



Memo

TO: The Honorable Mayor and City Council

FROM: Carol Griffith, Housing and Community Development Manager, Planning and Development Services

THROUGH: Bert Lumbreras, City Manager
Joe Pantalione, Assistant City Manager
Shannon Mattingly, Planning and Development Services Director

DATE: March 26, 2021

RE: Revive SMTX CDBG-CV Business Grant Program Contract Revisions

CITY COUNCIL REQUEST

The City Council has requested that staff bring forward an agenda action item to discuss revising the Revive SMTX Business Grant Program that is funded by Community Development Block Grant – Coronavirus Response (CDBG-CV) Round One to require that businesses that receive grants must certify that they will abide by Centers for Disease Control and Prevention (CDC) Guidelines, including requiring customers and employees to wear masks.

PROGRAM CREATION AND IMPLEMENTATION

Funding

On April 15, 2020, the City received official notification that the United States Department of Housing and Urban Development (HUD) had allocated \$425,261 in Coronavirus Aid Relief and Economic Security (CARES) Act funding through the CDBG-CV program. CARES Act projects must prevent, prepare for, or respond to impacts of the Coronavirus. CDBG economic development projects must create or retain jobs. **CDBG-CV programs are required to meet CARES Act requirements as well as the extensive federal requirements that are associated with any CDBG project.**

From May 1-20, 2020, the City held an open application period with substantial public outreach to advertise the opportunity. The San Marcos Chamber of Commerce ("the Chamber") provided one of four program proposals received. June 2, 2020, a public hearing was held at the City Council meeting to present the proposals, followed by a review and comment period June 7-13, 2020. City Council adopted two of the four proposals on June 16, 2020. Because HUD requires that all funding be assigned to a program before an Action Plan amendment will be accepted, another round of public review was held and a third program was approved August 4, 2020. HUD reviewed the Action Plan and approved award of funding August 24, 2020. **The City signed an agreement to accept the funding from HUD, and is the responsible entity for ensuring that expenditures meet all requirements.**

City staff worked to include all CARES Act and CDBG requirements in the program and created the attached required agreements and procedures. The agreement between the City and the Chamber (*Attachments 2 and 3*) was executed by the City December 11, 2020. This enabled the Chamber fully to implement the program at that time. **The City-Chamber agreement includes all federal requirements and the procedures required to fulfill them for this specific program.**

Process in Brief

The purpose of the Chamber's program is to provide businesses up to \$5,000 in reimbursement for unbudgeted expenses directly related to protecting their customers and employees from COVID-19.

Expenses must be for the following:

- Personal Protection: purchase of personal protective equipment or sanitation supplies
- Social Distancing: supplies or facility reconfiguration that provide for social distancing of customers or employees
- Business Viability: services or electronic equipment that enables the business to provide point of sale online or without physical customer contact

The program requires extensive review and documentation to ensure that both CDBG-CV and CARES Act stipulations are fulfilled, as described in brief below.

12/11/20	City and Chamber execute the program agreement, including procedures
	Chamber finalizes scoring process and electronic Spanish/English version of application
FOR EACH ROUND OF APPLICATIONS:	
	Applicants submit application with explanation of need, as well as Articles of Incorporation or "Doing Business As" documentation
	Chamber checks applications to ensure they meet threshold eligibility (below) , and request clarifications and documentation as needed
	Applications are scored and ranked
	Businesses are notified that their application has been accepted as eligible
	Revive SMTX staff talked with each applicant one-on-one via email or phone call to describe requirements and regulations of the grant program
	Chamber and Businesses execute agreements, and Businesses sign Certifications and submit payroll, tax return or workforce commission documentation, receipts for claimed program expenses
	Chamber reviews documentation in detail and follows up on expense eligibility (below) and missing information
	Chamber determines amount of eligible expenses per federal requirements, up to \$5,000
	Chamber submits payment request and all documentation for each business to the City for review
	City reviews and requests a check to be cut to the Chamber, withholding 20% from each business
	Chamber issues checks for approved amount minus 20% to each business
	After six months, business submits current payroll and quarterly tax returns or workforce commission reports (as documentation of impact of funding)
	Chamber requests the final 20% payment from the City
	City cuts the check to the Chamber
	Chamber issues checks for the final 20% to each business

Threshold Eligibility includes the following requirements:

- i. Business is located within the City Limits of the City of San Marcos, Texas.
- ii. Business must have been established as business organization with an assumed name certificate through a County Clerk for no less than six months to March 13, 2020
- iii. Business is a for-profit business.
- iv. Application states that the business has fewer than fifty (50) full time equivalent positions (FTE's) at time of application.
- v. Application states that 51% of the full time equivalent positions (FTE's) in each business are available to low- to moderate-income people (that is, all training can be accomplished while on the job or just after accepting it).
- vi. Application states that at least 51% of the business' employees make less than \$26.30 per hour in the job they hold with the business.
- vii. Application contains a clear and detailed description of the exact impact of the COVID-19 pandemic on the business.
- viii. Applicant answered the questions as follows:
 1. "Without this grant, would your business have to cut back employment in the near future?"
Threshold answer: YES
 2. Do 51% of the jobs to be retained pay less than \$26.30 per hour?
Threshold answer: YES
 3. Total Number of Jobs to be Retained: _____ Full-Time _____ Part-Time
Threshold answer: a number above 0
 4. How many Full Time Equivalent Jobs (FTE's) will be retained? _____
Threshold answer: a number above 0
- ix. Application is signed by the business owner.
- x. Business name and applicant name do not show up on sam.gov as having been debarred or suspended from accepting federal government contracts.

