



**REVOLVING LOAN FUND ADMINISTRATION AGREEMENT**

This Revolving Loan Fund Administration Agreement (the "Agreement") is made and entered into by and between the **State of Ohio, Department of Development**, located at 77 South High Street, P.O. Box 1001, Columbus, Ohio 43216-1001 (the "Grantor"), and the \_\_\_\_\_, located at \_\_\_\_\_ with F.T.I. Number: FTI \_\_\_\_\_ (the "Grantee"), for the period beginning **date** and ending **three years from date**.

**BACKGROUND INFORMATION**

**WHEREAS**, the Grantor through its Office of Housing and Community Partnerships ("OHCP") administers the federal Community Development Block Grant ("CDBG") Program for the State of Ohio;

**WHEREAS**, the Grantee has been determined to be an eligible recipient of CDBG funds;

**WHEREAS**, the Grantee has been awarded CDBG funds from the Grantor for use to finance eligible activities that may generate program income as defined herein;

**WHEREAS**, the Grantor has recognized the positive impact on community development initiatives when the use of program income is locally determined;

**WHEREAS**, the Grantor has permitted the establishment of Revolving Loan Funds within local political subdivisions to meet the primary development goals of: 1.) encouraging the expansion and stability of the economic base of the designated area of the Revolving Loan Fund; and 2.) encouraging increased employment opportunities, particularly for low-and moderate-income persons in designated areas of the Revolving Loan Fund; and

**WHEREAS**, the Grantee has adopted Resolution (or Ordinance) # \_\_\_\_\_ on \_\_\_\_\_, \_\_\_\_\_ (date) authorizing the execution of this Agreement.

**NOW THEREFORE**, in consideration of the foregoing and the mutual promises and covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

**STATEMENT OF THE AGREEMENT**

1. Revolving Loan Fund Capitalization. Grantee shall deposit any and all Program Income, as defined herein, derived from CDBG Economic Development funds awarded by the Grantor to the Grantee pursuant to the grant awards and/or activities as set forth in this Agreement into a Revolving Loan Fund Account. For the purposes of this Agreement, Program Income is defined as gross income received by the recipient directly generated from the use of CDBG Economic Development funds. Furthermore, the Revolving Loan Fund ("RLF") is defined as a separate fund established for the purpose of accounting for Program Income and of carrying out the specific activities designated in OHCP's RLF Policies and Procedures Manual, which, in turn, generate payments to the fund ("RLF Funds") for the continued use in carrying out the same activities.

2. RLF Plan and Use of Funds. Grantee has adopted an RLF Plan that has been previously submitted and approved by the Grantor. Grantee agrees to update its current RLF Plan and submit the revisions to the Grantor for approval. The updated plan must include the policies and procedures established by Grantor in the OHCP RLF Policies and Procedures Manual. The plan must include any designated administrative agent, an established board structure, loan review criteria, and procedures for workouts, delinquencies and defaults. Any changes to the local RLF Plan must be submitted to Grantor for approval. Grantee shall use the RLF Funds solely for the stated purposes set forth in this Agreement, OHCP's RLF Policies and Procedures Manual and the local RLF Plan.

3. Loan Approvals. Grantee shall submit to Grantor a Loan Review Report Form or Infrastructure Review Report Form for each project being considered for RLF assistance. Grantee must receive Grantor's written approval prior to the closing of the Grantee's local RLF economic development loan or infrastructure project.

4. Reporting Requirements. Grantee shall submit semi-annual RLF Reports to Grantor within thirty (30) days after receipt of the June 30 and December 31 semi-annual RLF Report of each year. Each RLF Report shall include information for both economic development and housing program income. Grantee shall also file an Annual Other Program Income Report due March 31 of each year in which this Agreement is in effect.

5. Compliance with General CDBG Requirements. Grantee shall comply with all applicable provisions of the statutes, rules, regulations and guidelines as passed by Congress or promulgated by the Secretary of the Department of Housing and Urban Development (HUD).

