

RAP Sub-Grantee Agreement Criteria Checklist

Background

Grantee shall require each of the selected Sub-Grantee(s) to enter into written grant agreements with the Grantee to effectuate redistribution of all Grant funds received by Grantee (less the Administrative Amount) for Eligible Costs ("Sub- Grant(s)") by July 1, 2024. All proposed Sub-Grantee(s) and Sub-Grant Project(s), and any additions or modifications thereto, must be submitted by the Grantee to the MEDC for review and written approval by the MSF Fund Manager prior to receiving any Grant Disbursements for that particular Sub-Grant Project.

Sub-Grant Criteria (Section 2.5 (c)(i-xviii) of RAP Grant Agreement).

- Identification of the Sub-Grantee, its Project, its singular qualifying federal Expenditure Category, and the associated Eligible Costs broken down by category
- Provision(s) requiring the Sub-Grantee to request and receive reimbursement solely for Eligible Costs
- Provision(s) requiring the Sub-grantee to provide the information necessary for the Grantee to timely report the information required of the Grantee to the Grant Manager to meet the requirements of this Agreement, including in order to timely request reimbursements pursuant to the Grant
- Provision(s) requiring the Sub-Grantee to comply with all federal and state requirements, reporting or otherwise, of this Agreement, including, but not limited to, those requirements listed in Exhibits G and H, including compliance with any future amendments to such federal requirements by the federal government
- Provision(s) requiring Sub-Grantee be registered with SAM.gov and obtain a UEI
- Provision(s) requiring the Sub-Grantee's Eligible Costs be incurred between March 3, 2021, and December 31, 2024, and expended by June 30, 2026
- Provision(s) requiring the Sub-Grantee to provide a copy of its guaranteed maximum price contract for the Project
- Provision(s) requiring the Project performed by the Sub-Grantee be constructed in such a manner as to conform to applicable zoning, planning, building, and other regulations of governmental authorities having jurisdiction over the Project and the Property; and the Sub-Grantee has obtained, or will obtain, all necessary leases, permits, zoning waivers, variances, or other permissions, to allow for development of the Property and Project for its intended purpose at least through the term of the Sub- Grant. Further, provisions requiring all necessary utilities, including but not limited to, telephone services, electric power, natural gas, storm sewers, sanitary sewer, and public potable water facilities are available, or will be available, to the Property and the Project at project completion and all times thereafter during the term of the Sub-Grant
- Provisions requiring the Sub-Grantee to affirm, to its knowledge, the Sub-Grantee is not, and will not during the term of the grant, be in material violation of any laws, ordinances, regulations, rules, orders, judgments, decrees, or other requirements imposed by any governmental authority to which the Property, Project, or the Sub- Grantee is subject. Further, provisions requiring the Sub-Grantee to

affirm it will obtain all requisite demolition, building, environmental, and other permits necessary for the development of the Property and Project for the intended purpose during the term of the Grant, and the Sub-Grantee will not, during the term of the Grant, knowingly fail to obtain any other licenses, permits or other governmental authorizations necessary, to the ownership of its properties, or the conduct of its business, which violation or failure to obtain might materially and adversely affect the Sub-Grantee's business, profits, properties, or condition (financial or otherwise)

- Provisions requiring the Sub-Grantee to acknowledge that it is receiving a Subaward under SLFRF and as such is a Subrecipient under SLFRF, subject to all federal requirements related to its Subrecipient status including, but not limited to, those requirements listed in Exhibits G and H, as may be updated from time to time by the federal government.

