

Town Council: Brandon Brockmeier, Ray Burger, Cynthia Holdren, Joy Marino, Sarah Nock and Maphis Oswald
Mayor: Fletcher Fosque | Town Manager: Matt Spuck

Town of Onancock

Onancock Economic Development Authority (OEDA) Meeting

April 16, at 6:00 p.m.

Agenda

1. Call to order and roll call.
2. Update on IRF - Lilliston.
 - a. Fiscal Gent MOU
3. Process to select an attorney.
4. Authority action
 - a. None scheduled.
5. Adjourn

Re: MOU template for locality/EDA grant management

Eric Gregory <Eric@heftywiley.com>

Wed 4/3/2024 11:40 AM

To: Matt Spuck <matt.spuck@onancock.com>

Matt,

The MOU looks fine so please feel free to proceed. Thanks.

Eric

Eric Gregory

Hefty, Wiley & Gore, P.C.

eric@heftywiley.com

(O) 804-780-3143

(M) 804-306-2072

On Apr 3, 2024, at 10:52 AM, Matt Spuck <matt.spuck@onancock.com> wrote:

Thanks. It is only a fiscal agent MOU, no change in dates or terms.

Matt Spuck

Town Manager

t: 757-787-3363

e: matt.spuck@onancock.com | w: www.onancock.com

a: 15 North Street, Onancock, 23417

From: Archer, Brandon (DHCD) <Brandon.Archer@dhcd.virginia.gov>

Sent: Wednesday, April 3, 2024 10:08 AM

To: Matt Spuck <matt.spuck@onancock.com>

Subject: Re: MOU template for locality/EDA grant management

Good morning Matt-

The document is fine. I chatted with Tory to make sure we were good on dates, and we're good to go. February 2023 is fine. If your lawyers are ok with it, feel free to execute it.

Best-

Brandon Archer

Program Administrator - Industrial Revitalization Fund

Department of Housing and Community Development (DHCD)

(804) 836-5849

**INDUSTRIAL REVITALIZATION FUND ARPA
CONTRACT #23-IRFARPA-09
GRANT MANAGEMENT CONTRACT**

This agreement, entered into as of this 16 day of April 2024, by and between the Town of Onancock, Virginia, hereinafter referred to as “TOWN”, and The Economic Development Authority of the Town of Onancock, hereinafter referred to as “SUB-GRANTEE.”

WITNESSETH

WHEREAS, the Virginia Department of Housing and Community Development (DHCD) has been authorized by the Governor of the Commonwealth of Virginia to distribute and administer grants of the Industrial Revitalization Fund (IRF) according to 36-152 of the Code of Virginia, and;

WHEREAS, the Lilliston Building Redevelopment Project, as described in the Industrial Revitalization Fund (IRF) proposal submitted by the TOWN, has qualified for funding on the basis of the IRF program design;

Now THEREFORE, the above mentioned parties hereto do mutually agree as follows:

1. TOWN agrees to award the SUB-GRANTEE an Industrial Revitalization Fund grant in an amount of the total allowable, eligible costs in carrying out the activities included in the scope of work herein described not to exceed \$1,000,000 (One Million Dollars).
2. TOWN agrees to be the fiscal agent for the IRF program for the SUB-GRANTEE for the Lilliston Building Redevelopment Project.
3. The SUB-GRANTEE will commence, carry out and complete the scope of work, beginning April 17, 2024, as described in the TOWN’s IRF proposal, and any subsequent, approved, written amendments to the proposal, which are made a part of this AGREEMENT.

PROJECT TITLE: Lilliston Building

OUTCOME: Renovation of building into commercial space with high foot traffic and short-term rentals and residences on the second floor.

BENEFITS: The location of this renovation is critical to the success and revitalization of Downtown, adding employees to Downtown and improving the vibrance with visitors and residents.

PRODUCTS: Fully renovated building with a well-known Realtor as well as a personal care business. The short- and long-term rentals add foot traffic, restaurant and shop business.

4. A total of \$800,000 in matching funds is committed to this project by the GRANTEE.
5. The Project Management Team shall conduct regular construction progress meetings. The minutes and records of these meetings shall be kept in the project files.

