 global pandemic and is in need of assistance with working capital and/or inventory to retain jobs, reopen their business, or keep their business from shutting down; and

NOW, THEREFORE, in consideration of the above, the parties hereby agree as follows:

1. **GRANT.** City hereby grants to Grantee the sum of \$_____, _____ dollars on a reimbursement basis.
2. **USE OF PROCEEDS.** Grantee agrees that all funds granted to them under this agreement shall be used for the purposes of eligible working capital (as defined by the Kansas Department of Commerce) and/or for 60 days’ worth of inventory needed to reopen their business. Eligible working capital expenditures are those expenses incurred on or after March 1st, 2020.

3. **REIMBURSEMENT PROCESS.** Grantee will provide City with supporting documentation for all working capital and inventory expenses being requested for reimbursement. Supporting documentation includes but is not limited to invoices, receipts, payroll information, cancelled checks and other valid forms indicating proof of payment.
4. **PERIOD OF PERFORMANCE.** All grant proceeds must be disbursed to Grantee by June 15, 2021. Any proceeds not disbursed to Grantee by that deadline will remain with the Kansas Department of Commerce and will not be provided to Grantee.
5. **LOW TO MODERATE INCOME REQUIREMENTS.** Grantee certifies that their business satisfies the 51% low to moderate income (LMI) requirements for the CDBG-CV program as evidenced by job certification forms submitted to City.
6. **DUPLICATION OF BENEFITS.** Grantee certifies that they will not request grant funding to repay debt, or expenses for which they have already received federal funding, resulting in a duplication of benefits.
7. **COMPLIANCE WITH LAW.** Grantee shall operate their business in full compliance with applicable federal, state, and local laws, including, without limitation, federal laws relating to equal employment opportunity and occupational health and safety, the City building and trade codes and the City's land use ordinances.
8. **AVAILABILITY OF RECORDS.** Grantee shall make available to the City, KDOC or their duly authorized representatives all books, accounts, records, reports, files, and other papers pertaining to funds provided under this Agreement for the purpose of making audits, examinations, and monitoring and shall retain such records for a period of three (3) years following close-out and resolution of all pending matters.
9. **COMMUNITY DEVELOPMENT GRANT AGREEMENT.** Notwithstanding anything herein to the contrary, the parties hereto acknowledge the due execution of the Community Development Grant Agreement No. 20-CV-069 between the City and KDOC and agree that any conflict between the provisions, requirements, duties or obligations of this Agreement and the Community Development Grant Agreement shall be resolved in favor of the Community Development Grant Agreement.
10. **ASSIGNMENT.** It is expressly understood between the parties that Grantee shall not have the privilege of assigning any interest herein without first obtaining the written consent to such assignment from City. Any consent to an assignment shall not be considered permission or consent to any subsequent assignments. Said consent shall not be unreasonably withheld.
11. **APPLICABLE LAW.** The grant agreement constitutes a legally enforceable contract and shall be governed and construed in accordance with the laws of the State of Kansas.

THIS AGREEMENT made and entered into the day and year first above written and is intended to be binding upon all parties hereto, their heirs, assigns, advisees, legatees, and lawful representatives.

CITY OF _____, KANSAS

Mike L. Rawlings, Mayor

Date

ATTEST

(SEAL)

Erica Jones, City Clerk

GRANTEE

, Owner

Date

Printed Name