



Department of Economic and
Community Development



Tim Sullivan
Deputy Commissioner

January 27, 2016

Marcia A. Leclerc
Mayor, Town of East Hartford
740 Main Street
East Hartford, CT 06108

Dear Mayor Leclerc:

The Department of Economic and Community Development is pleased to submit a proposal for assistance in support of the Town's plans to create a Brownfield-Area Wide Revitalization Plan for the Silver Lane Corridor. 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 the Governor'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.

You have 15 days from the date of this letter to review and return this letter, signed, as acceptance of the terms and conditions. If you do not return the signed acceptance within the allotted time, this offer of assistance may be withdrawn. Please also send back the initialed Client Obligation List page.

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 Binu Chandy, your project manager, at 860.270.8154.

Sincerely,

Tim Sullivan
Deputy Commissioner

Agreed and Accepted By:

Town of East Hartford

Marcia A. Leclerc, Mayor

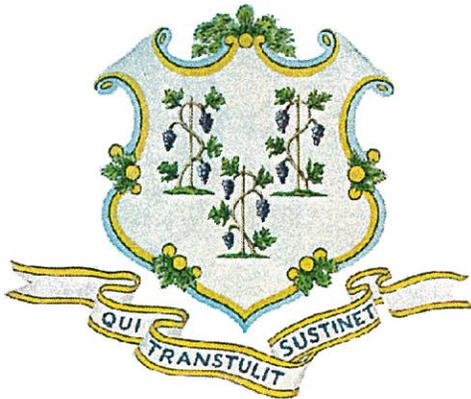
2/1/14
Date

State of Connecticut

Governor Dannel P. Malloy

Department of Economic and Community Development

Commissioner Catherine H. Smith



Financial Assistance Proposal

For

**Brownfield Area-Wide Revitalization (BAR) Plan
Silver Lane Corridor, East Hartford**

Town of East Hartford

January 2016

TABLE OF CONTENTS

Background	1
* Applicant Description	
* Program Description	
* Project Description	
Source and Use of Funds	1
Financial Assistance Proposal	2
DECD Contacts	6
Client Obligation Checklist	7
Next Steps	8
Schedule A - DECD and State Single Audit Submission Requirements	9

BACKGROUND

Applicant Description: The Town of East Hartford was established in 1783 and is situated in Hartford County. The Town contains 18.8 square miles and has a 2012 census population of 51,171 people.

Program Description: The Brownfield Area-Wide Revitalization (BAR) Planning Grant Program was established in the 2015 legislative session (Public Act No. 15-193). Modeled after the EPA's Area-Wide Planning Program, the program enables development of a comprehensive plan for the remediation and redevelopment of multiple brownfields. Eligible entities include municipalities, economic development agencies, and regional council of governments.

The pilot round of the BAR Planning Program and the Request for Applications was announced on September 16, 2015. Applications were due on November 16, 2015. Applicants were allowed to apply for a maximum grant of \$200,000. All applicants were required to provide a minimum local cash match of 10% of the requested BAR Grant amount. As part of the applications, applicants were required to submit a Certified Resolution from the Governing Body authorizing submission of the application and the 10% local grant match. All applications went through a competitive screening and review process to choose the best proposed BAR Planning projects to be funded in the pilot round.

Project Description: The Town of East Hartford will use the \$200,000 BAR Planning Grant for comprehensive planning of the Silver Lane Corridor while identifying and studying the redevelopment potential of three major brownfield sites. Please see attached Application and attachments for a more detailed description.

