

EXECUTION COPY

COMMUNITY DEVELOPMENT BLOCK GRANT
DISASTER RECOVERY
SUBRECIPIENT AGREEMENT



THIS AGREEMENT, made effective as of the 15th day of May, 2013, by and between the Housing Trust Fund Corporation ("Grantee") and the New York State Urban Development Corporation d/b/a Empire State Development ("Subrecipient").

WHEREAS, pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 et seq.), portions of the State of New York ("State") received major disaster declarations as a result of Hurricane Sandy, Hurricane Irene, Tropical Storm Lee and other eligible events in calendar years 2011, 2012, and 2013; and

WHEREAS, pursuant to the Disaster Relief Appropriations Act, 2013 (Public Law 113-2, approved January 29, 2013), as amended ("Act"), Congress appropriated \$16,000,000,000 for the Community Development Block Grant Disaster Recovery ("CDBG-DR") program; and

WHEREAS, the State has received an allocation of CDBG-DR funds from the Department of Housing and Urban Development ("HUD") in the amount of \$1,713,960,000; and

WHEREAS, pursuant to title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) ("HCD Act"), as amended, the Grantee is authorized to administer and distribute CDBG funds in the State; and

WHEREAS, the Grantee has received a waiver of certain CDBG-DR requirements for up to \$30,000,000 of the CDBG-DR funds to allow the Grantee to engage the services of the Subrecipient to administer an industry-wide advertising and marketing campaign (as further described in Schedule A, attached hereto, "Tourism Support Campaign"), in order to provide immediate support to the State's tourism industry and promote travel to communities located in the thirteen counties that received major disaster declarations as a result of Hurricane Sandy ("Target Area"); and

WHEREAS, the Grantee also seeks to direct up to \$7,500,000 of its CDBG-DR funds to allow the Grantee to engage the services of the Subrecipient to undertake programmatic marketing to launch and promote the State of New York Storm Recovery Programs ("Storm Recovery Programs") to thirty counties affected by Hurricane Sandy, Hurricane Irene and Tropical Storm Lee (as further described in Schedule A, attached hereto, "Storm Recovery Programs Campaign"); and

WHEREAS, the Grantee also seeks to direct up to \$3,000,000 of its CDBG-DR funds to allow the Grantee to engage the services of the Subrecipient to design, implement and manage a small business mentorship and consulting network (as further described in Schedule A, attached hereto, the "Small Business Consulting and Mentorship Program").

NOW, THEREFORE, the parties agree to the following terms and conditions:

I. SCOPE OF WORK

The Subrecipient will be responsible for performing and/or supervising the performance of the activities detailed in the scope of work attached hereto as Schedule A and incorporated herein ("Scope of Work"), in a manner satisfactory to the Grantee and consistent with any standards required as a condition of providing CDBG-DR funds hereunder. The Grantee will monitor the performance of the Subrecipient against goals and performance standards as stated in the Scope of Work. Substandard performance as determined by the Grantee will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the Subrecipient within a reasonable period of time (as determined by the Grantee) after being notified by the Grantee, the Grantee may initiate contract suspension or termination procedures.

II. TERM

The period of performance for all activities (with the exception of those activities required for the close out and final audit) assisted pursuant to this Agreement shall commence as of the effective date of this Agreement, and shall end two (2) years from the date that HUD has executed the Grantee's CDBG-DR grant agreement. The term of this Agreement and the provisions herein shall be extended to cover any additional time period during which the Subrecipient remains in control of any CDBG-DR funds or other CDBG-DR assets, including loan repayments.

III. BUDGET

The Subrecipient's approved budget is attached hereto as Schedule B and incorporated herein ("Budget"). Any indirect costs charged must be consistent with the conditions of Paragraph VIII (C)(2) of this Agreement. In addition, the Grantee may require a more detailed budget breakdown than the one contained herein, and the Subrecipient shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the Grantee. Any amendments to the Budget must be approved in writing by both the Grantee and the Subrecipient.

IV. GRANT FUNDS

It is expressly agreed and understood that the total amount to be paid by the Grantee under this Agreement shall not exceed \$40,500,000 ("Grant Funds"). The amount of Grant Funds that the Grantee has agreed to provide the Subrecipient under this Agreement is expressly conditioned upon the Grantee's receipt of such funds from HUD

pursuant to the Act. The Grantee reserves the right to reduce the Grant Funds (so long as any eligible expenditures incurred by the Subrecipient and submitted for payment in accordance with the provisions of this Agreement (all as determined by Grantee) have been paid) if the actual costs for the approved activities are less than those set forth in the Budget.

V. DISBURSEMENT OF GRANT FUNDS

- a) The Subrecipient is authorized to request Grant Funds only in accordance with the provisions of this Agreement and the procedures established by the Grantee. No payment by the Grantee of an improper or unauthorized request shall constitute a waiver of the Grantee's right to: (i) challenge the validity of such payment; (ii) enforce all rights and remedies set forth in this Agreement; or (iii) take corrective or remedial administrative action including, without limitation, suspension or termination of the Subrecipient's funding under this Agreement.
- b) The Subrecipient shall certify with each request for Grant Funds that: (i) all statements and representations previously made regarding this Agreement are correct and complete; and (ii) the funds do not duplicate reimbursement of costs and services from any other source.
- c) The use of Grant Funds is conditioned upon the Subrecipient incurring costs permitted under the terms of this Agreement or as otherwise pre-approved, in writing, by the Grantee. The Subrecipient shall not incur costs to be charged against Grant Funds until all Environmental Conditions of 24 CFR Part 58 have been fully satisfied and the Grantee has issued the environmental clearance required thereunder, unless the activity is exempt under section 58.34 or falls under a categorical exclusion listed in section 58.35(b). Notwithstanding this Paragraph V, subsection (c), it is contemplated by the parties that the Subrecipient shall remit invoices for certain Tourism Support Campaign and the Recovery Campaigns eligible expenses, incurred prior to the date of this Agreement, for payment by the Grantee from the Grant Funds.
- d) In the event costs are disallowed by any monitoring, audit or oversight of either the State or Federal Government, the Subrecipient shall be responsible for remitting those funds to the Grantee. Failure to complete the Program described in the Statement of Work may constitute a basis for disallowance of costs.

