

Orleans County Local Development Corporation

121 North Main Street
Albion, NY 14411

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

Agenda Thursday October 06, 2022 at 8:30 AM Updated: 08/01/22

- **Call OCLDC Board meeting to order-Chair**
- **Roll Call** – Calling of Board members, announcement as to whether a quorum is present
- **Approval of Previous Board Meeting Minutes**
 - *August 04, 2022 (Electronic)-Motion*
- **Financials**
 - *Review and consider the acceptance of the monthly financials - Motion*
- **Legal-None**
- **Executive Session – If Required – Motion (Including invitees)**
 - *Close-Executive Session – Motion*
 - *Action on any matters from executive session – Motion*
- **Loans/Grants**
 - Loans Aging Report- Diane
 - **2022 Microenterprise grant update- Diane**
- **Operations**
 - Operation Report - Diane
- **Projects**
- **Old Business**
- **New Business**
 - *Consider grant agreement with the County of Orleans - Motion*
 - *Consider engagement letter with Hurwitz Fine – Motion*
 - *Discuss sponsorship grant for Leadership Orleans*
- **Motion to adjourn**



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

Business Banking Statement
September 30, 2022
 page 1 of 3

329681266741

5 13 T 908 00000 R EM AO
 ORLEANS COUNTY LOCAL DEVELOPMENT
 CORPORATION
HUD UNRESTRICTED ACCOUNT
 121 NORTH MAIN STREET
 FLOOR 2
 ALBION NY 14411-1237

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KeyBank Business Interest Checking 329681266741
 ORLEANS COUNTY LOCAL DEVELOPMENT
 CORPORATION
 HUD UNRESTRICTED ACCOUNT

Beginning balance 8-31-22	\$12,946.61
7 Additions	+3,714.99
5 Subtractions	-1,230.50
Interest paid	+0.12
Ending balance 9-30-22	\$15,431.22

Additions

Deposits	Date	Serial #	Source	
	9-7		Deposit Branch 0290 New York	\$350.00
	9-7		Deposit Branch 0290 New York	350.00
	9-12		Deposit Branch 0290 New York	1,383.75
	9-13		Deposit Branch 0290 New York	250.00
	9-13		Deposit Branch 0290 New York	583.33
	9-19		Deposit Branch 0290 New York	141.69
	9-27		KeyBank Nationalpayment 4323098	656.22
			Total additions	\$3,714.99

Subtractions

Paper Checks * check missing from sequence

Check	Date	Amount	Check	Date	Amount	Check	Date	Amount
284	9-2	\$220.50	286	9-21	200.00	288	9-19	85.00
285	9-12	225.00	287	9-19	500.00			

Paper Checks Paid \$1,230.50

Reviewed on 10/3/22

Orleans County Local Development Corporation Profit & Loss Budget Performance September 2022

	Sep 22	Budget	Jan - Sep 22	YTD Budget	Annual Budget
Ordinary Income/Expense					
Income					
Grants					
CDBG/GOSC	0.00		130,093.76		
Grants - Other	0.00		240.26		
Total Grants	0.00		130,334.02		
Interest Income					
Interest Income-Bank	0.12		104.91		
Total Interest Income	0.12		104.91		
Loan Penalty Income					
Program Fees	0.00		2,510.00		
Total Loan Penalty Income	0.00		2,510.00		
Miscellaneous Income					
Program Fees	656.22		658.35		
Total Income	1,356.34		135,037.28		
Expense					
Bank Service Charges	0.00		15.00		
Grant Expense	0.00		80,247.23		
Miscellaneous	0.00		1,122.00		
Office Supplies	0.00		246.75		
Professional Fees					
Accounting	85.00		840.00		
Consulting	0.00		2,026.40		
Legal Fees	305.00		5,063.94		
Total Professional Fees	390.00		7,930.34		
Program Expense	1,400.00		5,239.00		
Supplies					
Marketing	225.00		1,415.00		
Total Supplies	225.00		1,415.00		
Travel & Ent					
Meals	0.00		107.99		
Total Travel & Ent	0.00		107.99		
Total Expense	2,015.00		96,323.31		
Net Ordinary Income	-658.66		38,713.97		
Net Income	<u>-658.66</u>		<u>38,713.97</u>		

