

Performance Period: 6/9/09 thru 12/31/10
Award Amount: \$4,162,000

**COMMUNITY DEVELOPMENT BLOCK GRANT – EMERGENCY ASSISTANCE PROGRAM
CONTRACT
BETWEEN
THE STATE OF WISCONSIN
DEPARTMENT OF COMMERCE
AND THE
CITY OF WEST ALLIS**

CONTRACT # EAP 08-20

THIS CONTRACT is made and entered into by and between the State of Wisconsin Department of Commerce, hereinafter referred to as the "Department," and the City of West Allis, hereinafter referred to as the "Grantee." This Contract is effective as of **June 9, 2009**, and after signature of all parties.

WHEREAS, the Department administers the Community Development Block Grant – Emergency Assistance Program (CDBG-EAP), hereinafter referred to as the "Program," through the Division of Housing and Community Development to provide funds for eligible activities; and

WHEREAS, the Grantee has submitted an application for the identified Program; and

WHEREAS, this Contract is a mutually exclusive contract and is distinguished from all previous contracts between the Grantee and the Department and contains the entire understanding between the parties; and it is the intention of the parties to this Contract that all activities described herein shall be for their mutual benefit; and

WHEREAS, the terms and conditions herein shall survive the performance period and shall continue in full force and effect until the Grantee has completed and is in compliance with all the requirements of this Contract; and

WHEREAS, pursuant to Section 560.9804 (1), Wis. Stats., the Department is authorized to enter into an agreement with an agent designated under Section 560.9804 (2), Wis. Stats., to allow the agent to do one or more of the activities identified in Section 560.9804 (1), Wis. Stats., as may be further limited under the terms of this agreement;

NOW, THEREFORE, in consideration of the mutual promises and dependent documents, the parties hereto agree as set forth in Sections 1 and 2 below, Articles 1 through 35, and ATTACHMENTS A through G which are annexed and made a part hereof.

SECTION 1: The Department, on reliance upon the representations set forth in the Application, has approved an award in the amount of **\$4,162,000** for eligible activities and will provide said funds to the Grantee consistent with the terms of this Contract and the Grantee's compliance with the conditions of this Contract; and

SECTION 2: The Grantee shall and will comply fully and completely with all provisions of this Contract in order to be eligible for the funds awarded under this Contract and to be in compliance with all provisions of this Contract.

STATE OF WISCONSIN
DEPARTMENT OF COMMERCE

CITY OF WEST ALLIS

By: _____
James O'Keefe, Administrator
Division of Housing & Community Development

By: _____
Dan Devine, Mayor
City of West Allis

Date: _____

Date: _____

**ATTACHMENT A
PROGRAM FUNDING SOURCE**

FUNDING SOURCE

The United States Government, through the Housing and Community Development Act of 1974, as amended, has established a program of Community Development Block Grants (CDBG) and has allowed each State to elect to administer CDBG funds for its nonentitlement areas, subject to certain conditions. For CDBG Disaster Recovery Assistance, HUD allows each State to administer these funds to both its entitlement and nonentitlement areas.

The funds awarded under this Contract are subject to the continued availability of funding from the U.S. Department of Housing and Urban Development.

For accounting purposes, the CFDA Numbers for this CDBG Program are 14.219 and 14.228.

PROGRAM IMPLEMENTATION

The Grantee will comply with the CDBG Program guidance provided in the most recent edition of the CDBG EAP Implementation Handbook.

**ATTACHMENT B
PERIOD OF PERFORMANCE AND NOTICES**

Use of these funds is limited to the contracted activities and shall be used within the Performance Period.

The Performance Period for this Contract is June 9, 2009 to December 31, 2010.

For purposes of this Contract, the Performance Period stated is the allowable time to carry out the OBJECTIVES, SCOPE OF WORK and TIMETABLE as described in ATTACHMENT C.

NOTICES

For purposes of this provision, the Grantee shall notify the Department in writing within 10 days of change in the Grantee's address. All notices, demands or requests under this Contract shall be in writing to the address listed below:

To the Department: CDBG-EAP Program
 ATTN: Caryn Stone
 Division of Housing and Community Development
 Department of Commerce
 P. O. Box 7970
 Madison, WI 53707-7970

To the Grantee: Clerk
 City of West Allis
 7525 West Greenfield Avenue
 West Allis, WI 53214

**ATTACHMENT C
OBJECTIVES / SCOPE OF WORK AND TIMETABLE**

The Grantee agrees to accomplish the following with the funds described in ATTACHMENT F, BUDGET, of this contract:

1. Publicize the availability of grant funds and assist property owners in making application for assistance.
2. CDBG-EAP funds from Budget Line H.1. shall be used for the rehabilitation of dwelling units damaged as a result of the flooding in the Federally Declared Disaster Period of June 5 through July 25, 2008 in the City of West Allis. All occupants of housing units to be rehabilitated under this section must have incomes at 80% or below of the County Median Income limits as defined by the Department of Housing and Urban Development for Milwaukee County, adjusted for family size.