VI. NOTICES

All notices, requests, approvals and consents of any kind made pursuant to this Agreement shall be in writing and shall be deemed to be effective as of the date it is sent by certified mail, return receipt requested. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated

below, unless otherwise modified by subsequent written notice. Communication and details concerning this contract shall be directed to the following contract representatives:

Grantee:

Housing Trust Fund Corporation
Office of Community Renewal
38-40 State Street
Albany, New York 12207
Attn.: Matthew Nelson, President

Subrecipient:

New York State Urban Development Corporation d/b/a
Empire State Development
633 Third Avenue
New York, NY 10017
Attention: [REDACTED], Deputy Commissioner and Senior Vice President,
Community Economic Development

&

New York State Urban Development Corporation d/b/a
Empire State Development
633 Third Avenue
New York, NY 10017
Attention: [REDACTED], Executive Vice President and General Counsel

VII. GENERAL CONDITIONS

A. Compliance

As applicable, the Subrecipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (HUD's regulations concerning Community Development Block Grants (CDBG)) including subpart K of these regulations, except (1) the Subrecipient does not assume the Grantee's environmental responsibilities described in 24 CFR 570.604 and (2) the Subrecipient does not assume the Grantee's responsibility for initiating the review process under the provisions of 24 CFR Part 52 and (3) where waivers or alternative requirements are provided for in the Federal Register Notices published by HUD on March 5, 2013, entitled "Allocations, Common Application, Waivers, and Alternative Requirements for Grantees Receiving Community Development Block Grant (CDBG) Disaster Recovery Funds in Response to Hurricane Sandy", FR-5696-N-01 and on April 19, 2013, entitled "Clarifying Guidance, Waivers, and Alternative Requirements for Hurricane Sandy Grantees in Receipt of Community Development Block Grant Disaster Recovery Funds", FR-5710-N-01 ("Notices"). The Subrecipient also agrees

to comply with all other applicable Federal, state and local laws, regulations, policies and Grantee guidelines, whether existing or to be established, governing the Grant Funds provided under this Agreement. In the event a conflict arises between the provisions of this Agreement and the Notices, the Notices shall control. The Subrecipient further agrees to utilize Grant Funds available under this Agreement to supplement rather than supplant funds otherwise available.

B. Independent Contractor

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Subrecipient shall at all times remain an "independent contractor" with respect to the services to be performed under this Agreement. The Grantee shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance, as the Subrecipient is an independent contractor.

C. Workers' Compensation

The Subrecipient shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement.

D. Insurance & Bonding

If applicable, the Subrecipient shall carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud and/or undue physical damage, and as a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to cash advances from the Grantee.

If applicable, the Subrecipient shall comply with the bonding requirements of 24 CFR 85.36.

E. Grantee Recognition

The Subrecipient shall insure recognition of the role of the Grantee in providing services through this Agreement. All activities, facilities and items utilized pursuant to this Agreement shall be prominently labeled as to funding source. In addition, the Subrecipient will include a reference to the support provided herein in all publications made possible with funds made available under this Agreement.

F. Amendments

This Agreement may be amended at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of each organization, and approved by the Grantee's governing body. Such amendments shall not invalidate this Agreement, nor relieve or

release the Grantee or the Subrecipient from its obligations under this Agreement. The Grantee may, in its sole discretion, amend this Agreement to conform with Federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the Grant Funds or the Scope of Work, such modifications will be incorporated only by written amendment signed by both the Grantee and the Subrecipient.

G. Suspension or Termination

In accordance with 24 CFR 85.43, the Grantee may suspend or terminate this Agreement if the Subrecipient materially fails to comply with any terms of this Agreement, which include (but are not limited to) the following:

1. Failure to comply with any of the rules, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD guidelines, policies or directives as may become applicable at any time;
2. Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this Agreement;
3. Ineffective or improper use of funds provided under this Agreement; or
4. Submission by the Subrecipient to the Grantee of reports that are incorrect or incomplete in any material respect.

In accordance with 24 CFR 85.44, this Agreement may also be terminated for convenience by either the Grantee or the Subrecipient, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination the Grantee determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the Grantee may terminate the award in its entirety.

VIII. ADMINISTRATIVE REQUIREMENTS

A. Financial Management

1. Accounting Standards

The Subrecipient agrees to comply with 24 CFR 85.20–26 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

2. Cost Principles

The Subrecipient shall administer its program in conformance with OMB Circular A-87, "Cost Principles for State, Local, and Indian Tribal Governments". These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

B. Documentation and Record Keeping

1. Records to be Maintained

The Subrecipient shall maintain all records required by the Federal regulations specified in 24 CFR 570.506, that are pertinent to the activities to be funded under this Agreement, as well as any additional records required by the Grantee. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken meets one or more, as applicable, of the National Objectives of the CDBG program, as modified by the Notices;
- c. Records required to determine the eligibility of activities;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG-DR funds;
- e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- f. Financial records as required by 24 CFR 570.502, and 24 CFR 85.20-26; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

2. Retention

The Subrecipient shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of five (5) years. The retention period begins on the date of the submission of the Grantee's annual performance and evaluation report to HUD in which the activities assisted under the Agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the four-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the five-year period, whichever occurs later.

3. Client Data

If applicable, the Subrecipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to Grantee monitors or their designees for review upon request.

4. Disclosure

The Subrecipient understands that client information collected under this Agreement is private and the use or disclosure of such information, when not directly connected with the administration of the Grantee's or Subrecipient's responsibilities with respect to services provided under this Agreement, is subject to the provisions of Article 6-A, "Personal Privacy Protection Law", of the New York State Public Officers Law, as well as all other applicable State and Federal privacy laws.

5. Close-outs

The Subrecipient's obligation to the Grantee shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of Program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the Grantee), and determining the custodianship of records. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the Subrecipient has control over CDBG-DR funds, including program income.

6. Audits & Inspections

All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the Grantee, HUD, and the Comptroller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient within 30 days after receipt by the Subrecipient. Failure of the Subrecipient to comply with the above audit requirements will constitute a violation of this Agreement and may result in the withholding of future payments. The Subrecipient hereby agrees to have an annual agency audit conducted in accordance with current Grantee policy concerning subrecipient audits and OMB Circular A-133.

C. Reporting and Payment Procedures

1. Program Income

The Subrecipient shall report monthly all program income, as defined in section VI(A)(17)(a) of the FR-5710-N-01 Notice, generated by activities carried out with CDBG-DR funds made available under this Agreement. By way of limitation, the Subrecipient may use such income during the contract period for activities permitted under this contract and shall reduce requests for additional funds by the amount of any such program income balances on hand. All program income shall be returned to the Grantee, absent written authorization from the Grantee to the contrary, in accordance with any procedures established by HUD and the Grantee. Any interest earned on cash advances from the U.S. Treasury and from funds held in a revolving fund account is not program income and shall be remitted promptly to the Grantee.