9:30 AM

10/03/22

Accrual Basis

Orleans County Local Development Corporation
Balance Sheet Prev Year Comparison
As of September 30, 2022

	Sep 30, 22	Sep 30, 21	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
Cash Account				
Checking Key Bank-HUD Unrest	14,426.22	3,001.62	11,424.60	380.6%
Unrestricted Funds HUD 3385	0.00	-250.00	250.00	100.0%
Total Cash Account	14,426.22	2,751.62	11,674.60	424.3%
Five Star -Check-Non Intert 339	1.00	11.00	-10.00	-90.9%
HSBC Savings Acct High Interest	84,980.08	39,163.40	45,816.68	117.0%
Total Checking/Savings	99,407.30	41,926.02	57,481.28	137.1%
Accounts Receivable				
Accounts Receivable	0.00	161.21	-161.21	-100.0%
Grant Receivable	61,726.40	0.00	61,726.40	100.0%
Loans Receivable -LT	0.00	25,000.00	-25,000.00	-100.0%
Total Accounts Receivable	61,726.40	25,161.21	36,565.19	145.3%
Other Current Assets				
Undeposited Funds	0.00	1,088.79	-1,088.79	-100.0%
Total Other Current Assets	0.00	1,088.79	-1,088.79	-100.0%
Total Current Assets	161,133.70	68,176.02	92,957.68	136.4%
Other Assets				
Due from HUD	-5,362.00	0.00	-5,362.00	-100.0%
Loan Rec. - ST				
Less Current Portion of L/R	-27,370.17	-38,281.34	10,911.17	28.5%
Loan Rec. - ST - Other	27,370.17	38,281.34	-10,911.17	-28.5%
Total Loan Rec. - ST	0.00	0.00	0.00	0.0%
Revolving Fund Rec-GOSC				
DC Hauling	10,500.14	17,500.10	-6,999.96	-40.0%
FastFitness for Women Inc. 2013	2,975.33	4,675.61	-1,700.28	-36.4%
Gallo's Hauling	11,999.86	19,999.90	-8,000.04	-40.0%
Laura Loxley Vintage Insp Goods	5,750.00	8,000.00	-2,250.00	-28.1%
Rachel & Rob's Wildwood Camp 08	22,746.02	28,811.54	-6,065.52	-21.1%
Shirt Factory Cafe	7,830.16	10,422.06	-2,591.90	-24.9%
Total Revolving Fund Rec-GOSC	61,801.51	89,409.21	-27,607.70	-30.9%
Total Other Assets	56,439.51	89,409.21	-32,969.70	-36.9%
TOTAL ASSETS	217,573.21	157,585.23	59,987.98	38.1%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Other Current Liabilities				
Due to High Int Acct	-5,362.00	0.00	-5,362.00	-100.0%
Grant Payable	23,976.22	-34,254.02	58,230.24	170.0%
Total Other Current Liabilities	18,614.22	-34,254.02	52,868.24	154.3%
Total Current Liabilities	18,614.22	-34,254.02	52,868.24	154.3%
Total Liabilities	18,614.22	-34,254.02	52,868.24	154.3%
Equity				
Retained Earnings	160,245.02	191,831.97	-31,586.95	-16.5%
Net Income	38,713.97	7.28	38,706.69	531,685.3%
Total Equity	198,958.99	191,839.25	7,119.74	3.7%
TOTAL LIABILITIES & EQUITY	217,573.21	157,585.23	59,987.98	38.1%

9:31 AM

10/03/22

Accrual Basis

Orleans County Local Development Corporation
Transaction Detail by Account
September 2022