SOURCE AND USE OF FUNDS

Sources of Funds	
Department of Econ. and Comm. Develop. – BAR Grant	\$200,000
US EPA Grant (local match)	\$25,000
Total	\$225,000

Use of Funds	
Planning	\$100,000
Env. Site Assessment	\$25,000
Design/Engineering	\$100,000
Total	\$225,000

** 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 Town of East Hartford (hereafter, the "Applicant"), to implement the project as described herein. The State of Connecticut, acting through the Department of Economic and Community Development (hereafter, "DECD") and under the provisions of C.G.S. Sec. 32-763 proposes a financial assistance package consisting of a grant in the total amount of \$200,000. DECD financial assistance shall not exceed \$200,000 of the total project cost as described in this proposal, whichever is less, as set forth in the most recently approved Project Financing Plan and Budget. The components of this financial assistance are outlined below:

Applicant:	Town of East Hartford	
DECD Financing:	\$200,000	BAR Planning Grant
Amount and Use of DECD Funds:	\$100,000	Planning
	<u>\$100,000</u>	Design/Engineering
	\$ 200,000	TOTAL

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).

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 Environmental Protection 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.

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 A). The audit shall be in accordance with the DECD Audit Guide (located at <http://www.ct.gov/ecd/cwp/view.asp?a=1096&q=249676>)

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

Project Progress Reporting

The Applicant shall submit quarterly project milestone and progress reports acceptable to the DECD. The reports will be due June 30, 2016 and will be required to be provided until the expiration of the Project Financing Plan and Budget.

REQUIRED DOCUMENTS

The Applicant 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:

- N/A

PROJECT START/END DATE

For purposes of this proposal this project will have a start date of January 15, 2016; 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. The current end date of the project will be March 15, 2018. Any extensions will have to requested and approved by the DECD Commissioner.

EXPIRATION

The Applicant must accept this proposal no later than 15 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.

CLOSING AND TRANSACTION COSTS

The Applicant 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 has paid DECD's legal fees.

LABOR COMPLIANCE

Nondiscrimination

The Applicant will comply with Connecticut General Statutes section 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, mental retardation, 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 will comply with Connecticut General Statutes section 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 will comply with Connecticut General Statutes Section 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 Order Number Three

The Applicant will comply with Executive Order Number Three, which gives the State Labor Commissioner continuing jurisdiction over Agreement performance in regard to nondiscrimination. It empowers the State Labor Commissioner to cancel, terminate or suspend the Assistance Agreement for violation of or noncompliance with the order or any state or federal law concerning nondiscrimination.

<http://www.cslib.org/exeorder3.htm>

Executive Order Number Sixteen

The Applicant will comply with Executive Order Number Sixteen, of Governor John G. Rowland promulgated August 4, 1999, regarding Violence in the Workplace Prevention. The Assistance Agreement may be cancelled, terminated or suspended by the State for violation or noncompliance with said Executive Order No. Sixteen.

<http://www.ct.gov/governorowland/cwp/view.asp?A=1328&Q=255942&pp=12&n=1>

Executive Order Number Seventeen

The Applicant will comply with Executive Order Number Seventeen, which gives the State Labor Commissioner and DECD joint and several jurisdiction in respect to Agreement performance in regard to listing all employment openings with the Connecticut Employment Service. <http://www.cslib.org/exeorder17.htm>

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 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 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 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 the Sec. 32-763 of the Connecticut General Statutes. 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.

DECD CONTACTS

Project Manager: Your project manager is responsible for coordinating all aspects of your project as it moves forward. Please consider the project manager as your main point of contact throughout the life of your project.

Contact: Binu Chandy

Phone #: 860.270.8154

Deputy Commissioner: The Deputy Commissioner is also available to you at any time for issues pertaining to all aspects of your project.

Contact: Tim Sullivan

Phone #: 860.270.8040

CLIENT OBLIGATION CHECKLIST

The following is a brief outline of the documents that will be required to be provided by the municipality 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 for non-profits/municipalities) -- See Schedule B	Due within 180 days of FYE until all project funds are expended	X	X	X									
Quarterly Reports	Due every quarter until project is complete.	X	X	X									

Applicant Initials

2/1/14
Date

NEXT STEPS

Please return the signed acceptance letter, initialed Client Obligation Checklist and the signed Project Financing Plan and Budget to:

Department of Economic and Community Development
Office of Capital Projects
505 Hudson Street
Hartford, CT 06106

Attn: **(Binu Chandy, 3rd Floor)**

SCHEDULE A

TO: Municipal or Nonprofit Agency Grantee – DECD Program

FROM: Donald F. 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, 505 Hudson Street, Hartford, CT 06106]:

- *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) 270-8209.