Expense Eligibility includes the following requirements:

- Allowable –
 - Each item fits within the program description (the three categories listed above)
 - For construction contracts: contractor's company and the contractor are not listed as debarred or suspended on sam.gov
- Allocable – All items are directly related to preventing, preparing for, or responding to Coronavirus (or the COVID-19 pandemic)
- Reasonable – All costs must be what a prudent business would pay in a competitive marketplace.
- Necessary – Each item was necessary for the operation of this particular business in the owner's opinion.

The Chamber marketed the program by:

- Sending 2,929 postcards to all businesses located inside the San Marcos city limits. The postcards included information about the grant and was in both Spanish and English. Postcards were sent November 2, 2020.
- Running an advertisement in both Spanish and English with the Corridor News beginning on November 3, 2020
- Running an advertisement in both Spanish and English with the San Marcos Daily Record beginning on November 1, 2020
- A Facebook advertisement was paid for and ran from November 10, 2020 – November 30, 2020
- Multiple Facebook posts and newsletters also highlighted the grant program
- An insert was created and included with all utility bills written in both English and Spanish. The inserts went out the first week in December

STATUS UPDATE

As of March 19, 2021, 95 applications had been received and reviewed per program criteria. 54 are complete, 12 incomplete, and 29 were ineligible.

If all 54 complete applications provide acceptable documentation of expenses, funding needed will exceed 150% of the amount available.

March 19, 2021, status is as follows:

- 7 are contracted, all documentation received, first 80% payment approved by Chamber and City
- 26 are contracted and in process of submitting expense documentation
- 3 applications have met threshold eligibility
- 18 applications are in process of review
- 12 remain incomplete
- 29 ineligible, even after contacting the business with additional explanation

Of the applicants, 22 were Chamber members and 73 were not.

The March 19, 2021, applicant list is attached (*Attachment 4*).

COUNCIL REQUESTS FOR INFORMATION

Previous Council requests regarding this program are included with this memo (*Attachments 5-11*):

09/01/20 – Request for project update and emailed response

10/20/20 – Request for clarification on administrative costs and emailed response

11/17/20 – Request for video accompanying application and emailed response

02/10/21 – Request for project update; response sent with attachment 210209_ApplicationsList

03/13/21 – Request for change in criteria to require masks/adherence to CDC guidelines and emailed response; also see 210315 response from Legal

CHANGE PROCESS

To add a requirement to this existing program:

1. The City would amend the executed agreement with the Chamber and require it to be re-signed.
2. A procedure would be added whereby:
 - a. The Chamber contacts all 66 remaining applicants to inform of the new requirement
 - b. The Chamber amends all agreements with businesses, including those already executed
3. The Chamber-Business agreement (*Attachment 12*) would be modified to require dated picture documentation of a sign posted at the business requiring employees and customers to wear masks as part of the final documentation provided six months after the first payment.
4. The Business Certifications (*Attachment 13*) would be modified to include a certification that the business will follow CDC guidelines and all funded businesses would have to re-sign the Certifications.

CONSIDERATIONS

This proposed change will have unintended negative consequences for the San Marcos City Council and staff by damaging trust between us and our working partners and businesses in the city. In providing federal grants, the City works with partners to set program structures in place that can be relied upon to get funding to the beneficiaries. Changing a criteria at this point will damage the trust in those program structures for all our subrecipients (Community Action, Southside, CASA, Habitat, etc.).

In addition, it imposes a requirement on businesses that have gone out of their way to protect employees and customers, as is evidenced by the types of expenditures that are eligible for reimbursement.

Finally, it will damage the reputation of the City by showing that at anytime in the life of an agreement, the City may opt to change the terms of an executed contract to add to the requirements, without having a legal or business need to do so. Contractors would be wise to think twice about signing agreements with such a partner.

STAFF RECOMMENDATION

Throughout the last year the City has been consistent in its messaging urging residents to wear masks and requiring face coverings for staff when social distancing cannot be achieved. The requirement for employees continues despite the Governor's executive order no longer requiring masks. The most recent media campaign encouraging masks was initiated by our Communications staff after that executive order was issued. We continue to follow CDC guidelines and the recommendations of the local health authority in addition to coordinating with state and regional agencies to ensure we are following the best guidance and taking the most appropriate steps to protect the health and safety of our community. Due to the considerations listed above, staff recommends **against** changing the Revive SMTX program requirements Council put in place when the program was approved on June 16, 2020.



Request for City Manager Signature

Project or Document Title: CDBG-CV Subrecipient Agreement with the San Marcos Area Chamber of Commerce

Name and Department of Requestor: Carol Griffith, Planning and Development Services

Number of Originals Submitted: __1__

Did City Council Approve? __X__ Yes __N/A__ If Yes, Date of Approval: 06/16/20

After CM Signature Route to: Carol Griffith by email cgriffith@sanmarcostx.gov

Item Summary:

CDBG-CV Subrecipient Agreement for ReviveSMTX, the COVID-19 Small Business Recovery Program approved by City Council June 16, 2020, by Resolution 131.

Director Approval:	_____	N/A _____	Date: _____
Finance Approval:	_____	N/A X	Date: _____
Legal Approval:	_____	N/A _____	Date: _____
HR Approval:	_____	N/A X	Date: _____

RESOLUTION NO. 2020-131R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS AMENDING THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) ACTION PLAN FOR PROGRAM YEAR 2019 TO ADD THE AWARDED COMMUNITY DEVELOPMENT BLOCK GRANT-CORONAVIRUS (CDBG-CV) ALLOCATION OF \$425,261 AND APPROVING PROJECTS FOR THE USE OF THESE FUNDS; AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO ACT AS THE OFFICIAL REPRESENTATIVE OF THE CITY IN MATTERS RELATED TO THE CDBG PROGRAM AND ACTION PLAN; AND DECLARING AN EFFECTIVE DATE.


BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN MARCOS, TEXAS:

PART 1. The Community Development Block Grant (CDBG) Action Plan for Program Year 2019 approved by Resolution No. 2019-121R is amended to add the awarded Community Development Block Grant-Coronavirus (CDBG-CV) allocation of \$425,261 and add projects for the use of these funds, as set forth in Exhibit A.

PART 2. The City Manager or his designee is authorized to act as the official representative of the City in matters related to the CDBG Program and Action Plan.

PART 3. This resolution shall be in full force and effect immediately from and after its passage.

ADOPTED on June 16, 2020.


Jane Hughson
Mayor

Attest:



Tammy K. Cook
Interim City Clerk

EXHIBIT A – CDBG-CV PROJECTS

<u>1. COVID-19 Small Business Recovery</u> By the San Marcos Chamber of Commerce, City of San Marcos Economic Development Department, and the City of San Marcos Main Street Program	\$200,000
<u>2. Advocacy Services for Abused and Neglected Children</u> By Court Appointed Special Advocates	\$55,600
<u>3. Administration of the CDBG-CV Grant</u> By the Planning and Development Services Department	\$64,131
<u>4. Future projects to be determined</u>	\$105,530
TOTAL	\$425,261

SUBRECIPIENT AGREEMENT CDBG-CV-Activity #10-Program Year 2019

**AN AGREEMENT BETWEEN THE CITY OF SAN MARCOS, TEXAS, AND
SAN MARCOS AREA CHAMBER OF COMMERCE, INCORPORATED, FOR
A CDBG-CV FUNDED PROGRAM:
REVIVE SMTX, A COVID-19 SMALL BUSINESS RECOVERY PROGRAM**

THIS AGREEMENT is made and effective as of the October 1, 2020, by and between the City of San Marcos (herein called the "the City") and San Marcos Area Chamber of Commerce, Incorporated, DUNS # 038350716 (herein called "the Subrecipient"). The City and Subrecipient may also be referred to herein, individually as a "Party," or collectively, as "Parties."

WHEREAS, the City has applied for and received funds from the United States Department of Housing and Urban Development under Title I of the Housing and Community Development Act of 1974, as amended (HCD Act), Public Law 93-383; and

WHEREAS, this award of federal funds is made under federal Award Identification # B-20-MW-48-0513 awarded the 1st day of October, 2020, in the total amount of Community Development Block Grant-Coronavirus Response (CDBG-CV) funds of \$425,261; and

WHEREAS, the City wishes to engage the Subrecipient to assist the City in utilizing a portion of such CDBG-CV funds for a small business assistance program entitled Revive SMTX offered by the Subrecipient in cooperation with the City of San Marcos Economic Development Department and the City of San Marcos Main Street Program ("the Program"); and

WHEREAS, the Subrecipient has legal authority to enter this Agreement, and by signing this Agreement, to assure the City that it will comply with all the requirements of the subaward described herein; and

WHEREAS, the City's governing body has duly adopted the Resolution No. 2020-163R authorizing the City to enter into agreements necessary to implement CDBG-CV Activity #10-Program Year2019; and

NOW, THEREFORE, it is agreed between the parties hereto that;

I. STATEMENT OF WORK

A. Activities and National Objective

The Subrecipient is responsible for administering a CDBG-CV Program Year2019 Program entitled Revive SMTX ("the Program") in a manner satisfactory to the City and consistent with any standards required as a condition of providing these funds.

All activities funded with CDBG-CV funds must meet one of the CDBG program's National Objectives: (a) benefit low- and moderate-income persons; (b) aid in the prevention or elimination of slums or blight; or (c) meet community development needs having a particular urgency, as defined in the Code of federal Regulations (CFR) 24 CFR 570.208. The Subrecipient certifies that the activities carried out under this Agreement will meet the National Objective and all other requirements stated in Appendix A Program Summary. In addition, all activities funded with CDBG-CV funds must be used to prevent, prepare for, and respond to Coronavirus.

This Program does not involve Research and Development activities.

Such Program includes activities eligible under the Community Development Block Grant program stated in Appendix A Program Summary.

B. General Administration

Program Procedures are hereby attached and made a part of this agreement. The Subrecipient agrees to:

1. Follow the attached Program Procedures; and
2. Maintain a current registration status in the federal System for Award Management (SAM) for the duration of the contract period; and
3. Prepare a Cost Allocation Plan that details all the funding sources and the proportional share of direct costs that will be charged to each source for staff salaries, wages, and fringe benefits. For the purposes of this plan fringe benefits, vacation, holiday, and sick pay are to be allocated in the same manner as salaries and wages. The plan must be submitted and approved by the City prior to the submission of the first request for reimbursement; and
4. Maintain financial records in sufficient detail to show clearly the expenses that are being reimbursed with program funds as detailed in the Cost Allocation Plan; and
5. Ensure that all personnel working with the CDBG-CV funded program understand they have a responsibility to communicate upward any operating problems and non-compliance with laws and regulations; and
6. Submit quarterly progress reports within fifteen (15) days of the close of each quarter and all other reports as requested in the attached Program Procedures; and
7. Attend all Subrecipient training offered by the City.