Type	Date	Num	Name	Memo	Class	Clr	Split	Amount	Balance
Cash Account									
Checking Key Bank-HUD Unrest									
Check	09/07/2022	285	Daniels Creativ...	Inv# 108...		X	Marketing	-225.00	-225.00
Deposit	09/07/2022			Deposit		X	Program F...	350.00	125.00
Deposit	09/07/2022			Deposit		X	Program F...	350.00	475.00
Deposit	09/12/2022			Deposit		X	-SPLIT-	1,383.75	1,858.75
Payment	09/12/2022	1144	Laura Loxley Vi...	July Prmt 2...		X	Accounts R...	250.00	2,108.75
Payment	09/12/2022	467...	DC Hauling			X	Accounts R...	583.33	2,692.08
Check	09/14/2022	286	Michelle Gallo	Independ...		X	Program E...	-200.00	2,492.08
Check	09/14/2022	287	Dorothy Daniels	Independ...		X	Program E...	-500.00	1,992.08
Check	09/14/2022	288	Roush C.P.A. PC	Accounti...		X	Accounting	-85.00	1,907.08
Payment	09/19/2022	127	Fastfitness for ...			X	Accounts R...	141.69	2,048.77
General Journal	09/26/2022	CC ...		Payment ...	HUD	X	Miscellane...	656.22	2,704.99
Check	09/28/2022	289	Michelle Gallo	Mentor/in...			Program E...	-200.00	2,504.99
Check	09/28/2022	290	Dorothy Daniels	Mentor/...			Program E...	-500.00	2,004.99
Check	09/28/2022	291	HurwitzFine, P.C.	Inv# 203...			Legal Fees	-305.00	1,699.99
Deposit	09/30/2022			Interest	HUD	X	Interest Inc...	0.12	1,700.11
Total Checking Key Bank-HUD Unrest								1,700.11	1,700.11
Total Cash Account								1,700.11	1,700.11
Accounts Receivable									
Invoice	09/01/2022	3614	DC Hauling		HUD		-SPLIT-	583.33	583.33
Invoice	09/01/2022	3626	Fastfitness for ...		HUD		-SPLIT-	141.69	725.02
Invoice	09/01/2022	3638	Gallo's Hauling		HUD		-SPLIT-	666.67	1,391.69
Invoice	09/01/2022	3662	Rachel & Rob's...		HUD		-SPLIT-	505.46	1,897.15
Invoice	09/01/2022	3676	Shirt Factory C...		HUD		-SPLIT-	211.62	2,108.77
Payment	09/06/2022	279...	Shirt Factory C...				Undeposite...	-211.62	1,897.15
Payment	09/07/2022	6019	Gallo's Hauling				Undeposite...	-666.67	1,230.48
Payment	09/12/2022	1144	Laura Loxley Vi...	July Prmt 2...			Checking K...	-250.00	980.48
Payment	09/12/2022	467...	DC Hauling				Checking K...	-583.33	397.15
Payment	09/19/2022	127	Fastfitness for ...				Checking K...	-141.69	255.46
Total Accounts Receivable								255.46	255.46
Undeposited Funds									
Payment	09/06/2022	279...	Shirt Factory C...			X	Accounts R...	211.62	211.62
Payment	09/07/2022	6019	Gallo's Hauling			X	Accounts R...	666.67	878.29
Deposit	09/12/2022	7863	Rachel & Rob's...	Deposit		X	Checking K...	-505.46	372.83
Deposit	09/12/2022	279...	Shirt Factory C...	Deposit		X	Checking K...	-211.62	161.21
Deposit	09/12/2022	6019	Gallo's Hauling	Deposit		X	Checking K...	-666.67	-505.46
Total Undeposited Funds								-505.46	-505.46
Revolving Fund Rec-GOSC									
DC Hauling									
Invoice	09/01/2022	3614	DC Hauling	Principle P...	HUD		Accounts R...	-583.33	-583.33
Total DC Hauling								-583.33	-583.33
FastFitness for Women Inc. 2013									
Invoice	09/01/2022	3626	Fastfitness for ...	Principle P...	HUD		Accounts R...	-141.69	-141.69
Total FastFitness for Women Inc. 2013								-141.69	-141.69
Gallo's Hauling									
Invoice	09/01/2022	3638	Gallo's Hauling	Principle P...	HUD		Accounts R...	-666.67	-666.67
Total Gallo's Hauling								-666.67	-666.67
Rachel & Rob's Wildwood Camp 08									
Invoice	09/01/2022	3662	Rachel & Rob's...	Principle P...	HUD		Accounts R...	-505.46	-505.46
Total Rachel & Rob's Wildwood Camp 08								-505.46	-505.46
Shirt Factory Cafe									
Invoice	09/01/2022	3676	Shirt Factory C...	Principle P...	HUD		Accounts R...	-211.62	-211.62
Total Shirt Factory Cafe								-211.62	-211.62
Total Revolving Fund Rec-GOSC								-2,108.77	-2,108.77