2. Indirect Costs

If indirect costs are charged, the Subrecipient will develop an indirect cost allocation plan for determining the appropriate Subrecipient's share of administrative costs and shall submit such plan to the Grantee for approval, in a form specified by the Grantee.

3. Payment Procedures

The Grantee will pay to the Subrecipient funds available under this Agreement based upon information submitted by the Subrecipient and consistent with the approved budget attached as Schedule B hereto and Grantee policy concerning payments. Payments will be made for eligible expenses actually incurred by the Subrecipient and not to exceed actual cash requirements. In addition, the Grantee reserves the right to liquidate funds available under this contract for costs incurred by the Grantee on behalf of the Subrecipient.

4. Progress Reports

The Subrecipient shall submit regular Progress Reports to the Grantee in the form, content, and frequency as required by the Grantee.

D. Procurement

1. Compliance

The Subrecipient shall comply with current Grantee policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All Program assets (unexpended program income, property, equipment, etc.) shall revert to the Grantee upon termination of this Agreement.

2. OMB Standards

Unless specified otherwise within this agreement, the Subrecipient shall procure all materials, property, or services in accordance with the requirements of 24 CFR 85.36.

3. Travel

The Subrecipient shall comply with all applicable State regulations and guidelines regarding reimbursement of travel expenses to be paid for with CDBG-DR funds provided under this Agreement. The Subrecipient shall obtain prior written approval from the Grantee for any travel to out of service area assignments.

E. Use and Reversion of Assets

If applicable, the use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 24 CFR Part 85 and 24 CFR 570.502, 570.503, and 570.504, as applicable, which include but are not limited to the following:

1. The Subrecipient shall transfer to the Grantee any CDBG-DR funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination.
2. Real property under the Subrecipient's control that was acquired or improved, in whole or in part, with funds under this Agreement in excess of \$25,000 shall be used to meet one of the CDBG National Objectives pursuant to 24 CFR 570.208 until five (5) years after expiration of this Agreement or such longer period of time as the Grantee deems appropriate. If the Subrecipient fails to use CDBG-assisted real property in a manner that meets a CDBG National Objective for the prescribed period of time, the Subrecipient shall pay the Grantee an amount equal to the current fair market value of the property less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, or improvement to, the property. Such payment shall constitute program income to the Grantee. The Subrecipient may retain real property acquired or improved under this Agreement after the expiration of the five-year period or such longer period of time as the Grantee deems appropriate.
3. In all cases in which equipment acquired, in whole or in part, with funds under this Agreement is sold, the proceeds shall be program income (prorated to reflect the extent to that funds received under this Agreement were used to acquire the equipment). Equipment not needed by the Subrecipient for activities under this Agreement shall be (a) transferred to the Grantee for the CDBG program or (b) retained after compensating the Grantee an amount equal to the current fair

market value of the equipment less the percentage of non-CDBG-DR funds used to acquire the equipment.

F. Use of Grant Funds to Make Loans

If the Subrecipient utilizes Grant Funds to make loans (a "CDBG Loan") and this Agreement is terminated, or if there is a finding by the Grantee of deficient performance or inadequate management capacity by the Subrecipient (any such instance, a "Subrecipient Default"), the Grantee shall have the right to require that all payments due under any or all CDBG Loans be made directly to the Grantee and the Grantee shall be entitled to all rights and remedies under any loan documents between the Subrecipient and the borrower. In addition, upon the occurrence of any Subrecipient Default, the Subrecipient shall promptly assign all Promissory Notes or other document evidencing a CDBG Loan ("CDBG Promissory Note") and any instrument securing any collateral for a CDBG Loan (a "CDBG Security Instrument"), to any successor subrecipient designated by HTFC. The following language must be inserted into every CDBG Promissory Note and CDBG Security Instrument t:

"The Lender, in consideration of the Community Development Block Grant disaster recovery ("CDBG-DR") funds awarded to it by the New York State Housing Trust Fund Corporation ("HTFC"), assigns all of its rights and remedies under this Promissory Note to HTFC. In the event (i) the Subrecipient Agreement entered into between the Lender and HTFC is terminated for any reason, or (ii) HTFC, in its sole and absolute discretion, finds deficient performance or inadequate management capacity on the part of the Lender, HTFC shall have the right to notify the Debtor under this Promissory Note to make payment directly to HTFC, and to enforce any and all obligations of the Debtor under this Promissory Note or any other loan instrument executed in connection herewith. Until such time as HTFC elects to exercise such rights by mailing to Lender and Debtor written notice thereof, Lender is authorized to collect payments and enforce all rights under this Promissory Note."

IX. RELOCATION, REAL PROPERTY ACQUISITION AND ONE-FOR-ONE HOUSING REPLACEMENT

To the extent applicable to its performance under this Agreement, and as modified by the Notices, the Subrecipient agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606(b); (b) the requirements of 24 CFR 570.606(c) governing the Residential Anti-displacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and (c) the requirements in 24 CFR 570.606(d) governing optional relocation policies. The Subrecipient shall provide relocation assistance to displaced persons as defined by 24 CFR 570.606(b)(2) that are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for a CDBG-DR assisted project. The Subrecipient also agrees

to comply with applicable Grantee ordinances, resolutions and policies concerning the displacement of persons from their residences.

X. PERSONNEL & PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

The Subrecipient agrees to comply with the New York State Civil Rights Law and with Title VI of the Civil Rights Act of 1964, as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.

2. Nondiscrimination

The Subrecipient agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCD Act are still applicable.

3. Land Covenants

This Agreement is subject to the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352) and 24 CFR 570.601 and 570.602, as applicable. In regard to the sale, lease, or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, if any, the Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Grantee and the United States are beneficiaries of, and entitled to enforce, such covenants. To the extent any such sale, lease or other transfer of land shall occur, the Subrecipient, in undertaking its obligation to carry out the Program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant, and will not itself so discriminate.

4. Section 504

The Subrecipient agrees to comply with all Federal regulations issued pursuant to Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against individuals with disabilities or handicaps in any Federally

assisted program. The Grantee shall provide the Subrecipient with certain guidelines for compliance with that portion of the regulations in force during the term of this Agreement.