C. Levels of Accomplishment – Goals and Performance Measures

The Subrecipient agrees to provide the levels of program services stated in Appendix B Program Delivery and Performance Timeline.

D. Performance Monitoring

The City will monitor the performance of the Subrecipient against goals and performance standards as stated above. Substandard performance as determined by the City will constitute noncompliance with this Agreement. The City will send written notification of noncompliance including a deadline for remedying the issue. If action to correct such substandard performance is not taken by the Subrecipient by the deadline given in the written notice, contract suspension or termination procedures will be initiated.

E. Program Procedures

The Subrecipient shall ensure that the Program Procedures attached to this Agreement are carried out by the Subrecipient's staff and subcontractors in the implementation of the Program.

F. Definition of "Supplies" (Ref: 2 CFR 200.33 Equipment and 2 CFR 200.94 Supplies)

Per 2 CFR 200, equipment that costs less than \$5,000 is defined to be “supplies”, not “equipment” as the term is used in this agreement.

II. TIME OF PERFORMANCE

A. Term

The effective date of this Agreement is the 1st day of October, 2020 (the “Effective Date”) and the termination date is the date the Certificate of Program Completion is issued by the City of San Marcos Community Initiatives Division Staff in reference to the Program Procedures. The term of this Agreement and the provisions herein shall be extended to cover any additional time period during which Subrecipient remains in control of CDBG-CV funds or other CDBG-CV assets, including program income.

Funding will be available upon receipt of the HUD authorization to expend funds and the receipt of a subsequent Notice to Proceed from the City, and this Agreement and the City’s obligations under it are subject to such HUD authorization.

B. Performance Schedule

Required activities and the expected timeline in which they will be performed are included in Appendix B Program Delivery and Performance Timeline.

III. BUDGET

The budget for this Program is contained in Appendix C Budget.

Any indirect costs charged must be in compliance with Uniform Administrative Requirements (UAR) 200.331(a)(4).

In addition, the City 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 City. Any amendments to the budget must be approved in writing by both the City and the Subrecipient.

IV. PAYMENT

It is expressly agreed and understood that the total amount to be paid by the City under this Agreement shall not exceed the total amount shown in Appendix C Budget. Drawdowns for the payment of eligible expenses shall be made against the line item budget in Appendix C Budget following the submission of completed pay requests that include all required documentation in sufficient detail for the City to determine cost eligibility and allowability.

Payments may be contingent upon certification of the Subrecipient’s financial management system in accordance with the standards specified in 24 CFR 84.21.

V. NOTICES

Notices required by this Agreement shall be in writing and delivered via mail (postage prepaid), commercial courier, or personal delivery, or sent by facsimile, email or other electronic means. Any notice

delivered or sent as aforesaid shall be effective on the date of delivery or sending. 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 Agreement shall be directed to the following contract representatives, with a copy to the City's Community Initiatives Division:

City

Bert Lumbreras, City Manager
City of San Marcos
630 East Hopkins
San Marcos Texas 78666
Phone: (512)393-8230
Email: blumbreras@sanmarcostx.gov

With a copy to:

Community Initiatives Program Administrator
Community Initiatives Division
City of San Marcos
630 East Hopkins
San Marcos Texas 78666
Phone: (512)393-8147
Email: CDBG@sanmarcostx.gov

Subrecipient

Jason Mock, President and Chief Executive Officer
San Marcos Area Chamber of Commerce
202 N. C.M. Allen Parkway
San Marcos, Texas 78666
Phone: (512)393-5900
Email: jasonm@sanmarcostexas.com

VI. GENERAL CONDITIONS

A. General Compliance

The Subrecipient agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning Community Development Block Grants (CDBG)) including subpart K of these regulations, except that (1) the Subrecipient does not assume the City's environmental responsibilities described in 24 CFR 570.604 and (2) the Subrecipient does not assume the City's responsibility for initiating the review process under the provisions of 24 CFR Part 52. The Subrecipient also agrees to comply with all other applicable federal, state, and local laws, regulations, and policies governing the funds provided under this contract. The Subrecipient further agrees to utilize 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 City 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. Hold Harmless

The Subrecipient shall hold harmless, defend, and indemnify the City from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the Subrecipient’s performance or nonperformance of the services or subject matter called for in this Agreement.

D. Workers’ Compensation

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

E. Insurance and Bonding

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 the project award from the City. The Subrecipient shall comply with the bonding and insurance requirements of 31 CFR Part 223 when selecting a fidelity bond provider and utilize only bonding companies with a certificate of authority issued by the Secretary of the Treasury.

Subrecipients funded for construction activities will procure and maintain at Subrecipient’s expense insurance with insurance companies authorized to do business in the State of Texas, covering all operations under this Agreement, whether performed by Subrecipient or Subrecipient’s agents, subcontractors, or employees. Before commencing any services under this Agreement, Subrecipient will furnish to the City a certificate or certificates in a form satisfactory to the City, showing that Subrecipient has complied with the insurance requirements outlined below. All certificates will provide that the policy will not be changed or canceled until at least 30 days written notice have been given to the City. The certificates and policies must contain language which states: “It is agreed that the City of San Marcos and its officers, employees, and agents are added as additional insureds under this policy, solely for work done by and on behalf of the named insured for the City of San Marcos.”

The following represent the minimum required coverage limits:

Automobile Liability:	
Bodily Injury (each person)	\$250,000.00
Bodily Injury (each accident)	\$500,000.00
Property Damage	\$100,000.00
General Liability (including contractual liability)	
Bodily Injury	\$500,000.00
Property Damage	\$100,000.00

Coverage shall apply on a primary non-contributing basis in relation to any other insurance or self-insurance, primary or excess, available to the City or any officer, employee, agent, or volunteer of City. All insurance will be endorsed to provide a waiver of the carrier's right of subrogation against the City.