9:31 AM

10/03/22

Accrual Basis

**Orleans County Local Development Corporation
Transaction Detail by Account
September 2022**

Type	Date	Num	Name	Memo	Class	Clr	Split	Amount	Balance
Interest Income									
Interest Income-Bank									
Deposit	09/30/2022			Interest	HUD		Checking K...	-0.12	-0.12
Total Interest Income-Bank								-0.12	-0.12
Total Interest Income								-0.12	-0.12
Miscellaneous Income									
General Journal	09/26/2022	CC ...		Payment ...	HUD		Checking K...	-656.22	-656.22
Total Miscellaneous Income								-656.22	-656.22
Program Fees									
Deposit	09/07/2022	001...	MISC VENDOR	Fall MAP ...	HUD		Checking K...	-350.00	-350.00
Deposit	09/07/2022	25818	MISC VENDOR	Fall MAP ...	HUD		Checking K...	-350.00	-700.00
Total Program Fees								-700.00	-700.00
RLF Income-HUD									
Unrestricted									
Invoice	09/01/2022	3614	DC Hauling	RLF Loan ...	HUD		Accounts R...	0.00	0.00
Invoice	09/01/2022	3626	Fastfitness for ...	RLF Loan ...	HUD		Accounts R...	0.00	0.00
Invoice	09/01/2022	3638	Gallo's Hauling	RLF Loan ...	HUD		Accounts R...	0.00	0.00
Invoice	09/01/2022	3662	Rachel & Rob's...	RLF Loan ...	HUD		Accounts R...	0.00	0.00
Invoice	09/01/2022	3676	Shirt Factory C...	RLF Loan ...	HUD		Accounts R...	0.00	0.00
Total Unrestricted								0.00	0.00
Total RLF Income-HUD								0.00	0.00
Professional Fees									
Accounting									
Check	09/14/2022	288	Roush C.P.A. PC	Accountin...	HUD		Checking K...	85.00	85.00
Total Accounting								85.00	85.00
Legal Fees									
Check	09/28/2022	291	HurwitzFine, P.C.	Inv# 203...	HUD		Checking K...	305.00	305.00
Total Legal Fees								305.00	305.00
Total Professional Fees								390.00	390.00
Program Expense									
Check	09/14/2022	286	Michelle Gallo	Independe...	HUD		Checking K...	200.00	200.00
Check	09/14/2022	287	Dorothy Daniels	Independe...	HUD		Checking K...	500.00	700.00
Check	09/28/2022	289	Michelle Gallo	Mentor/In...	HUD		Checking K...	200.00	900.00
Check	09/28/2022	290	Dorothy Daniels	Mentor/In...	HUD		Checking K...	500.00	1,400.00
Total Program Expense								1,400.00	1,400.00
Supplies									
Marketing									
Check	09/07/2022	285	Daniels Creativ...	Inv# 108...	HUD		Checking K...	225.00	225.00
Total Marketing								225.00	225.00
Total Supplies								225.00	225.00
TOTAL								0.00	0.00