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.

<p><u>FOR OPM ACTION ONLY</u></p> <p>Extension Approved _____ Denied _____ Date ___/___/___ For OPM _____</p> <p>Date Auditor Notified: ___/___/___ Date State Agencies Notified: ___/___/___</p> <p>Comments _____</p>

* Requests for extensions should not exceed 30 days per request.
<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 F. LaPointe, Supervising Accountant
Office of Financial Review
Department of Economic and Community Development
505 Hudson Street
Hartford, CT 06106

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>



CONNECTICUT DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT				
Project Financing Plan & Budget - BAR Planning Program				
Original (Mark X):		x	Revision#:	
Applicant:	Town of East Hartford	Fed ID#:	06-6001989	
Project:	BAR Plan - Silver Lane Corridor	Project #:	2016043002	
Program:	BAR Planning Program	Budget Start:	15-Jan-16	Budget End: 15-Mar-18

SOURCES OF FUNDS	DECD		NON-DECD	TOTAL
	GRANT	LOAN		
DECD: BAR Program	\$ 200,000			\$ 200,000
DECD:				\$ -
Other: USEPA Grant			\$ 25,000	\$ 25,000
Other:				\$ -
Other:				\$ -
Total Sources	\$ 200,000	\$ -	\$ 25,000	\$ 225,000

USES OF FUNDS	DECD FUNDS		NON-DECD FUNDS	TOTAL
	PROGRAM #1	PROGRAM #2		
DECD Legal Costs				\$ -
Land Acquisition (including appraisals & legal)				\$ -
Relocation (only if approved)*				\$ -
Planning Studies (pre-dev work, CEPA, historic etc.)	\$ 100,000.00			\$ 100,000.00
Haz. Building Material Survey (asbestos, lead, etc.)				\$ -
Env. Site Assessment (Ph. I,II,III, RAP etc.)			\$ 25,000.00	\$ 25,000.00
Design/Architectural/Engineering Work	\$ 100,000.00			\$ 100,000.00
Env. Remediation (soil, groundwater etc.)				\$ -
Abatement (lead, asbestos, PCBs etc.)				\$ -
Demolition				\$ -
Construction Admin./Management				\$ -
Gen.Const./Rehab (permit, mtl.-test. insurance etc.)				\$ -
Revolving Loan Fund				\$ -
Office/Computer Equipment (only if approved)*				\$ -
Machinery & Equipment (only if approved)*				\$ -
Salaries (only if approved - complete Sched. A)*				\$ -
Other Administration Costs (only if approved)*				\$ -
Other - please include DECD line item & code*1**				\$ -
Contingency- (only budgetary, no charge to line item)				\$ -
Total Uses	\$ 200,000.00	\$ -	\$ 25,000.00	\$ 225,000.00

*Note: These line items are not eligible for funding through most DECD programs unless specifically approved by the State Bond Commission or is an approved use under the Funding Program. Please discuss with DECD PM regarding eligibility. Additional schedules may be requested.

Applicant Name: Town of East Hartford

I request approval of this Project Financing Plan and Budget in accordance with the terms and conditions of the Assistance Agreement and as the duly authorized individual representing the applicant, affirm that the project will be operated in accordance with this budget:

Marcia A. Leclerc

Marcia A. Leclerc, Mayor

2/1/16

Date

The Project Financing Plan and Budget is hereby approved in the amounts and for the time period indicated.

(Please Note: Budget revisions only require the Unit Director's signature):

Director/Executive Director/CD Director, DECD

Date

Tim Sullivan, Deputy Commissioner

Date