F. City Recognition

The Subrecipient shall ensure recognition of the role of the City and the US Department of Housing and Urban Development in providing CDBG-CV program funding through this Agreement. This funding source shall be included on any materials and publications, including websites, used in the implementation of this Agreement.

G. Amendments

The Parties may amend this Agreement at any time provided that such amendments make specific reference to this Agreement and are executed in writing and signed by a duly authorized representative of each Party. Such amendments shall not invalidate this Agreement nor relieve or release the Parties from their respective obligations under this Agreement, except as specifically provided in such written amendment.

The City may, in its 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 funding, the scope of services, or the schedule of activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both Parties.

Amendments to the Agreement that do not meet the definition of a Substantial Amendment as defined in the City of San Marcos Citizen's Participation Plan do not require approval by the City's governing body.

H. Suspension or Termination

In the event of termination with or without cause, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the Subrecipient pursuant to this Agreement shall, at the option of the City, be turned over to the City and become the property of the City. In addition, the Subrecipient shall be entitled to receive reasonable compensation for any necessary services actually and satisfactorily performed prior to the date of termination which are allowable under federal regulations pertaining to this Agreement.

1. Termination for Cause (2 CFR 200 Appendix II(B))

The City 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:

- a. 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;
- b. Failure, for any reason, of the Subrecipient to fulfill in a timely and proper manner its obligations under this Agreement;

- c. Ineffective or improper use of funds provided under this Agreement; or
- d. Submission by the Subrecipient to the City reports that are incorrect or incomplete in any material respect.

If the Subrecipient fails to fulfill in a timely and proper manner its obligations under this Agreement, or if the Subrecipient violates any of the covenants, conditions, agreements, or stipulations of this Agreement, the City shall have the right to terminate this Agreement by giving written notice to the Subrecipient of such termination and specifying the effective date thereof, which shall be at least five (5) days before the effective date of such termination.

Notwithstanding the above, the Subrecipient shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of contract by the Subrecipient, and the City may set-off the damages it incurred as a result of the Subrecipient's breach of contract from any amounts it might otherwise owe the Subrecipient.

2. Resolution of Program Non-compliance and Disallowed Costs

In the event of any dispute, claim, question, or disagreement arising from or relating to this Agreement, or the breach thereof, including determination of responsibility for any costs disallowed as a result of non-compliance with federal, state, or CDBG-CV program requirements, the parties hereto shall use their best efforts to settle the dispute, claim, question, or disagreement. To this effect, the parties shall consult and negotiate with each other in good faith within thirty (30) days of receipt of a written notice of the dispute or invitation to negotiate, and attempt to reach a just and equitable solution satisfactory to both parties. If the matter is not resolved by negotiation within thirty (30) days of receipt of written notice or invitation to negotiate, the parties agree first to try in good faith to settle the matter by mediation administered by the American Arbitration Association under its Commercial Mediation Procedures before resorting to arbitration, litigation, or some other dispute resolution procedure. The parties may enter into a written amendment to this Agreement and choose a mediator that is not affiliated with the American Arbitration Association. The parties shall bear the costs of such mediation equally. If the matter is not resolved through such mediation within sixty (60) days of the initiation of that procedure, either party may proceed to file suit.

3. Termination for Convenience (2 CFR 200 Appendix II(B))

City may at any time and for any reason terminate Subrecipient's services and work at City's convenience upon providing written notice to the Subrecipient specifying the extent of termination and the effective date. Upon receipt of such notice, Subrecipient shall, unless the notice directs otherwise, immediately discontinue the work and placing of orders for materials, facilities, and supplies in connection with the performance of this Agreement.

This Agreement may also be terminated for convenience by either the City 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 City determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the City may terminate the award in its entirety.

VII. ADMINISTRATIVE REQUIREMENTS

A. Financial Management

1. Uniform Administrative Requirements

The Subrecipient agrees to comply with the *Uniform Administrative Requirements, Cost Principles and Audit Requirement for Federal Awards* as codified in Title 2, Part 200 of the Code of federal Regulations (UAR) and agrees to adhere to the accounting principles and procedures required therein, and maintain necessary source documentation for all costs incurred.

2. Internal Controls

The Subrecipient must establish and maintain effective interim control over the federal award that provides reasonable assurance that the Subrecipient is managing the CDBG-CV award in compliance with federal statutes and program regulations.

3. Cost Principles

Costs incurred, whether charged on a direct or an indirect basis, must be in conformance with 2 CFR part 200, subpart E. All items of cost listed in 2 CFR part 200, subpart E, that require prior federal agency approval are allowable without prior approval of HUD to the extent they comply with the general policies and principles stated in 2 CFR part 200, subpart E and are otherwise eligible under this Agreement, except for the following:

- a. Depreciation methods for fixed assets shall not be changed without the approval of the federal cognizant agency.
- b. Fines penalties, damages, and other settlements are unallowable costs to the CDBG-CV program.
- c. Costs of housing (e.g., depreciation, maintenance, utilities, furnishings, rent), housing allowances and personal living expenses (goods or services for personal use) regardless of whether reported as taxable income to the employees (2 CFR 200.445);
- d. Organization costs (2 CFR 200.455); and
- e. Pre-Award Costs, as limited by this agreement

4. Pre-Award Costs (Reimbursements) [Ref: Department Of Housing And Urban Development [Docket No. FR-6218-N-01] Notice of Program Rules...Section III.B.5.(b) Reimbursements]

HUD is waiving the requirements of 570.200(h) and 570.489(b) to the extent necessary to authorize the City to permit reimbursement of pre-application costs of the Subrecipient and program beneficiaries, in addition to pre-agreement and pre-award costs. All grantees may authorize subrecipients to incur pre-award costs in accordance with pre-agreement cost authority under 24 CFR 570.489(b) (states) and pre-award cost authority under 24 CFR 570.200(h) (entitlements), as modified above. However, an environmental review must be performed by City staff and a release of funds must be obtained from HUD in accordance with 24 CFR part 58 prior to committing CDBG-CV funds to reimburse such costs.