Aging Report

Local Development Corporation

Cutoff Date: 09/12/2022
 Run Date: 09/12/2022
 Run Time: 8:51:16 am
 Page 1 of 1

Funds: All
 City: All

Status: All

County: All
 Loan Officer: All

Include loans from 35 to 55

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

	Loan Amt	Disbursed	Current Balance	Regular Payment	1 Payment	2 Payments	3 Payments	Over 3	Total Due	Lt Days
35	75,000.00	75,000.00	22,746.02	505.46	0.00	0.00	0.00	0.00	0.00	0
49	45,000.00	45,000.00	3,117.02	141.69	141.69	0.00	0.00	0.00	141.69	11
50	30,000.00	30,000.00	7,830.16	285.25	0.00	0.00	0.00	0.00	7,830.16	0
53	40,000.00	40,000.00	11,999.86	666.67	0.00	0.00	0.00	0.00	0.00	0
54	35,000.00	35,000.00	11,083.47	583.33	583.33	0.00	0.00	0.00	583.33	11
55	15,000.00	15,000.00	6,000.00	250.00	250.00	250.00	0.00	0.00	750.00	73
	<u>240,000.00</u>		<u>62,776.53</u>		<u>975.02</u>		<u>250.00</u>		<u>9,305.18</u>	
		<u>240,000.00</u>		<u>2,432.40</u>		<u>250.00</u>		<u>0.00</u>		

Totals

*** Total Delinquent Dollars

Percent Delinquent Dollars

***Total of loan balances which are in arrears

20,200.49 6,000.00 6,000.00 0.00 28,030.65
 32.18% 9.56% 9.56% 0.00% 44.65%

LDC Board Notes

October 6, 2022

- Fall MAP Class 2022
- Diane reported the new class started on September 6 and runs through November 15th. We have 10 participants in the class.
- Christine Nenni-Best of Tymes Rentals
- Jennifer Walker-Party Bus
- Brandi Di Matteo-Event Planning, Party Rentals
- Charlie Ricci-Heavy EQ and Golf Cart Rentals
- Tracie Fleischhut-Rustic Ridge Country Store
- Gabrielle Joyner-Holistic Wellness Center
- Diago Russell-Hometown Lawn Care
- Dan Rosentreter-Coffee Pot Café in Medina
- Jordan Gawne-Bakery
- Mande Heinsler-Barre Boutique

- Grants

The Microenterprise did get the award for the OCR grant of \$300,000. The funds should be available by October 26th. Six businesses have applied for the grant.

- Revolving Loan Fund:
- Loans Status: Printed reports from 09/10/2022 are available for review.
 - Total funds in RLF Account as of 09/30/22
 - \$15,431.22---HUD unrestricted fund
 - \$84,980.08---Unrestricted Money Market Account.

GRANT AGREEMENT

THIS AGREEMENT, entered into this _____ day of _____, 2022 by and between the County of Orleans, a municipal corporation organized and existing under and by virtue of the laws of the State of New York and having its principal offices at 14016 Route 31 West, Albion, New York 14411, and hereinafter called "County", and The Orleans County Local Development Corporation, a not-for-profit corporation organized and existing under and by virtue of the laws of the State of New York and having its principal offices at 121 North Main Street, Albion, New York 14411, and hereinafter called "LDC".

WITNESSETH THAT:

WHEREAS, County has received Federal grant assistance in the amount of Three Hundred Thousand Dollars (\$300,000.00) from the New York State Housing Trust Fund Corporation (hereinafter the "HTFC") represented by the Office of Community Renewal (hereinafter the "OCR") through the Community Development Block Grant (hereinafter "CDBG") Program (OCR Grant #857ME513-22) for the purpose of providing grants to Microenterprises within the County of Orleans and otherwise implementing a microenterprise grant program (hereinafter the "Program"), and

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

WHEREAS, the County, by a resolution of the Legislature dated June 22, 2022, has authorized the provision of the Grant proceeds to the LDC under the terms and conditions as herein provided.

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

Section 1. Definitions

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

"Application" means County's grant application to OCR dated June 27, 2022 and accompanying submissions, and which is incorporated herein by reference and made a part hereof.