B. Affirmative Action

1. Approved Plan

The Subrecipient agrees that it shall be committed to carry out, pursuant to the Grantee's specifications, an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1965. The Grantee shall provide certain Affirmative Action guidelines to the Subrecipient to assist in the formulation of such program. The Subrecipient shall submit a plan for an Affirmative Action Program for approval prior to the award of funds.

2. Women- and Minority-Owned Businesses (W/MBE)

The Subrecipient will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this Agreement. As used in this Agreement, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

The Grantee values affording W/MBEs the opportunity to participate in the performance of this Agreement. Accordingly, the Subrecipient asserts that it has made and will continue to make good-faith efforts to promote and assist the participation of certified W/MBEs in an amount equal to fifteen percent (15%) MBE and five percent (5%) WBE of CDBG-DR funding provided hereunder which is subject to this requirement. The Subrecipient shall submit copies of all reporting/monitoring/workforce, etc. documentation on a quarterly basis ending March 31st, June 30th, September 30th and December 31st via PDF to OFEHO1@nyshcr.org on or about the date that it receives such reports which is anticipated to be April 10th, July 10th, October 10th, and January 10th."

3. Access to Records

The Subrecipient shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will

permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

4. Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

The Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

5. Subcontract Provisions

The Subrecipient will include the provisions of Paragraphs X.A, Civil Rights, and B, Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own subrecipients or subcontractors.

C. Employment Restrictions

1. Prohibited Activity

The Subrecipient is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.

2. Labor Standards

If applicable, the Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et seq.) and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The Subrecipient agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874 et seq.) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. The Subrecipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Grantee for review upon request. The Subrecipient agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair work financed in whole or in part with assistance provided under this Agreement, shall comply with Federal requirements adopted by the Grantee pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided that, if wage rates higher than those

required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the Subrecipient of its obligation, if any, to require payment of the higher wage. The Subrecipient shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

3. "Section 3" Clause

a. Compliance

If applicable, compliance with the provisions of Section 3 of the HUD Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder prior to the execution of this Agreement, shall be a condition of the Federal financial assistance provided under this Agreement and binding upon the Grantee, the Subrecipient and any of the Subrecipient's subrecipients and subcontractors. Failure to fulfill these requirements shall subject the Grantee, the Subrecipient and any of the Subrecipient's subrecipients and subcontractors, their successors and assigns, to those sanctions specified by the agreement through which Federal assistance is provided. The Subrecipient certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

The Subrecipient further agrees to comply with these "Section 3" requirements and to include the following language in all applicable subcontracts executed under this Agreement:

"The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located."

The Subrecipient further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area in which the CDBG-DR funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement

of lead-based paint hazards), housing construction, or other public construction project to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area in which the CDBG-DR funded project is located; where feasible, priority should be given to business concerns that provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

The Subrecipient certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.

b. Notifications

If applicable, the Subrecipient agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or worker's representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

c. Subcontracts

The Subrecipient will include this Section 3 clause in every applicable subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by HUD. The Subrecipient will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. Conduct

1. Assignability

The Subrecipient shall not assign or transfer any interest in this Agreement without the prior written consent of the Grantee thereto.

2. Subcontracts

a. Approvals

The Subrecipient shall not enter into any subcontracts with any agency or individual to assist with the performance of this Agreement without the written consent of the Grantee prior to the execution of such agreement.

b. Monitoring

In accordance with any guidelines that may be issued by the Grantee, the Subrecipient will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c. Selection Process

The Subrecipient shall undertake to insure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all subcontracts shall be forwarded to the Grantee along with documentation concerning the selection process.

3. Hatch Act

The Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.

4. Conflict of Interest

The Subrecipient agrees to abide by the provisions of 24 CFR 85.36 and 570.611, which include (but are not limited to) the following:

- a. The Subrecipient shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds.
- b. No employee, officer or agent of the Subrecipient shall participate in the selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.
- c. No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-DR assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-DR assisted activity, or with respect to the proceeds from the CDBG-DR assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a

period of one (1) year thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the Grantee, the Subrecipient, or any designated public agency.

5. Lobbying

The Subrecipient hereby certifies that:

a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

c. It will require that the language of paragraph (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Subrecipients shall certify and disclose accordingly:

d. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

6. Copyright

If this Agreement results in any copyrightable material or inventions, the Grantee and/or HUD reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.

7. Religious Activities

The Subrecipient agrees that funds provided under this Agreement will not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction, or proselytization.

XI. ENVIRONMENTAL CONDITIONS

A. Air and Water

The Subrecipient agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- Clean Air Act, 42 U.S.C., 7401, et seq.;
- Federal Water Pollution Control Act, as amended, 33 U.S.C., 1251, et seq., as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder;
- Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the Subrecipient shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

The Subrecipient agrees that any construction or rehabilitation of structures containing residential units with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the

property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

D. Historic Preservation

The Subrecipient agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

XII. SEVERABILITY

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

XIII. SECTION HEADINGS AND SUBHEADINGS

The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

XIV. WAIVER

The Grantee's failure to act with respect to a breach by the Subrecipient does not waive its right to act with respect to subsequent or similar breaches. The failure of the Grantee to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

XV. ENTIRE AGREEMENT

This agreement constitutes the entire agreement between the Grantee and the Subrecipient for the use of funds received under this Agreement and it supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written between the Grantee and the Subrecipient with respect to this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by a duly authorized representative of the parties.

**HOUSING TRUST FUND
CORPORATION**

By: 
Name: Matthew L. Nelson
Title: President

**NEW YORK STATE URBAN
DEVELOPMENT CORPORATION
d/b/a EMPIRE STATE
DEVELOPMENT**

By: 
Name: Frances A. Walton
Title: Chief Financial and
Administrative Officer

SCHEDULE A

The Subrecipient will be responsible for performing and/or supervising the performance of the activities detailed in this scope of work in a manner satisfactory to the Grantee and consistent with the goals and performance metrics listed below.

SCOPE OF TOURISM SUPPORT CAMPAIGN

The Subrecipient will develop and implement (or will cause to be developed and implemented) an industry-wide advertising and marketing campaign, in order to provide immediate support to the State's tourism industry and promote travel to communities located in the Target Area (Bronx, Kings, Nassau, New York, Orange, Putnam, Queens, Richmond, Rockland, Suffolk, Sullivan, Ulster and Westchester Counties). The focus of the campaign is the upcoming summer tourist season in the Target Area, i.e., Memorial Day to Labor Day of 2013. Notwithstanding the above, and subject to HUD's prior approval, the Target Area and/or time period of this campaign may be changed, upon the written agreement of both the Grantee and the Subrecipient.