The City agrees to reimburse allowable costs as restricted by this Agreement incurred on or after March 13, 2020, for the Subrecipient and businesses awarded grants through the Program.

B. Documentation and Record Keeping

The City is governed by the Texas Public Information Act, Chapter 552 of the Texas Government Code. This Agreement and all written information generated under this Agreement may be subject to release under this Act.

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. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken, including its location and the amount of CDBG-CV funds budgeted, obligated, and expended for the activity;
- b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG-CV program;
- 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-CV assistance;
- e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG-CV program;
- f. Demographic data for beneficiaries of these funds as specified in section VII (B)(4) below;
- g. Financial records as required by 24 CFR 570.502, and the UAR; and,
- h. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

2. Retention [Ref: 24 CFR 570.502(a)(7)(ii)(A)]

The Subrecipient shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement until the later of four (4) years after the expiration or termination of the subrecipient agreement under 24 CFR §570.503, or four (4) years after the submission of the annual performance and evaluation report (The “CAPER”), in which the specific activity is reported on for the final time, as prescribed in 24 CFR §91.520. 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 four-year period, whichever occurs later.

3. Access to Records

As required by 2 CFR 200.336, the Subrecipient shall permit the City and auditors to have access to the Subrecipient's records and financial statements as necessary for the City to meet its audit requirements under the federal award.

4. Beneficiary Reporting for the Six (6) Month Compliance Period

- a. The beneficiaries of the Revive SMTX Program are the businesses awarded a grant under the program ("the Beneficiaries"). As described in the attached Program Procedures In order to document the benefit to low- and moderate-income persons over the required six (6) month period required by 24 CFR 570.503(b)(7), the Subrecipient will provide a report in a form acceptable to the City aggregating income statistics for the employees of each unique Beneficiary such that the determination can be made of the percentage of employees per Beneficiary who are in the then-current low- to moderate-income categories for the City of San Marcos, using the payrolls and employment reports provided by each Beneficiary as of February 29, 2020, and as of six (6) months after the day the grant check is cut by the Subrecipient for the Beneficiary.
- b. Safeguarding Sensitive Information. The Subrecipient shall comply with The Privacy Act of 1974, 5 U.S.C. § 552a, The Freedom of Information Act 5 U.S.C. § 552, and Section 208 of the E-Government Act regarding the disclosure of information about clients. Compliance for CDBG-CV-funded projects is also spelled out in 24 C.F.R. § 5.212.
 - 1) The collection, maintenance, use, and dissemination of Social Security Numbers (SSN's), Employer Identification Numbers (EINs), any information derived from SSN's and EINs, and income information under this subpart shall be conducted, to the extent applicable, in compliance with the Privacy Act and all other provisions of federal, state, and local law.
 - 2) All assistance applicants shall be provided with a Privacy Act notice at the time of application.
 - 3) All records, both electronic and paper copies, shall be maintained in systems that have the appropriate administrative, technical, and physical safeguards to protect the information, however current.

5. Disclosure

The Subrecipient understands that beneficiary information collected under this contract is private and the use or disclosure of such information, when not directly connected with the administration of the City's or Subrecipient's responsibilities with respect to services provided under this contract, is prohibited unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.

6. Close-out

The Subrecipient's obligation to the City for the Program 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 City), 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-CV funds, including program income.

7. Audits and Inspections

All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the City, grantor agency, 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 thirty (30) days after receipt by the Subrecipient. Failure of the Subrecipient to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments.

The Subrecipient hereby agrees to have an annual agency audit conducted in accordance with current City policy concerning subrecipient audits and the UAR.

- a. Subrecipients that expend \$750,000 or more in total federal financial assistance in a year must obtain an independent audit in accordance with the UAR. The computation of the total of such assistance includes all federal funds received by the entire entity, and not just the department or division receiving the CDBG-CV funding. For purposes of determining the amount of federal assistance expended, all federal assistance shall be considered, including that which is received directly from a federal agency, or passed through a state or local government, or through non-profit organizations, or any combination thereof.
- b. Subrecipient will furnish the City with a balance sheet and income statement (financial statement) prepared by a Certified Public Accountant ("CPA") for its activities during the term of the Agreement at the Subrecipient's expense. Subrecipient will provide a written copy of the financial statement to the City within nine (9) months from the date of Subrecipient's fiscal year end and not more than thirty (30) days after the Subrecipient's receipt of the financial statement. Financial statements required under the terms of this Agreement will consist of:
 - 1) CPA preparation of financial records is not required if the Subrecipient has total assets of \$15,000 or less in value;
 - 2) A compiled financial statement is required if Subrecipient has total assets greater than \$15,000 and less than or equal to \$100,000 in value.
 - 3) A reviewed financial statement is required if Subrecipient has total assets greater than \$100,000 and less than or equal to \$200,000 in value.
 - 4) An audited financial statement is required if Subrecipient has total assets of more than \$200,000 in value. (In an "audited" statement a CPA provides an in-depth study of the records, organizes them into a statement, and issues an opinion to their validity.)