Funds may be disbursed as a grant to owner-occupants. Assistance to landlords may be provided in the form of a grant or a 0% interest forgivable loan, with 20% of the loan forgiven each year that the landlord continues to rent to LMI households and to maintain their units in a decent, safe and sanitary condition. As long as the landlord complies with these requirements, 100% of the loan will be forgiven at the end of 5 years, .

3. CDBG-EAP funds from Budget Line H.2. shall be used for the acquisition, demolition and relocation of LMI households from homes substantially damaged during the flooding in the Federally Declared Disaster Period of June 5 through July 25, 2008 in the City of West Allis. All occupants of housing units to be acquired and relocated under this section must have incomes at 80% or below of the County Median Income limits as defined by the Department of Housing and Urban Development for Milwaukee County, adjusted for family size.
4. CDBG-EAP funds from Budget Line H.3. shall be used to reimburse the City for CDBG-EAP eligible costs which were unreimbursed by FEMA under their Public Assistance Program. The H.3. funds may also be used for the construction of a catch basin to prevent future neighborhood flooding.
5. CDBG-EAP funds from Budget Line H.4. shall be used for the acquisition and demolition of the blighted Milwaukee Gray Iron and Mykonos sites.

CDBG-EAP funds from Budget Line H.4. may also be used to provide assistance to businesses which suffered damages during the aforementioned Federally Declared Disaster Period. Damages may be in the form of structural damage to the place of business, loss of equipment or inventory, and/or documentable loss of revenue that occurred during the Disaster Period.

Assistance to business owners may be provided in the form of a 0% interest forgivable loan, with 20% of the loan forgiven each year that the business owner continues to operate the business. As long as the business remains in operation, 100% of the loan will be forgiven at the end of 5 years, .

6. Any program income from the use of CDBG-EAP funds in Budget Lines H.1 and H.4 may be retained by the City in the appropriate revolving loan fund during the grant period. Program income means gross income received by the Grantee which is directly generated from the use of grant funds. After grant closeout, Program Income must be returned to Wisconsin Department of Commerce.

All subcontracts for administration of this contract must be submitted to the Department prior to execution.

The Grantee shall maintain a staff sufficient to administer the above-named activities. All files and records shall be kept at 7525 West Greenfield Avenue, West Allis, WI.

The Grantee agrees to complete this contract and indicated program objectives according to the following schedule:

<u>ON OR BEFORE</u>	<u>ACCOMPLISHMENTS</u>
September 30, 2009	<p>Secure administrative and engineering services. Submit procurement documentation and subcontracts to Commerce.</p> <p>Set up files according to Department guidelines.</p> <p>Establish financial management system and accounts, as needed.</p> <p>Complete environmental review.</p> <p>Review the procedures outlined in the CDBG-EAP Implementation Handbook in order to maintain program compliance.</p> <p>Reimburse City for documented, CDBG-EAP eligible public facility costs.</p> <p>Commence outreach and eligibility verification for disaster-related Business projects.</p> <p>Request Federal and State wage rates, as needed, for business assistance projects.</p> <p>Obtain all necessary permits.</p> <p>Prepare and solicit construction bids, Report date of advertising and bid opening.</p> <p>Award contract, submit "Notice of Contract Award".</p> <p>Commence outreach and eligibility verification for disaster-related housing projects.</p> <p>Submit Beneficiaries/Applicants and Accomplishments Report</p>
October 7, 2009	Submit Semi-Annual Labor Standards Enforcement Report
December 30, 2009	<p>Report construction start date(s). Describe progress and/or any delays.</p> <p>Complete and describe Affirmative Fair Housing actions committed to in the application.</p> <p>Conduct citizen participation meeting.</p> <p>Continue to fund disaster-related housing projects.</p> <p>Continue to fund disaster-related business projects.</p> <p>Submit Beneficiaries/Applicants and Accomplishments Report</p>
January 15, 2010	<p>Submit audit-scheduling letter to Department of Commerce.</p> <p>Arrange for audit, if necessary</p>