The key components of the Tourism Support Campaign will be as follows:

- TV Advertising -- including creative development, production, agency fees and media associated with the development and launch of multiple 30 second TV spots and possibly 60 second TV spots
- Digital & Mobile -- including creative development, production, agency fees and media associated with the development and launch of a website/microsite, search engine optimization, email marketing, mobile advertising (including rich media unit development) and banner advertising
- Social Media -- including strategy development, creative development, contests, blogs and agency fees associated with the development and launch of social media programs designed to support tourism in the impacted areas
- Print -- including creative development, production, agency fees and media associated with the development and launch of multiple print advertisements in an assortment of sizes as dictated by the media plan
- Radio -- including creative development, production, agency fees and media associated with the development and launch of multiple radio spots-- including but not limited to live reads.

Tourism Support Campaign Goals & Performance Metrics

The goals of the Tourism Support Campaign include the following, at levels in the 2013 tourism seasons to meet or exceed those levels in the 2012 tourism seasons:

- Job retention and creation in storm-impacted areas, with particular focus on “seasonal” businesses who conduct the vast majority of their sales in the summer months;
- Generation of tax revenues in storm-impacted areas;
- Number of visitors and shoppers to storm-impacted commercial districts as well as tourist destinations within these communities;
- Number of posted advertisements.

Overall, this marketing campaign will be tailored to benefit the small businesses and municipalities in impacted communities (especially coastal communities and seasonal businesses), in particular restaurants, hospitality venues, state and local parks, beaches and entertainment businesses, by attracting customers to, and increasing spending at, these establishments. These businesses provide both permanent and seasonal work to large numbers of low to moderate-income New Yorkers.

Performance metrics will address, among other things, the number of visitors, revenues, and new hotel bookings in storm impacted communities, from several points in time including 2011, 2012 (pre-Sandy and post Sandy) and 2013.

Tourism Support Campaign Subcontracts

On or about December 1, 2011, the Subrecipient and BBDO USA LLC (“BBDO”) entered into a contract pursuant to which BBDO is providing branding, marketing and advertising services to the Subrecipient, on behalf of the State of New York, as part of the initiative known as “New York Open for Business” (“OFB”) which aims to promote the virtues of doing business in New York State for the purposes of: encouraging existing New York State businesses to remain in and expand within New York State; attracting out-of-state businesses to relocate or expand within New York State; to brand, market and advertise business opportunities within New York State, and to promote New York State businesses generally (the “BBDO Contract”). The Grantee and the Subrecipient agree that the Tourism Support Campaign and the Storm Recovery Program Campaign are each consistent with the goals of OFB.

The Subrecipient may amend the BBDO Contract to permit BBDO to perform some or all of the Scope of Work for the Tourism Campaign, under the Subrecipient’s supervision. However, the Subrecipient shall remain solely responsible for the completion of the Scope of Work.

In addition, the Subrecipient may engage the New York State Department of Economic Development (“DED”) to assist with certain aspects of the production of the Tourism Support Campaign. In contemplation of its engagement with Subrecipient, DED may

amend that certain Contract No. C004706 dated as of June 15, 2012, by and between the DED and Mary Elizabeth Mooney d/b/a Dream Catcher Communications (the "Dream Catcher Contract") for the production of certain aspects of the tourism support campaign. Dream Catcher Communications is a New York State certified woman owned business enterprise having an office at 835 Downing Street, Niskayuna, NY 12309. Subrecipient may pay DED up to \$1,000,000 from the Grant Funds that it receives from Grantee so that DED can fund the scope of work contained in such an amendment to the Dream Catcher Contract on a reimbursement basis. However, the Subrecipient shall remain solely responsible for the completion for the Scope of Work.

SCOPE OF STORM RECOVERY PROGRAM CAMPAIGN

The Subrecipient will develop and implement (or will cause to be developed and implemented) an advertising and marketing campaign ("Storm Recovery Programs Campaign"), in the same mediums as the Tourism Support Campaign described above, in order to launch and promote the State of New York Storm Recovery Programs ("Storm Recovery Programs") in the areas affected by Hurricane Sandy, Hurricane Irene and Tropical Storm Lee.

This shall include Albany, Broome, Chemung, Chenango, Clinton, Columbia, Delaware, Dutchess, Essex, Fulton, Greene, Herkimer, Montgomery, Nassau, Oneida, Orange, Otsego, Putnam, Rensselaer, Rockland, Saratoga, Schenectady, Schoharie, Suffolk, Sullivan, Tioga, Ulster, Warren, Washington, and Westchester Counties.

The Subrecipient may amend the BBDO Contract to permit BBDO to perform some or all of the Scope of Work for the Storm Recovery Programs, under the Subrecipient's supervision. However, the Subrecipient shall remain solely responsible for the completion of the Scope of Work.

SCOPE FOR ADMINISTRATION, CONSULTING AND MENTORING PROGRAM

1. Administration, Quality Control and Programmatic Review

Assist in the development of the program. These services include:

- Outlining the proposed program structure, building on best practices learned through the implementation of Hurricane Irene and Tropical Storm Lee programs, as well as September 11 programs, etc.;
- Providing materials and input into the Action Plan;
- Assist in the selection and negotiation of agreements with program intermediaries and the development of term sheets and agreement structure as it relates to program parameters;
- Developing written materials and guidance on program policies and procedures, and program operations;

- Researching policy and program issues;
- Developing relationships and procedures with Department of Tax and Finance, Department of State, utility companies, etc.;
- Assist in the development of training materials and conducting training; and
- Participation in working groups to troubleshoot problems, address ongoing policy issues.

2. NYS Small Business Storm Recovery Programs Small Business Consulting and Mentorship Network

Thousands of small businesses across New York State are still working to recovery from the impacts of Hurricane Sandy, Hurricane Irene and Tropical Storm Lee. They are facing the legal, economic, and bureaucratic challenges of obtaining benefits from insurers, financing the rebuilding of their businesses, settling landlord-tenant issues, and hiring architects and contractors as they seek to rebuild. The challenge of restoring the small business sector is not simply one of getting the right loan application to businesses that were damaged; in many cases, the issues confronting small businesses require substantial guidance in the areas of: business consulting; strategic planning; legal counseling; accounting; and real estate (inclusive of Landlord-Tenant); construction; and environmental.