- 5) For the purposes of this Agreement, the term “total assets” is defined to mean the total amount of liquid assets that is documented to be available to the Subrecipient at the time the funding is approved.

C. Reporting and Payment Procedures

1. Program Income

The Subrecipient shall report all program income (as defined at 24 CFR 570.500(a)) generated by activities carried out with CDBG-CV funds made available under this contract in the form, content, and frequency as required by the City.

The use of program income by the Subrecipient shall comply with the requirements set forth at 24 CFR 570.504. By way of further limitations, 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 unexpended program income shall be returned to the City at the end of the contract period. 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 City.

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 City for approval, in a form specified by the City.

3. Payment Procedures

The City will pay to the Subrecipient funds available under this Agreement based upon information submitted by the Subrecipient and consistent with any approved budget and City policy concerning payments. With the exception of certain limited advances, made with pre-approval by the City, payments will be made for eligible expenses actually incurred by the Subrecipient, and not to exceed actual cash requirements. Payments will be adjusted by the City in accordance with advance fund and program income balances available in Subrecipient accounts. The City reserves the right to withhold payment of any disbursement until the City has reviewed and approved payment requests and all supporting documentation has been supplied by the subrecipient. In addition, the City reserves the right to liquidate funds available under this Agreement for costs incurred by the City on behalf of the Subrecipient. Payment Requests must be submitted as described in the attached Program Procedures.

4. Progress Reports

As described in the attached Program Procedures, the Subrecipient shall submit regular progress reports to the City in the form, content, and frequency as required by the City, including quarterly reports during the while the program is active on a form acceptable to the City.

D. Procurement

1. Compliance

The Subrecipient shall comply with the general procurement standards found in 2 CFR 200.318 of the UAR and shall follow the City's Procurement Policies for all purchases or contractor/professional services solicitations. The Subrecipient shall maintain records sufficient to detail the history of each procurement. The Subrecipient shall impose the Subrecipient's obligations under this agreement on its contractors, specifically or by reference, so that such obligations will be binding upon each of its contractors.

2. Contractor Eligibility

The Subrecipient must ensure that awards are not made to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, "Debarment and Suspension" and the UAR.

For construction projects, Subrecipient will have each contractor and subcontractor complete a contractor eligibility form in a format that is provided or approved by the City. This form will provide the information necessary to verify contractor eligibility.

3. Procurement Procedures

In compliance with standards for non-federal entities in 2 CFR 200.320, single purchases for goods or services over \$3,000 by the Subrecipient or by Beneficiaries awarded a grant will be reimbursed only if sufficient documentation is provided that price quotations were obtained from three (3) sources or if not obtained, that price quotations were solicited from five (5) sources. Purchasers are not required to buy at the lowest price, but must provide justification for choosing a higher one, such as the quality of the product or experience of the contractor providing the service.

E. Use and Reversion of Assets

The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of the UAR 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 City any CDBG-CV funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of its expiration, cancellation, or termination.
2. The Subrecipient may continue to use the real property acquired or improved under this Agreement without use limitations after the end of the program.

F. DUNS Number and SAM Registration

Subrecipient must have or obtain a Dun and Bradstreet Data Universal Numbering System (DUNS) number that identifies the organization. Subrecipient must submit evidence of current registration in the federal System for Award Management (SAM) prior to the execution of this Subrecipient Agreement.

G. Federal Funding Accountability and Transparency Act (FFATA)

The Subrecipient shall comply with the requirements of 2 CFR part 25 Universal Identifier and System for Award Management (SAM). The Subrecipient must have an active registration in SAM in accordance with 2 CFR part 25, appendix A, and must have a Data Universal Numbering System (DUNS) number. The Subrecipient must also comply with provisions of the Federal Funding Accountability and Transparency Act, which includes requirements on executive compensation, and 2 CFR part 170 Reporting Subaward and Executive Compensation Information.

H. Duplication of Benefits

Duplication of benefits occurs when federal financial assistance is provided to a person or entity through a program to address losses resulting from a federally-declared emergency or disaster, and the person or entity has received (or would receive, by acting reasonably to obtain available assistance) financial assistance for the same costs from any other source (including insurance), and the total amount received exceeds the total need for those costs.

The Subrecipient is required to maintain adequate procedures to prevent a duplication of benefits as part of administering the program. This requirement will be fulfilled by each beneficiary sign the Beneficiary Certifications attached to this Agreement within the Program Procedures. Such certification must be provided prior to the receipt of grant funds for payment to the beneficiaries.

By signing this Agreement, the Subrecipient certifies that:

1. The Subrecipient's specific expenses for which the grant is a reimbursement have not been and are not expected to be covered by any other federal source of funds, including loans from the Small Business Administration.
2. If in the future it is determined that the grant has created a duplication of benefits regarding Subrecipient expenses that have been reimbursed, the Subrecipient will repay the amount duplicated to the CDBG-CV program.

In addition, the Subrecipient agrees to check available databases maintained by federal departments, such as the Small Business Administration's database of loan recipients, to identify businesses from which additional documentation regarding possible duplication of benefits may need to be gathered.

X. PERSONNEL AND PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

The Subrecipient agrees to comply 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 as amended by Executive Order 12259, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.