6. Compliance with Environmental Requirements. Grantee shall comply with the provisions of the National Environmental Policy Act of 1969 insofar as the provisions of such Act apply to activities undertaken with CDBG Program Income. Grantee agrees to assume responsibility for preparing Environmental Assessments and Environmental Reviews as required.

7. Prevailing Wage Rates and Labor Standards. Grantee shall comply with Section 570.605; Labor Standards of the Regulations published by HUD for Community Development Block Grants and the labor provisions and apply the federal Davis Bacon Labor Standards where required.

8. Acquisition and Relocation. Grantee shall comply with the relocation requirements of Title II and the acquisition requirements of Title III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and the implementation regulations set forth in 570.488 and 49 CFR Part 24 as they apply to the activities covered by this Agreement. Grantee shall comply with the process established under the Anti-Displacement and Relocation Plan.

9. National Objective Requirements. Grantee shall ensure that all projects funded as a result of this Agreement meet the national objective of creating or retaining jobs for low-and-moderate income persons. Any projects not meeting this requirement must submit a request for waiver to Grantor. Grantor will review the request to determine if the project meets a CDBG National Objective. Written approval from Grantor must be received prior to the local RLF issuing approval for the project.

10. Suspension and Termination. Either party may terminate this Agreement upon thirty (30) days prior written notice to the other. Grantor reserves the right to suspend the administration of the RLF at any time for failure of the Grantee or its designated administrative agent to administer the local RLF in compliance with the OHCP RLF Policies and Procedures Manual which is not attached but incorporated herein by reference. Throughout this Agreement, Grantee and any designated administrative agent must continue to demonstrate administrative capacity in the administration of the RLF. Failure to accurately report on the RLF Funds could result in Grantor placing the RLF Funds on hold or recapturing the RLF Funds. Grantor also reserves the right to request the RLF Funds be returned to the State of Ohio upon failure to comply with the OHCP RLF Policies and Procedures Manual.

11. Subrecipient Agreements. Grantee shall not subgrant the Program Income funds to any other local political jurisdiction or non-profit agency. Grantee may contract with a non-profit agency to administer the RLF Funds, but the funds are to remain with the Grantee. If there is a change in the designated administrative agent of the RLF Funds, it is the responsibility of the Grantee to notify OHCP within fifteen days of any change in status of the designated administrative agent.

12. Term of the Agreement. This Agreement shall begin as of January 1, 2003 and shall expire on December 31, 2006. At least sixty (60) days prior to the expiration of this Agreement, Grantor will determine if the Grantee continues to have the capacity to administer the RLF Funds based on the performance of the Grantee and its designated administrative agent. Grantor shall promptly notify Grantee in writing of a determination questioning administrative capacity. Grantor reserves the right to determine if the State of Ohio will renew the Revolving Loan Fund Administration Agreement to allow the Grantee to administer the RLF, have the Grantee close out the RLF by executing a CDBG Closeout Agreement or recapture the RLF Funds.

13. Records, Access and Maintenance. Grantee shall establish and maintain for at least three (3) years from the expiration of this Agreement, all direct information and such records as are reasonably related to the administration of a RLF as set forth in the OHCP RLF Policies and Procedures Manual. Both parties further agree that records required by the Grantor with respect to any questioned costs, audit disallowances, litigation or dispute between the Grantor and the Grantee shall be maintained for the time needed for the resolution of said question and that in the event of early termination of this Agreement as provided in Section 10 of this Agreement, or if for any other reason the Grantor shall require a review of the records related to the RLF Funds, the Grantee shall, at its own cost and expense, segregate all such records related to the RLF Funds from its other records of operation.

14. Audits and Inspections. Grantee shall, at any time during normal business hours upon written notice and as often as Grantor may deem necessary, make available to Grantor, for examination, and to appropriate state agencies or officials, all of its records with respect to matters covered by this Agreement including, but not limited to, records of all contracts, loans and disbursements and shall permit Grantor to audit, examine and make excerpts or transcripts from such records. Grantee shall ensure that the RLF Funds are audited according to the requirements of the ODOD Grant Administration Guidelines-Audits that is not attached hereto, but incorporated by reference.