6. GRANTEE agrees to provide quarterly progress reports to DHCD. The GRANTEE shall use the IRF Progress Report template in CAMS to submit the progress report. The report shall include progress on the approved IRF project and its economic impacts. News articles, press releases, pictures and other documentation should be submitted along with the written report. DHCD may share copies of the report with other interested parties identified by the State. DHCD, at its discretion, may require additional reports. If reports are not submitted in a timely manner, DHCD reserves the right to withhold payment requests until such reports are submitted.
7. DHCD shall monitor the TOWN at least once during the period covered by this Grant Agreement. DHCD may schedule additional monitoring visits as considered necessary. At any time during the Grant period, DHCD may request and shall be provided copies of any documents pertaining to use of the Program funds.
8. GRANTEE agrees to recognize DHCD's support for its programs in all communications with the media and its marketing publications and in the posting of a project sign on site. The following statement is suggested: "This project was funded in part by the Virginia Department of Housing and Community Development (VDHCD), a State agency that works to support communities to create healthy, safe, and affordable places for Virginians to call home."
9. The aforementioned program shall be carried out, and grant payments made in strict conformance with the CONTRACT DOCUMENTS.
10. The SUB-GRANTEE will use the lesser of (1) the amount specified above, or (2) if, at total project completion, there are cost under-runs or project savings, these costs shall revert to DHCD. In no case will leveraged funds be returned beyond that amount which would have changed the PROGRAM's ability to be funded initially.
11. The SUB-GRANTEE will initiate the ACTIVITIES required by the CONTRACT DOCUMENTS beginning April 17, 2024, unless grant SPECIAL CONDITIONS require additional action on specified ACTIVITIES before proceeding with that activity. In such instances, the SUB-GRANTEE will initiate action relative to removal of the Special Conditions beginning with the execution of this AGREEMENT.
12. The GRANTEE shall complete the work as described in the CONTRACT DOCUMENTS, on or before Tuesday, July 8, 2025. Final requests for the funds must be made no later than August 8, 2025. Funds not expended by August 8, 2025, are subject to re-appropriation. If the ACTIVITIES are not completed by that date, all Grant funding and this AGREEMENT shall be terminated and the GRANTEE shall return all unexpended funds, unless an amendment to the CONTRACT DOCUMENT provides otherwise.
13. DHCD agrees to make payment to the GRANTEE upon receipt of a properly completed and signed invoice. Requests for Payment may be on a reimbursable basis upon received documentation of the required expenditure and source of matched fund, and made to allow approximately thirty (30) days to receive funds. Funds are to be immediately disbursed by the GRANTEE.
14. The term CONTRACT DOCUMENTS means the following documents which are a part of this AGREEMENT and are incorporated by reference herein as if set out in full:

- A. AGREEMENT;
- B. SPECIAL CONDITIONS;
- C. GENERAL CONDITIONS;
- D. AMENDMENTS;
- E. INDUSTRIAL REVITALIZATION FUND (IRF) PROPOSAL;
- F. APPROVED BUDGET; AND
- G. INDUSTRIAL REVITALIZATION FUND (IRF) REPORT.

In witness whereof, the parties hereto have executed or caused to be executed by their duly authorized official this AGREEMENT in duplicate, each copy of which will be deemed an original.

Town of Onancock

BY: _____ DATE: _____

Onancock EDA

BY: _____ DATE: _____

SPECIAL CONDITIONS

1. A total of \$200,699 in leverage funds is committed to this project by the GRANTEE.
2. Documentation on the expenditure of these funds shall be maintained by the GRANTEE and reported to DHCD with each required report and at project closeout.
3. Any professional services must be procured in accordance with the Virginia Procurement Act. The GRANTEE must submit any contracts obligating IRF funds for review prior to any contract being executed. The GRANTEE also must submit documentation to detail that procurement requirements have been met, prior to any execution of contracts.
4. Grant funds will be disbursed on a reimbursement basis only. Request for funds will be completed through the CAMS (Centralized Application and Management System). Along with the reimbursement request, the Grantee will also upload and include documentation and proof of reimbursable expenditures (such as invoices, cancelled checks, source documents, etc).
5. The GRANTEE must submit the final disbursement request to DHCD no later than August 8, 2025, in order to guarantee payment.
6. To expedite receipt of payment, it is recommended that Grantees contact the Virginia Department of Accounts (DOA) to arrange for electronic transfer of IRF funds. The forms to establish electronic payment with DOA are available at www.doa.virginia.gov. At the home page, click on the Electronic Data Interchange (EDI) link button on the right. Scroll down to the *Trading Partner Agreement and Enrollment* form for Localities and Grantees. Print the form, fill it out and submit it. Instructions on filling out the form are on the third page of the document.
7. The GRANTEE must submit one of the following financial documents: Financial Statement**, Reviewed Financial Statement prepared by an independent Certified Public Accountant (CPA), Audited Financial Statement prepared by an independent CPA or an OMB A-133 Audit (Single Audit) prepared by an independent CPA. Please see the table below to determine which document your organization is required to submit.