The need for pro bono consulting and coaching services to help restore and rebuild communities and small businesses impacted by these storms is crucial. New York State's Small Business Mentorship Network will link business coaches/mentors in specific industry sectors or functional areas with entrepreneurs in their industry through a comprehensive website where businesses and coaches can register, various levels of engagements can be facilitated, and outcomes of those engagements can be tracked and reported. There is currently no comprehensive system to provide these services; these services are mostly provided ad hoc. Moreover, this is a critical gap in the technical assistance infrastructure of the State; State funded networks such as the Small Business Development Centers (SBDC) and New York State's Entrepreneurial Assistance Program Centers (EAP) are comprised of professional business coaches rather than business practitioners and professionals in legal, accounting and other disciplines. The SBDCs will play a critical role in facilitating and monitoring these engagements with the mentor network. The SBDCs are packaging applications for the small business grant and loan program for storm impacted businesses, and they are under contract to identify businesses and facilitate coaching and mentoring engagements through this program as well.

These one-on-one connections will be extremely important to entrepreneurs recovering from the aftermath of Hurricane Sandy, Hurricane Irene and Tropical Storm Lee. Participating small businesses will have access to leading professionals that would otherwise be unavailable. The SBDCs and EAPs will connect entrepreneurs seeking business assistance with business professionals who share their experience and offer their industry specific expertise for free. We anticipate the SBDCs and EAPs will facilitate

hundreds of engagements each year. Additionally, The Small Business Mentorship Network will recruit individual experts as well as companies, firms and organizations to provide the business coaching. Mentors and consultants will also conduct speaking engagements and lead pro bono workshops that aim to provide the tools to rebuild and grow faster.

The proposed range of consulting services available to small businesses will include the following:

- Business Consulting (marketing, operations, human resources, financial management, etc.);
- Strategic Planning (fundraising, expansion, succession planning, mergers/acquisitions/ divestitures, business planning);
- Legal Services (contracts, insurance, leases, purchasing contracts, claims, insurance, etc.);
- Accounting;
- Real Estate (inclusive of Landlord-Tenant);
- Construction (engineering, architectural services, project management); and
- Environmental and mitigation, including resiliency consulting.

Additional services may be added to the program as needs are identified and demonstrated, and as requested by the Subrecipient and approved by the Grantee.

Empire State Development will utilize technology to facilitate the consulting and coaching engagements, and those engagements will be monitored by the current network of technical assistance business centers funded by NYS. This new website and the associated databases will serve as a useful tool for businesses to apply and access information. It will include training material, event dates and other services to help restore small businesses in hard hit areas.

Scope of Work:

1. Planning and Design:

ESD will conduct a best practice study and develop a detailed plan for New York State's Small Business Mentorship Network, including a project timeline that details start days for action plan, programmatic steps and activities for implementation. ESD will contract a consultant to research business mentoring models and national programs that spur job growth, build competitive businesses and fuels local economies. This information will be presented along with a best practices study and a clear set of recommendations in order to ensure a quality mentoring program. The consultant will also advise on the documents identified below.

Additionally, ESD will draft policies and procedures, program documents, ensure quality control for both consultants and business coaches and establish a system for oversight of the mentorship engagements.

2. Online Network and Website:

The online network and website will allow for registration, review and approval of mentors and business clients; facilitate the pairing the mentors with mentees based on industries, skill set, work experience, among other factors; maintain a searchable database of mentors and businesses; will be accessible to registered users who log-in to the system using a unique username and password; and will keep track of users' activities and generate reports tracking outcomes. For non-registered users, access to a public website, with limited features, will be made available.

ESD will release a Request for Proposal or RFP to elicit proposals from suitable candidates to build this website. The proposers will be reviewed, scored and ranked, and the top three (3) candidates will be interviewed by the evaluation committee.

ESD will then oversee the build out and implementation of the new online system and website.

3. Building the Network of Consultants and Mentors:

ESD will identify organizations, firms, corporations, and individuals suitable to provide the consulting and mentoring services. By using ESD's current professional relationships, ESD will spearhead the growth of partnerships across various industry sectors and skill-sets, and integrate overall marketing goals with co-branding opportunities. ESD will conduct marketing and outreach efforts to enroll mentors across the state— that includes identifying and meeting with key partners/stakeholders, including interested CEOs and leading businesses, in various fields, with extensive experience, skills and knowledge to provide expert advice to New York's small businesses.

ESD will also release a Request for Qualifications (RFQ) to select additional consultants and mentors, and associated organizations, firms, and corporations. MOUs and other relevant agreements will be drafted with the terms of engagement.

4. Marketing:

ESD will design marketing and promotional material and work with appropriate media outlets to disseminate information to New York State's small business communities, specifically in storm affected areas. ESD will also partner with business centers on introductory workshops and information sessions to facilitate these engagements.

5. Training:

ESD will develop training programs to educate and train the SBDCs and EAPs to serve as the basis of interaction between the mentor and mentee. This includes establishing the mentor/mentee selection process and assisting with the creation of a comprehensive tracking system to be used during the program's offline period.

6. Implementation and Oversight:

ESD staff will be responsible for overseeing the actual implementation of the strategy or program. ESD will track the number of businesses targeted and reached through the SBDCs, EAP, the online network and website, among other sources. ESD will generate reports to understand the types of businesses impacted and learn which consulting and mentorship services were most requested. This information will be critical to understanding the program's impact and effectiveness, as well as learning how to improve the state's new mentorship network. Additionally, ESD will conduct periodic training with the facilitators and solicit feedback at the end of mentor and mentee relationships. As a result, during the implementation of this program, ESD will revise of the policies and procedures, oversee enhancements to the online network and databases, and update other materials so the network can scale effectively over time.