15. Equal Employment Opportunity. Grantee shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, disability, age, or ancestry. Grantee shall take affirmative action to ensure that applicants are considered for employment and that employees are treated during employment, without regard to their race, religion, color, sex, national origin, disability, age, or ancestry. Grantee shall, in all solicitations or advertisements or advertisements for employees placed by or on behalf of the Grantee, state that all qualified applicants will receive consideration for employment without regard to race, religion, color, sex, national origin, disability, age, or ancestry. Grantee shall incorporate the requirements of this paragraph in all its respective contracts for any of the work prescribed herein (other than subcontractors for standard commercial supplies or raw materials), and the Grantee will require all of its subcontractors for any part of such work to incorporate such requirements in all subcontracts for such work.

16. Indemnification. To the extent permitted by law, the Grantee shall hold the Grantor harmless from any and all liabilities or claims caused by or resulting from Grantee's performance of the obligations or activities in furtherance of this Agreement. Grantee shall reimburse the Grantor for any judgments arising from Grantee's actions or inactions that may be obtained against the Grantor, including, but not limited to, judgments for infringements of patents or copyrights. Grantee agrees to reimburse the Grantor for all costs incurred by the Grantor in defending any such claims or legal actions if called upon by the Grantor to do so.

17. Forbearance Not a Waiver. No act of forbearance or failure to insist on the prompt performance by the Grantee of its obligations under this Agreement, either express or implied, shall be construed as a waiver by the Grantor of any of its rights hereunder.

18. Miscellaneous.

a. Governing Law. This Agreement shall be governed by the laws of the State of Ohio as to all matters, including, but not limited to matters of validity, construction, effect and performance.

b. Forum and Venue. All actions regarding this Agreement shall be forumed and venued in a court of competent subject matter jurisdiction in Franklin county, Ohio.

c. Entire Agreement. This Agreement and its exhibits and any documents referred to herein constitute the complete understanding of the parties and merge and supersede any and all other discussions, agreements and understandings, either oral or written, between the parties with respect to the subject matter hereof.

d. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions of this Agreement.

e. Notices. All notices, consents, demands, requests and other communications which may or are required to be given hereunder shall be in writing and shall be deemed duly given if personally delivered or sent by United States mail, registered or certified, return receipt requested, postage prepaid, to the addresses set forth hereunder or to such other address as the other party hereto may designate in written notice transmitted in accordance with this provision.

1. In the case of the Grantor, to :

Ohio Department of Development  
Office of Housing and Community Partnerships  
77 South High Street, P.O. Box 1001  
Columbus, Ohio 43216-1001

2. In the case of the Grantee, to:

Ohio

f. Amendments or Modifications. Either party may, at any time during the term of this Agreement, request amendments or modifications. Requests for amendment or modification of this Agreement shall be in writing and shall specify the requested changes and the justification of such changes. The parties shall review the request for modification in terms of the regulations and goals relating to the Agreement. Should the parties consent to modification of the Agreement, then an amendment shall be drawn, approved, and executed in the same manner as the original Agreement.

g. Pronouns. The use of any gender pronoun shall be deemed to include all the other genders, and the use of any singular noun or verb shall be deemed to include the plural, and vice versa, whenever the context so requires.

h. Headings. Section headings contained in this Agreement are inserted for convenience only and shall not be deemed to be a part of this Agreement.

i. Assignment. Neither this Agreement nor any rights, duties, or obligations described herein shall be assigned, subcontracted or subgranted by the Grantee without the prior express written consent of the Grantor.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the last day and year set forth below.

GRANTEE:

GRANTOR:

(Name)

**State of Ohio  
Department of Development**

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Bruce Johnson, Director

Date: \_\_\_\_\_

Date: \_\_\_\_\_