The threshold requirements outlined below are the minimal standards required by DHCD. We strongly encourage all organizations receiving funds from DHCD to undertake the highest level of financial management review to ensure practices and procedures are fully examined and evaluated.

Threshold Requirement	Document
Total annual expenditures ≤\$100,000 (Regardless of source)	Financial Statement(s) prepared by organization**
Total annual expenditure between \$100,001 and \$300,000 (Regardless of source)	Reviewed Financial Statement(s) prepared by an Independent Certified Public Accountant (CPA)
Total annual expenditures > \$300,000 (Regardless of source)	Financial Statement(s) that have been audited by an Independent CPA
Federal expenditures ≥\$750,000	2 CFR 200 Subpart F Audit – Audited by an Independent CPA

** Does not require preparation by a CPA

The full DHCD Audit Policy, including an explanation of the specific document requirements, can be found online at:

http://www.dhcd.virginia.gov/images/DHCD/DHCD_Audit_Policy.pdf.

8. GRANTEE will provide a close out report by February 8, 2026, reflecting achievements with meeting performance goals as indicated in the approved grant proposal.
9. DHCD reserves the right to request and receive additional documentation pertaining to non-professional service or other contracts obligating IRF funds prior to approving drawdown requests.
10. DHCD reserves the right to end funding at any point should the project prove nonviable. This includes, but may not be limited to, lack of progress in conformance with the approved project proposal.
11. The project must secure the IRF investment, through the execution of restrictive language to the deed on the property for a period of ten (10) years from the date of this grant closeout to ensure that the facility will remain in use as this intended funded purposed. In the event that ownership transfer or change in the use of the property is proposed, at any time prior to ten (10) years, the GRANTEE must notify DHCD immediately. DHCD may require prorated repayment of the grant under these circumstances. These legal documents must be submitted to DHCD before any IRF construction funds will be released to the GRANTEE.
12. The following items must be performed in CAMS:
 - a. The original executed Grant Agreement must be mailed to DHCD. A fully executed copy will be uploaded into “Projects and Reports” in CAMS.
 - b. All products required by this contract must be uploaded into “Projects and Reports” in CAMS.
 - c. All remittance requests must be submitted through “Remittance” in CAMS.
 - d. Complete and upload all quarterly progress reports in a timely manner.
 - e. If products are submitted at the same time as a remittance request, the explanation text box at the bottom of the Remittances screen must note this fact.
 - f. Entities shall file the required financial document (see Section 7) in the Centralized Application and Management System (CAMS) within nine (9) months after the end

of their fiscal year or 30 (thirty) days after it has been accepted (Reviewed Financial Statement, Audited Financial Statement, and OMB A-133 Audit only) - whichever comes first.

GENERAL CONDITIONS

1. **DEFINITIONS** - Whenever used in the Contract Documents the following terms when written in all capital letters shall have the meanings indicated and shall be applicable to both the singular and plural thereof:
 - A. **ACTIVITY** - A PROGRAM activity which constitutes a specific portion of the PROGRAM, and as such is covered by its own budget account.
 - B. **AMENDMENT** - A formal addition or modification to the Contract Documents which has been approved in writing by both parties, and which affects the scope, objectives or completion date of the PROJECT, or which affects the manner in which the PROJECT is to be carried out.
 - C. **APPLICANT** - The entity which made the proposal for Industrial Revitalization Fund (IRF) Program funding and accepted responsibility for assuring compliance and performance of all conditions.
 - D. **ASSURANCES** - The ASSURANCES which are attached to this document.
 - E. **INDUSTRIAL REVITALIZATION FUND** -The funds, the PROJECT and PRODUCTS to be funded, and all conditions, laws and regulations affecting administration of funds currently in effect or as subsequently amended and provided by DHCD to the GRANTEE.
 - F. **CONTRACT DOCUMENTS** - The legal agreement between DHCD and the GRANTEE including the AGREEMENT and all documents referenced in paragraph 9 thereof.
 - G. **GRANTEE** - The entity which is the recipient of Industrial Revitalization Funds and as such must comply with CONTRACT DOCUMENTS.
 - H. **PROGRAM** - The physical activities undertaken to meet the overall stated objective for which the Industrial Revitalization Fund (IRF) Program funding is utilized.
 - I. **WORK** - All labor, equipment and materials necessary to produce the construction of the Project as required by the CONTRACT DOCUMENTS.
 - J. **WRITTEN NOTICE** - Any notice from one party to the AGREEMENT to the other signed by an authorized official which transmits binding statements of fact or condition and is delivered to the appropriate authorized official either in person or through the United States mail.
2. **ADMINISTRATIVE PROCEDURES** - The GRANTEE shall perform all contracted WORK and administer all grant funds and activities in conformance with the general terms

and special conditions set forth where required in THE PROGRAM DESIGN, and any WRITTEN NOTICES from DHCD.