SCHEDULE B

BUDGETS

(Attached)

**SCHEDULE E – SUPPLEMENTAL BUDGET and PROJECTED ACCOMPLISHMENTS 2013
FOR SCOPE IIA Additional Services**

RATES APPLY TO:

Gross Media Budget (\$)			\$ 22,411,460.23
Net Media Budget (\$)			\$ 19,049,741.19
Media Commission (%)			3.00%
Media Commission % based on	gross	net media <i>(check one)</i>	
Production Expense			
All production expenses incurred in-house (except with respect to Personnel as identified below) or out-of-house, shall be billed at actual cost with no mark-up due the Contractor.			\$ 800,000.00
	Number of Hours	Billing Rate per Hour \$	Total \$ (Hours x Billing Rate)
Personnel (In-House OR Subcontractor)			
Specific Personnel 1/			
Account Management	450	\$ [REDACTED]	\$ [REDACTED]
Creative Management	550	\$ [REDACTED]	\$ [REDACTED]
Production Management	1,280	\$ [REDACTED]	\$ [REDACTED]
Media Buyer (covered by commission)			
Web Site Design/Production			
Digital Media Production			
Research	20	\$ [REDACTED]	\$ [REDACTED]
Public Relations			
<i>(add additional staff as necessary)</i>			
Other Personnel 2/			
1. All Other Professionals			
2. Clerical			
3. _____			
4. _____			
5. _____			
Administrative Expenses			Annual Total \$
(Billed at actual cost, no mark-up permitted)			
Telecommunications			
Supplies			
Legal & Other Professional			
General administrative			
Grand Total Personnel/Admin Expenses			\$ 477,915.00
Travel			
accordance with State rates, as identified in Appendix			

Projected Post-Sandy Tourism Fee Breakdown

Timeframe: 4/1/13 - 9/30/13

PhD Media Breakdown

MEDIA	IN-STATE	OUT-OF-STATE	TOTAL MEDIA
Total TV Spend			
In-State: All News, Syndication/Prime Access, Fringe, Sports, Yankees/Mets Sponsorships, Out-of-State: Early Morning News, Evening News, Sports, Late Night, Cable	\$ 10,243,472.00	\$ 5,544,500.00	\$ 15,787,972.00
Canadian TV			
Toronto and Montreal: Early Morning News	\$ -	\$ 232,692.00	\$ 232,692.00
Minor League Baseball Partnership			
On-site interactive activities and in-stadium video board commercial spots/sponsorship features in 11 NYS minor league stadiums	\$ 150,000.00	\$ -	\$ 150,000.00
Digital			
Geotargeted site list focusing on specific categories: Travel & Booking, Trip Planning, Local News and Information, Fitness Enthusiast and	\$ 405,681.90	\$ 173,863.70	\$ 579,545.60
Print			
Local & drive market newspapers and event pubs + Time Out NY Insert	\$ 1,245,806.40	\$ 939,819.00	\$ 2,185,625.40
6 page custom insert (2x); P4CB (4-5x)			
OOH			
Bulletins, Bus Shelters/Columns, Subway/Commuter Rail, NYC Taxis	\$ 471,750.00	\$ 314,500.00	\$ 786,250.00
Total Spend	\$ 12,516,710.30	\$ 7,205,374.70	\$ 19,722,085.00

EBDO Fee Breakdown

ROLE	HOURS	FEE
Account management		

<p>General Description: Manage client relationships and lead development of advertising initiatives.</p> <p>Account Management</p> <p>TOTAL</p>	<p>450</p> <p>450</p>	<p>██████████</p>
<p>Creative services</p> <p>General Description: Develop creative concepts/executions for advertising via design, copywriting, etc.</p> <p>Creative Concepting (Design + Copywriting)</p> <p>TOTAL</p>	<p>550</p> <p>550</p>	<p>██████████</p>
<p>Production services</p> <p>General Description: Produce the final advertising materials via mediums such as TV, print, digital, web, etc.</p> <p>Pre production (estimates, location scouting for shoot, etc)</p> <p>Video/Photo shoot</p> <p>Editing shoot content</p> <p>Shipping of final files</p> <p>TOTAL</p>	<p>200</p> <p>650</p> <p>350</p> <p>80</p> <p>1280</p>	<p>██████████</p>
<p>Research & strategy</p> <p>General Description: Manage the upfront research and strategy before a creative team is briefed to develop advertising elements.</p> <p>Strategic Development</p> <p>TOTAL</p>	<p>20</p> <p>20</p>	<p>██████████</p>

PhD Total		\$19,722,085.00
BBDO Total	2300	\$477,915.00
Production ESTIMATE		\$800,000.00
Grand Total		\$21,000,000.00

**SCHEDULE E – SUPPLEMENTAL BUDGET and PROJECTED ACCOMPLISHMENTS 2013
FOR SCOPE IIA-1 Additional Services**

RATES APPLY TO:

Gross Media Budget (\$)		\$ 7,722,851.06
Net Media Budget (\$)		\$ 6,564,423.40
Media Commission (%)		3.00%
Media Commission % based on	gross net media <i>(check one)</i>	
Production Expense		
All production expenses incurred in-house (except with respect to Personnel as identified below) or out-of-house, shall be billed at actual cost with no mark-up due the Contractor.		
		\$ 450,000.00
	<u>Number of</u>	<u>Billing Rate</u>
Personnel (In-House OR Subcontractor)		<u>Annual</u>
Specific Personnel 1/		
Account Management	584	\$ [REDACTED]
Creative Management	280	\$ [REDACTED]
Production Management	485	\$ [REDACTED]
Media Buyer (covered by commission)		
Web Site Design/Production		
Digital Media Production		
Research	10	\$ [REDACTED]
Public Relations		
<i>(add additional staff as necessary)</i>		
Other Personnel 2/		
1. All Other Professionals		
2. Clerical		
3. _____		
4. _____		
5. _____		
Administrative Expenses		<u>Annual Total \$</u>
<i>(Billed at actual cost, no mark-up permitted)</i>		
Telecommunications		
Supplies		
Legal & Other Professional		
General administrative		

Grand Total Personnel/Admin Expenses		\$ 253,891.07
Travel		
accordance with State rates, as identified in Appendix		no answer required

Projected Post-Sandy Loan Assistance Fee Breakdown

Timeframe: 5/1/13 - 4/30/15

PhD Media Breakdown

MEDIA	TOTAL MEDIA
Spot TV 300 broadcast / 100 cable: Albany-Schenectady-Troy, Binghamton, Burlington-Plattsburg, New York, Elmira, Utica	\$ 5,824,308.93
Print Albany Times Union, Binghamton Press & Bulletin, Elmira Star Gazette, The Evening Sun, Press-Republican, Oneonta Daily Star, Poughkeepsie Journal, The Leader Herald, Hudson Catskill Newspapers, Herkimer Telegram, The Recorder, Newsday, Utica Observer Dispatch, Middletown Times Herald-Record, Cooperstown Crier, Troy Record, Saratogian, Schenectady Daily Gazette, Times Journal News, Sullivan County Democrat, Appalachian Community Press, The Daily Freeman, Glen Falls Post Star, Journal News	\$ 971,800.00
Total Spend	

BBDO Fee Breakdown

ROLE	HOURS	FEE
Account management General Description: Manage client relationships and lead development of advertising initiatives.	584	
Account Management TOTAL	584	
Creative services General Description: Develop creative concepts/executions for advertising via design, copywriting, etc.	280	
Creative Concepting (Design + Copywriting) TOTAL	280	

Production services

General Description: Produce the final advertising materials via mediums such as TV, print, digital, web, etc.