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

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

"Grant Agreement" means the agreement dated September 8, 2022 between County and HTFC that awards the CDBG Funds to the County, such agreement being incorporated herein and made a part hereof.

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

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

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

"OCR Grant" means the award of CDBG funds to the County by HTFC as represented by OCR and as evidenced by Grant Agreement #857ME513-22 between County and HTFC dated September 8, 2022.

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

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

Section 2. Statement of Work

2.1 LDC shall make its best efforts to implement the Program by using CDBG Funds in the amount of Two Hundred Fifty-Five Thousand Dollars (\$255,000.00) to fund grants in a manner consistent with the Program Guidelines. In implementing the Program, LDC, either itself, or through the contracted services of a qualified third-party, shall be responsible for the following activities as appropriate:

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

CDBG program;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2.6 LDC shall complete the Statement of Work set forth in this Section 2 as relates to the implementation of the Program by September 7, 2024 or by such later date as the OCR shall have approved as an extension of the termination date of the Grant Agreement.

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

Section 3. Disbursements and Management of CDBG Funds

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

3.1 LDC may use CDBG Funds in a cumulative amount not to exceed \$255,000 to make grants to microenterprises consistent with the goals and objectives of the Program as set forth in the Program Policy and Operating Guidelines.

3.2 LDC may, at any time, requisition the County to draw and pay from CDBG Funds amounts due LDC for program delivery and administrative services provided pursuant to Section 2 of this Agreement. Such requisitions shall include an appropriate accounting of all charges to be paid from CDBG Funds. The amount of CDBG Funds provided by the County to LDC for the purpose of funding program delivery costs shall not exceed the sum of \$30,000 and the amount of CDBG Funds provided by the County to LDC for the purpose of funding administrative services shall not exceed the sum of \$15,000. The County shall be responsible for effecting any such draws of CDBG Funds in a timely manner upon requisition by LDC and shall disburse CDBG Funds so drawn to LDC no more than three (3) business days after

receiving such CDBG Funds from OCR.

3.3 At any time, LDC may requisition the County to draw CDBG Funds from OCR for the purpose of disbursing microenterprise grants. The County shall be responsible for effecting any such draws of CDBG Funds in a timely manner upon requisition by LDC and shall disburse CDBG Funds so drawn to LDC no more than three (3) business days after receiving such CDBG Funds from OCR. The cumulative amount of CDBG Funds provided by the County to LDC for the purpose of disbursing microenterprise grants shall not exceed the sum of Two Hundred Fifty-Five Thousand dollars (\$255,000.00).

3.4 LDC shall maintain CDBG Funds it receives for the purpose of making microenterprise grants or paying third-party costs in a non-interest-bearing bank checking account and shall disburse all such CDBG Funds no later than three (3) business days after their receipt.

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

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

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

Section 4. CDBG Grant

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

Section 5. Financial Management

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

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

Section 6. Reports and Information

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

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

Section 7. Inspection of Records

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

Section 8. Assignment by LDC

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

Section 9. Federal Contract Requirements

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

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

9.3 Copeland "Anti-Kickback" Act (18 U.S.C. 874 and 40 U.S.C. 3145) - All contracts and subgrants in excess of \$2,000 for construction or repair shall include a provision for compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874 and 40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient shall be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he is otherwise entitled. All suspected or reported violations shall be reported to the Federal awarding agency.

9.4 Davis-Bacon Act, as amended (40 U.S.C. 3141-3148) -, All construction contracts of more than \$2,000 shall include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3148) and as supplemented by Department of Labor regulations (29 CFR part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction"). Under this Act, contractors shall be required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, contractors shall be required to pay wages not less than once a week. A copy of the current prevailing wage determination issued by the Department of Labor shall be placed in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. All suspected or reported violations shall be reported to HUD.

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

9.6 Patent Rights to Inventions Made Under a Contract or Agreement – In the event services include the performance of experimental, developmental, or research work, the Federal Government and recipient of the OCR Grant shall have patent rights in any resulting invention in accordance with 37 CFR part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by HUD.