3. ACCOUNTING RECORDS - The GRANTEE shall establish and maintain separate accounts within its existing accounting system for these funds. The GRANTEE shall record in its accounting system all Grant payments received by it pursuant to this Grant and all other funds provided for, accruing to, or otherwise received on account of the Grant.

All costs, including paid services contributed by the GRANTEE or others, charged to the Grant shall be supported by properly executed payrolls, time records, invoices, contracts, or vouchers evidencing in proper detail the nature and propriety of the charges. All checks, payrolls, invoices, contracts, vouchers, orders, or other accounting documents pertaining in whole or in part to the Grant shall be clearly identified, readily accessible, and separate and distinct from all other such documents. Such documents shall reside at the offices of the GRANTEE locality.

4. COSTS INCURRED PRIOR TO GRANT AGREEMENT EXECUTION - No costs incurred prior to February 1, 2023, shall be eligible for reimbursement with GRANT funds.
5. PROGRAM BUDGET - The GRANTEE shall carry out activities and incur costs only in conformance with the latest approved budget for the Grant and subject to the provisions of these CONTRACT DOCUMENTS. The budget may be revised, but no such budget or revision shall be effective unless and until the Department shall have approved the same in writing.
6. RECORDS - The GRANTEE shall maintain such all records related to this Grant. Records shall be readily accessible to DHCD, appropriate State agencies, and the general public during the course of the project and shall remain intact and accessible for three years from final closeout. Except if any litigation claim or audit is started before the expiration of the three year period the records shall be retained until such action is resolved. Notwithstanding, records of any nonexpendable property must be retained for a three-year period following final disposition.
7. REPORTS - The GRANTEE shall furnish, regularly and in such form as DHCD may require, reports concerning the status of project activities and grant funds. Such reports shall be submitted in the form and manner as prescribed herein and in WRITTEN NOTICES from DHCD.

All reports shall be completed in full and submitted at the time prescribed by DHCD. Reports shall contain accurate information and shall detail any problems, delays or adverse conditions experienced.

8. QUALITY CONTROL - The GRANTEE accepts the responsibility to assure that all grant funded PRODUCTS shall be implemented with the highest possible degree of competence, workmanship, quality and cost effectiveness.

9. COMMUNICATIONS - WRITTEN NOTICES shall constitute the only means of binding statements of fact or condition between the parties of this agreement. All required reports and requests to be issued by the GRANTEE must be made by way of a WRITTEN NOTICE unless other means are specified in the CONTRACT DOCUMENTS. *Please note that project-specific technical assistance provided via email does NOT have the weight of official WRITTEN NOTICE. Rather, it is comparable to oral technical assistance discussions.* All directives, findings and other formal issuance by DHCD must be transmitted through a WRITTEN NOTICE unless otherwise specified in the CONTRACT DOCUMENTS.

WRITTEN NOTICES shall be signed by and addressed to the appropriate authorized official and shall be considered transmitted when delivered in person or through the United States mail.

The GRANTEE shall act upon and respond to WRITTEN NOTICES promptly as directed.

10. METHOD AND TIMING OF PAYMENT - The GRANTEE shall utilize Request for Payment procedures as specified by DHCD. The GRANTEE shall request funds only for those amounts which have been obligated, encumbered, or expended through other accounts and which can be expended upon receipt or soon thereafter. To this end, the GRANTEE shall develop a financial management system which provides for timely expenditure of requested GRANT funds.
11. DRAWDOWN AND PAYMENT OF GRANT FUNDS - Drawdowns and expenditures of IRF funds must be made subsequent to or in proportion to other funds within the budget per activity.
12. BUDGET REVISIONS/AMENDMENTS - The GRANTEE shall not obligate, encumber, spend or otherwise utilize Industrial Revitalization Fund (IRF) program funds for any activity or purpose not included or not in conformance with the budget as apportioned and as submitted to DHCD unless the GRANTEE has received explicit approval by WRITTEN NOTICE from DHCD to undertake such actions.
13. TERMINATION, SUSPENSION, CONDITIONS
 - a. FOR CAUSE - If through any case, the GRANTEE or DHCD fails to comply with the terms, conditions or requirements of the CONTRACT DOCUMENTS the other party may terminate or suspend this AGREEMENT by giving WRITTEN NOTICE of the same and specifying the effective date of termination or suspension at least five (5) days prior to such action.