March 31, 2010	Continue to fund disaster-related housing projects. Continue to fund disaster-related business projects. Submit Beneficiaries/Applicants and Accomplishments Report. Describe progress and/or any delays.
April 7, 2010	Submit Semi-Annual Labor Standards Enforcement Report
June 30, 2010	Continue to fund disaster-related housing projects. Continue to fund disaster-related business projects. Submit Beneficiaries/Applicants and Accomplishments Report. Describe progress and/or any delays.
September 30, 2010	Continue to fund disaster-related housing projects. Continue to fund disaster-related business projects. Submit Beneficiaries/Applicants and Accomplishments Report. Describe progress and/or any delays.
October 7, 2010	Submit Semi-Annual Labor Standards Enforcement Report
December 31, 2010	Complete disaster-related housing projects. Complete business construction projects. Complete closeout report, Beneficiaries/Applicants and Accomplishments Report, and Final Labor Standards Compliance Report and submit to Department of Commerce.
January 15, 2011	Submit audit-scheduling letter to Department of Commerce. Arrange for audit, if necessary

ATTACHMENT D REPORTING SCHEDULE

The Grantee agrees to submit the following reports as specified by the Department:

ACCOMPLISHMENTS REPORT

The Accomplishments Report shall be in the form as described in Chapter IV, Financial Management, of the most recently published CDBG-EAP Implementation Handbook. Accomplishments Reports shall be based on calendar quarters and due no later than 10 working days after the end of each calendar quarter. An Accomplishments Report is due for the calendar quarter in which the Contract is effective and each subsequent quarter thereafter in the Performance Period.

CLOSEOUT REPORT

The Grantee shall submit **two** copies of a Closeout Report to the Department.

ADDITIONAL REPORTS AND INFORMATION

The Department reserves the right to amend and require additional information or reports as needed.

AUDIT SCHEDULING LETTER

The Grantee annually will submit a letter advising the Department whether or not a Single Audit will be performed. See Chapter XII of the Implementation Handbook.

**ATTACHMENT E
METHOD OF PAYMENT**

The Grantee is responsible for requisitioning CDBG-EAP funds through the Department, according to the established CDBG procedures.

The Department is not responsible for Grantee's disbursement of funds to beneficiaries, subcontractors and/or other creditors.

CDBG-EAP funds must be requested at such time as to minimize the number of days the funds are held in the Grantee's Grant Account.

The Grantee is responsible for requesting all payments as described in Chapter IV, Financial Management, of the CDBG-EAP Implementation Handbook.

**ATTACHMENT F
BUDGET**

The Grantee agrees to spend its CDBG-EAP funds in the following amounts and for the purposes indicated below:

H.1. Owner- and Renter-occupied Rehabilitation	\$100,000
H.2 Acquisition/Demolition/Relocation	900,000
H.3 Public Facilities	150,000
H.4. Business Assistance	2,900,000
H.5. Administration	<u>112,000</u>
TOTAL PROGRAM BUDGET	\$4,162,000

This budget may be amended as described in Article 15 of this contract.

**ATTACHMENT G
SPECIAL CONDITIONS**

The Grantee shall comply with the Special Conditions as follows:

1. The Grantee agrees to follow policies and procedures of 24 CFR 570 and the Department's CDBG-EAP Implementation Handbook, and any subsequent amendments or changes.
2. The Grantee understands that all policies and procedures of the regular CDBG-Public Facilities and Economic Development Programs are applicable to a CDBG-EAP Grant award for public facilities activities, including Davis Bacon Wage Rates and all Federal Labor Standards requirements.
3. The Grantee understands the Department has discretion to establish and revise the policies and procedures necessary to administer the CDBG-EAP.
4. Any program income, other than that identified in Attachment C, #5, earned from the CDBG-EAP funds will be returned to the State unless other arrangements are mutually agreed upon in writing, between the Grantee and Commerce. Program income means gross income received by the Grantee which is directly generated from the use of grant funds.
5. CDBG-EAP funds may not be used to pay costs previously paid by other funding sources (e.g., personal insurance, federal programs, state programs, and other public or charitable assistance.) The Grantee will verify all sources of funding received for any activity to be funded under this CDBG-EAP Contract.
6. During the course of this contract, the Grantee will accomplish at least **one** the following activities to affirmatively further Fair Housing:
 - a. Publish a display ad containing Fair Housing ordinance information in the local newspaper.
 - b. Send letters explaining the Fair Housing Ordinance to area realtors, lenders, and landlords.
 - c. Set up a Fair Housing booth/table at an area fair, festival, or home show.
 - d. Set up a Fair Housing display and provide handouts at the local library.
 - e. Pass a Proclamation and advertise the designation of a Fair Housing week or month.
 - f. Sponsor a public service announcement about the concepts of Fair Housing. The PSA will run at least twice on two different days.
 - g. Sponsor a news article about the concepts of Fair Housing in the local newspaper.
6. The Grantee understands that the Department will not entertain a request for a contract amendment within 30 days of the end of this contract.
7. The Department reserves the right to reduce or rescind these funds if, within 120 days of the award date, progress in implementing the funded activities is substantially less than that committed to in this contract.