- Provisions requiring the Sub-Grantee to be subject to the following events of default:
 - o the taking via condemnation or similar governmental action of all, or a substantial part of the Property or Project which taking has a material adverse effect on the development of the Project or the use of the Property or Project for the intended purpose of Revitalization or Placemaking;
 - o any unappealable or irrevocable action taken by any governmental authority;
 - o any unappealable or irrevocable action taken by any governmental authority that would materially and adversely affect timely progression of work or development of the Project as required by the Key Milestones or the use of the Property or Project for the intended purpose of Revitalization or Placemaking;
 - o the institution of, or any agreement in lieu of, a foreclosure action against the Property or the Project or any part thereof and failure of the Sub-Grantee to cause such action to be terminated within thirty (30) calendar days of its institution;
 - o the institution of any proceeding, or agreement in lieu of, seeking a termination of the Sub-Grantee's interest in the Property;
 - o any failure of the Sub-Grantee to incur Eligible Costs in an amount of 200% of the maximum Sub-Grant amount;
 - o any voluntary bankruptcy or insolvency proceedings are commenced by the Sub-Grantee;
 - o any involuntary bankruptcy or insolvency proceedings are commenced against the Sub-Grantee, which proceedings are not set aside within sixty (60) calendar days from the date of institution thereof;
 - o the filing of a claim of lien against the Property that is not resolved to the MSF's satisfaction;
 - o the failure of physical work on the Property for the development of the Project as contemplated by the Sub-Grant Agreement for a period of thirty (30) consecutive calendar days, which failure is not cured by the Sub-Grantee to the satisfaction of the Grantee within ten (10) business days after written notice thereof by the Grantee, or within such longer period of time as determined in writing and at the sole discretion of the Grantee;
 - o if at any time after the Grant Disbursement and through the end of the Term of the Grant, the Property is not used for its applicable intended Revitalization or Placemaking purpose.

- Provisions requiring the Sub-Grantee affirm that the real estate taxes and utility bills for the Property have been paid, and will be paid through the Term, and that the Property is free from construction liens, and will remain free through the Term;
- Provisions requiring Sub-Grantee not be in default, violation, breach, or non-compliance, of any kind or nature under any: (i) agreement or requirement, including submission of reports, with the MEDC, or for any department or agency within the State (including without limitation, the Department of Licensing and Regulatory Affairs, the Department of Environment, Great Lakes, and Energy, the Department of Treasury, the MSF, (including as successor in interest to the former Michigan Economic Growth Authority), the State Historic Preservation Office (or any successors or assigns to any of the foregoing)); (ii) applicable federal secretary of the interior's standards for rehabilitation and guidelines for rehabilitating historic buildings, 36 CFR 67; or (iii) any agreement with any person or entity, which violation, default, breach, or non-compliance has a material adverse effect on the development of the Project or the use of the Property or Project for the intended purpose of Revitalization or Placemaking, in each case which is not cured by the Sub-Grantee to the satisfaction of the Grantee within ten (10) business days after written notice thereof by the Grantee or within such longer period of time as determined in the sole discretion, and pursuant to the written notice, of the Grantee;
- Provisions requiring the Sub-Grantee to allow for site visits by the MEDC or the MSF;
- Provisions requiring the Sub-Grantee, to affirm, to its knowledge, that it is not and will not during the Term be in material violation of any laws, ordinances, regulations, rules, orders, judgments, decrees or other requirements imposed by any governmental authority, or be in material violation under any contracts, or other requirements for the Project, to which it is subject, and will not knowingly fail to obtain any licenses, permits or other governmental authorizations necessary to the ownership of its properties or to the conduct of its business, which violation or failure to obtain are reasonably likely to materially and adversely affect its business, profits, properties or condition (financial or otherwise), or impair the Grantee's ability to perform its obligations under this Agreement;
- Provisions requiring the Sub-Grantee not use any Grant Disbursements for the development of a stadium or arena for use by a professional sports team or development of a casino or property associated or affiliated with the operation of a casino as prohibited by the Act (see MCL 125.2088c(3)(a) and (b)), or to induce the Grantee, a qualified business, or small business to leave the State of Michigan, or to
- Contribute to the violation of internationally recognized workers' rights, of workers in a country other than the US, or to fund an entity incorporated in a tax haven country, as prohibited by the Act (see MCL 125.2088c(4)(c), (d), and (e));
- Provisions requiring the Sub-Grantee cooperate with the MSF or the MEDC to promote the Sub-Grant Project through one or more of the placement of a sign, plaque, media coverage or other public presentation at the request and expense of the MEDC or MSF;
- Provisions requiring the Sub-Grantee to obtain the consent of the MSF prior to any sale of the Property and include provisions in any purchase contract that the purchaser be bound by all applicable obligations of this Agreement including, but not limited to, all reporting requirements.