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

9.8 Section 3 of The Housing and Community Development Act of 1968 (12 U.S.C. 1701u), as amended - All contracts subject to Section 3 shall include such provisions as are required under 24 C.F.R. Part 75.

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

Section 10. Additional Provisions of Law to be Complied With

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

Section 11. Indemnification

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

Section 12. Supersedure of Prior Agreements

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

Section 13. Amendments

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

Section 14. Notices

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

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

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

Section 15. Term of Agreement

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

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

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

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

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

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

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

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

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

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

Section 16. Reimbursement of Grant Funds

16.1 In the event that (i) OCR shall make a finding regarding the implementation of the Project that requires County to pay to OCR, or to reimburse to County's CDBG account from non-CDBG Funds, any amount of the OCR Grant funds, and (ii) It is expressly stated by OCR that such OCR finding resulted in whole or in part from LDC's failure to meet its obligations pursuant to this Agreement in a manner acceptable to OCR; then County shall have the right to receive from LDC, and LDC shall have the obligation to pay to County, the lesser of (i) a sum

equal to the amount County is required by the OCR finding to pay to OCR or reimburse to County's CDBG account, or (ii) the amount of CDBG Funds disbursed to LDC by County pursuant to this Agreement. County shall exercise such right of receipt by written notification to LDC which includes an assertion of such right, the amount of LDC's obligation, and written evidence of the applicable OCR finding. LDC shall effect such payment to County within twenty-one (21) calendar days of its receipt of such notification.

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

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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

COUNTY OF ORLEANS, NEW YORK

By: _____
Lynne M. Johnson, Chair _____

THE ORLEANS COUNTY LOCAL DEVELOPMENT CORPORATION

By: _____
Michael Dobell, CEO

ACKNOWLEDGMENT OF SIGNATORY(IES)

State of New York)
)ss
County of Orleans)

On the day of in the year 2022 before me, the undersigned, a Notary Public in and for said state, personally appeared Lynne M. Johnson, to me known or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Signature of Notary Public

ACKNOWLEDGMENT OF SIGNATORY(IES)

State of New York)
)ss
County of Orleans)

On the day of in the year 2022 before me, the undersigned, a Notary Public in and for said state, personally appeared Michael Dobell, to me known or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Signature of Notary Public



Kevin J. Zanner
kjz@hurwitzfine.com

September 30, 2022

VIA EMAIL

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

RE: Representation of The Orleans County Local Development Corporation

Dear Michael:

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

I will remain principally responsible for handling this representation, but other firm attorneys will also work on OCLDC matters as may be necessary or appropriate. Our extended engagement would be for an additional two-year term and would be reviewed by OCLDC's Board of Directors upon the expiration of the term. We propose to bill our legal fees in accordance with the following arrangements: legal fees for loan and grant transactions will be billed at a blended rate of \$215.00 per hour for partners and associates and \$120.00 for paralegals working on those transactions. Fees for general corporate and all other services would continue to be billed at our standard hourly rates, with the exception that I will discount my current standard hourly rate to \$325.00. We charge a minimum rate of one-tenth per hour for our work, including telephone and email communications. We charge for attorney travel time at a reduced hourly rate equal to one-half of the applicable standard rate. Invoices will be issued on a monthly basis. Our firm generally adjusts its hourly rates annually in July but will agree to limit fee increases to three percent (3%) annually.

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

We appreciate that this letter might appear to you to be unduly formal. However, our Code of Professional Responsibility requires a clear statement in writing of the arrangements for the engagement of attorneys, and we believe that our clients prefer such statements to avoid any misunderstanding later.





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

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

Very truly yours,

HURWITZ FINE P.C.

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

Kevin J. Zanner

KJZ/sas

The terms of this Engagement Letter are understood and accepted on behalf of The Orleans County Local Development Corporation this ____ day of October, 2022.

THE ORLEANS COUNTY LOCAL DEVELOPMENT CORPORATION

By: _____

Name: Michael Dobell

Title: CEO