If, after the effective date of any suspension of this AGREEMENT, it is mutually agreeable to DHCD and the GRANTEE upon remedy of any contract violation by the GRANTEE or DHCD, the suspension may be lifted and the AGREEMENT shall be in full force and effect at a specified date after the parties have exchanged

WRITTEN NOTICES stating a mutual understanding that the cause for suspension has been identified, agreed to and remedied.

In the case of contract violations by the GRANTEE, DHCD may impose conditions other than termination or suspension which are appropriate to ensure proper grant and project administration and adherence to the terms of the CONTRACT DOCUMENTS. Such conditions must be imposed through WRITTEN NOTICE.

- b. FOR CONVENIENCE - DHCD may terminate this AGREEMENT, FOR CONVENIENCE, in the event that DHCD is no longer authorized as an agency to administer the Industrial Revitalization Fund or if the funds allocated are no longer available.

The GRANTEE may terminate this AGREEMENT for convenience at any time provided that all of the following conditions are met:

- i. The GRANTEE gives DHCD ten (10) days WRITTEN NOTICE; and
- ii. The PRODUCTS which have been initiated either have been completed and may be utilized in their stage of completion in a manner consistent with the objectives in the GRANTEE'S PROJECT Proposal, or will be completed by the GRANTEE through its own or other resources; and
- iii. The GRANTEE had honored or will honor all contractual obligations to third parties affected by the Industrial Revitalization Fund (IRF); and
- iv. DHCD agrees to the termination.

A GRANTEE'S valid termination for convenience in accordance with these CONTRACT DOCUMENTS shall not affect nor prejudice the GRANTEE'S future relationship with DHCD nor its future consideration as an Industrial Revitalization Fund (IRF) recipient.

14. SUBSEQUENT CONTRACTS - The GRANTEE shall remain fully obligated under the provisions of the CONTRACT DOCUMENTS notwithstanding its designation of any subsequent or third parties for the undertaking of all or part of the ACTIVITIES for which the Grant assistance is being provided to the GRANTEE.

Any GRANTEE or CONTRACTOR or SUBCONTRACTOR which is not the APPLICANT shall comply with all the lawful requirements of the APPLICANT necessary to ensure that the PROGRAM for which this assistance is being provided under this AGREEMENT is carried out in accordance with the APPLICANT'S Assurances and Certifications.

15. POLITICAL ACTIVITY PROHIBITED - None of the funds, materials, property or services contributed by the DHCD or the GRANTEE, under this AGREEMENT, shall be used in

the performance of this AGREEMENT for any partisan political activity, or to further the election or defeat of any candidate for public office.

16. INTEREST OF MEMBER OF AGENCY AND OTHERS - No officer, member, or employee of the GRANTEE and no member of its governing body, who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of this PROGRAM shall participate in any decision relating to this AGREEMENT which affects his personal interest or have any personal or pecuniary interest, direct or indirect, in this AGREEMENT or the proceeds thereof.
17. OFFICIALS NOT TO BENEFIT - No member of or delegate to the Congress of the United States of America and no Resident Commissioner shall be admitted to any share or part hereof or to any benefit to arise there from.
18. CERTIFICATIONS - The GRANTEE certifies that it will comply with the following:
 - A. Freedom of Information Act;
 - B. Virginia Conflict of Interest Act;
 - C. Virginia Fair Employment Contracting Act;
 - D. Virginia Public Procurement Act;
 - E. Americans with Disabilities Act (ADA);
 - F. 2-CFR-200 federal procurement; and
 - G. Any other requirements of ARPA funded projects.
19. GRANTEE will comply with:

Title VI of the Civil Rights Act of 1964 (Pub. L 88-352), and the regulations issued pursuant thereto (24 CFR Part 1), which provides that no person in the United States shall on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the grantee receives Federal or State financial assistance and will immediately take any measure necessary to effectuate this assurance. If any real property or structure thereon is provided or improved with the aid of Federal or State financial assistance extended to the grantee, this assurance shall obligate the grantee, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which the Federal or State financial assistance is extended or for another purpose of involving the provision of similar services to benefits.