Pre production (estimates, location scouting for shoot, etc)

Video/Photo shoot

Editing shoot content

Shipping of final files

TOTAL

Research & strategy

General Description: Manage the upfront research and strategy before a creative team is briefed to develop advertising elements.

Strategic Development

TOTAL

	140		
	100		
	200		
	45		
	485		
	10		
	10		

PhD Total		\$6,796,108.93
BBDO Total	1359	\$253,891.07
Production ESTIMATE		\$450,000.00
Grand Total		\$7,500,000.00

Dream Catcher Contract Budget

Appendix B-2
Budget for Additional Scope of Services

Media Commission

% will be applied to gross media expenditure 2.70%

Production Expense

All production expenses incurred in-house (except with respect to Personnel as identified below) or-out-of-house, shall be billed at actual cost with no-mark up due the Contractor

<u>Personnel</u>	<u>Number of Hours Annually</u>	<u>Billing Rate per Hour</u>	<u>Annual Total \$</u>
<u>Specific Personnel</u>			
Account Management	350	[REDACTED]	[REDACTED]
Creative/ Production Management	350	[REDACTED]	[REDACTED]
Media Buyer	350	[REDACTED]	[REDACTED]
<u>Other Personnel</u>			
1.All Other Professionals		\$0.00	
2.Clerical		\$0.00	

Administrative Expenses

Annual Total \$

Telecommunications	\$ 250.00
Supplies	\$ 500.00
Legal and Other Professional	\$ 900.00
General Administrative	\$ 400.00

Travel

Travel Expense incurred shall be Reimbursed in accordance with State rates, As identified in Exhibit B of the Contract.

ESD Budget - Small Business Consulting Program
 Estimated Budget
 2 - Years

YEAR

Budget Detail

Personnel	Salary	% of time on project		Description
		1	2	

Program Director - ESD Coordination and Operations (50%) <i>Fringe Benefits</i>	\$ [REDACTED]	50%	\$ [REDACTED]	\$ [REDACTED]	Program oversight - direction on strategy, partnership building, web and database development, policies and procedures, tracking and reporting, etc.
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Program Director - Small Business Mentorship (100%) <i>Fringe Benefits</i>	\$ [REDACTED]	100%	\$ [REDACTED]	\$ [REDACTED]	Primary responsibility for completing policies and procedures, program documents, quality control for both consultants and business coaches, the development of the RFP, the development of the program part of the entire RFP process for the IT systems and website, training the intermediaries, oversight of the engagements, reporting, outcomes tracking, etc.
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Project Associate (50% yr one/100% yr two) <i>Fringe Benefits</i>	\$ [REDACTED]	50% yr 1 / 100% yr 2	\$ [REDACTED]	\$ [REDACTED]	Support to the Director for the same activities.
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Senior Project Manager <i>Fringe Benefits</i>	\$ [REDACTED]	15%	\$ [REDACTED]	\$ [REDACTED]	Primarily advising on policies and procedures and meeting with potential partner organizations to finalize MOUs/agreements and define terms of engagement.
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Senior Director <i>Fringe Benefits</i>	\$ [REDACTED]	15%	\$ [REDACTED]	\$ [REDACTED]	Primarily advising on policies and procedures and meeting with potential partner organizations to finalize MOUs/agreements and define terms of engagement.
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Legal Associate <i>Fringe Benefits</i>	\$ [REDACTED]	8%	\$ [REDACTED]	\$ [REDACTED]	Contract negotiation and review, program document review, disclaimers and other legal protections, review of program materials, etc.
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MIS Associate <i>Fringe Benefits</i>	\$ [REDACTED]	25%	\$ [REDACTED]	\$ [REDACTED]	Development and implementation and oversight of IT/database contracts, including implementation of the RFP process, review, contracting and oversight of the vendor along with program staff.
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ESD Budget - Grant/Loan Program Advisory and Operations
 Estimated Budget
 2 - Years

Personnel	Salary	% of time on project		Description
		1	2	
Program Director - ESD Coordination and Operations (50%)	\$ 82,000.00	50%	\$	Overall oversight of ESD's advisory role in selecting intermediaries, defining the scope/term sheet, advising on policies, procedures, researching issues, meeting w/HCR and other stakeholders as necessary, etc.
Fringe Benefits	\$		\$	
Senior Project Manager	\$ 79,000.00	15%	\$	Developing written materials and guidance, researching issues, advising on issues identified above, including program parameters, policies and procedures, operations, developing relationships and processes w/utilities, Dept of Tax/Finance, Department of State, etc.
Fringe Benefits	\$		\$	
Senior Director	\$ 89,643.00	15%	\$	Developing written materials and guidance, researching issues, advising on issues identified above, including program parameters, policies and procedures, operations, developing relationships and processes w/utilities, Dept of Tax/Finance, Department of State, etc.
Fringe Benefits	\$		\$	
Legal Associate	\$ 118,000.00	2%	\$	
Fringe Benefits	\$		\$	
Finance Associate	\$ 62,043.00	20%	\$	
Fringe Benefits	\$		\$	
Total	\$ 110,248.47		\$ 75,845.30	
Travel	\$ 5,000.00		\$ 5,000.00	10-20 trips at \$250-\$500/trip
Travel Expenses	\$ 5,000.00		\$ 5,000.00	
Total	\$		\$	
Marketing and Outreach	\$		\$	
Marketing and Outreach Expenses	\$		\$	
Total	\$		\$	
Other Non-Personal Services	\$		\$	
Indirect Administrative Cost	\$ 5,768.75		\$ 5,768.75	Indirect administrative expense.
Total	\$ 5,882.81		\$ 5,882.81	
ESTIMATED GRAND TOTAL	\$ 121,131.28		\$ 86,728.11	
Estimated 2-Year Total	\$		\$ 207,859.38	

Senior ESD Management Staff Expenses Not Billed to Contract