The Subrecipient shall comply with the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352), as amended and 24 CFR 570.601 and 570.602. No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity funded by this Agreement. The specific nondiscrimination provisions at 24 CFR 1.4 apply to the use of these funds. The Subrecipient shall not intimidate, threaten, coerce, or discriminate against any person for the purpose of interfering with any right or privilege secured by Title VI of the Civil Rights Act of 1964 or 24 CFR Part 1, or because he has made a complaint, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under 24 CFR Part 1. The identity of complainants shall be kept confidential except to the extent necessary to carry out the purposes of 2 CFR Part 1, including the conduct of any investigation, hearing, or judicial proceeding arising thereunder.

2. Nondiscrimination

a. 24 CFR part 6 and Other Applicable Rules

The Subrecipient will comply with 24 CFR part 6, which implements the provisions of section 109 of title I of the Housing and Community Development Act of 1974 (Title I) (42 U.S.C. 5309). Section 109 provides that no person in the United States shall, on the ground of race, color, national origin, religion, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with federal financial assistance.

Subrecipient shall similarly adhere to applicable laws or rules prohibiting discrimination on the basis of sexual orientation, gender identity or marital status.

The Subrecipient will adhere to the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101-6107) (Age Discrimination Act) and the prohibitions against discrimination on the basis of disability under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) (Section 504). Section 109 of the HCD Act makes these requirements applicable to programs or activities funded in whole or in part with CDBG-CV funds. Thus, the Subrecipient shall comply with regulations of 24 CFR part 8, which implement Section 504 for HUD programs, and the regulations of 24 CFR part 146, which implement the Age Discrimination Act for HUD programs.

b. Architectural Barriers Act and the Americans with Disabilities Act

The Subrecipient shall comply with and ensure that its activities are consistent with requirements of Architectural Barriers Act and the Americans with Disabilities Act.

The Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) requires certain federal and federally funded buildings and other facilities to be designed, constructed, or altered in accordance with standards that insure accessibility to, and use by, physically handicapped people. A building or facility designed, constructed, or altered with funds allocated or reallocated under this part after December 11, 1995, and that meets the definition of “residential structure” as defined in 24 CFR 40.2 or the definition of “building” as defined in 41 CFR 101-19.602(a) is subject to the requirements of the Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) and shall comply with the Uniform federal Accessibility

Standards (appendix A to 24 CFR part 40 for residential structures, and appendix A to 41 CFR part 101-19, subpart 101-19.6, for general type buildings).

The Americans with Disabilities Act (42 U.S.C. 12131; 47 U.S.C. 155, 201, 218 and 225) (ADA) provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, State and local government services, and telecommunications. It further provides that discrimination includes a failure to design and construct facilities for first occupancy no later than January 26, 1993, that are readily accessible to and usable by individuals with disabilities. Further, the ADA requires the removal of architectural barriers and communication barriers that are structural in nature in existing facilities, where such removal is readily achievable—that is, easily accomplishable and able to be carried out without much difficulty or expense.

The Subrecipient shall 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.

4. Section 504

The Subrecipient agrees to comply with all federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against the individuals with disabilities or handicaps in any federally assisted program. The City shall provide the Subrecipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

B. Affirmative Action

If the Subrecipient or a non-construction contractor or subcontractor has more than 50 employees, the Subrecipient agrees that it shall carry out pursuant to the City's specifications an Affirmative Action Program in compliance with the President's Executive Order 11246 of September 24, 1966, as amended, and implementing regulations at 41 CFR Chapter 60. The City shall provide 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 release of funds under this agreement.

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

The Subrecipient will take all necessary affirmative steps 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, controlled, operated or managed by minority group members or women. Certified W/MBE businesses are preferred. The Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

Affirmative steps must include:

- a. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- b. Assuring that small and minority businesses, and women's business enterprises, are solicited whenever they are potential sources.
- c. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce;
- d. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises.
- e. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises.
- f. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs "a" through "e" of this section.

2. 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 City, HUD or its agent, or other authorized federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

3. Notifications

The Subrecipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the Subrecipient's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

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 X(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. Political Activity

The Subrecipient is prohibited from using CDBG-CV funds to finance facilities or equipment used for political purposes or used to engage in other partisan political activities.

2. Labor Standards

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 City for review upon request.

The Subrecipient agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight 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 contract, shall comply with federal requirements adopted by the City 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.

D. Conduct

1. Assignability

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

2. Subcontracts

a. Approvals

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

b. Monitoring

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. Content

The Subrecipient shall cause all of the provisions of this Agreement in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

d. Selection Process

The Subrecipient shall undertake to ensure 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 City 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 570.611 and 2 CFR 200.112 and 200.318(c), 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-CV-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-CV-assisted activity, or with respect to the proceeds from the CDBG-CV-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 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 City, 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 City and/or grantor agency 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. The acquisition, construction, or rehabilitation of structures used for inherently religious activities is not allowable under this program.

XI. ENVIRONMENTAL CONDITIONS

No funds may be committed to an activity or project before the completion of the Environmental Review process and approval of the Environmental Review by the City. The Subrecipient will coordinate with the City to ensure all Environmental Review requirements have been completed prior to committing funds. Further, all projects undertaken must comply with all environmental conditions noted in the specific Environmental Review Record.

A. Prohibition on Choice Limiting Activities Prior to Environmental Review

The Subrecipient must comply with the limitations in 24 CFR 58.22 even though the Subrecipient is not delegated the requirement under Section 104(g) of the HCD Act for environmental review, decision-making, and action (see 24 CFR part 58) and is not delegated the City's responsibilities for initiating the review process under the provisions of 24 CFR Part 52. 24 CFR 58.22 imposes limitations on activities pending clearance, and specifically limits commitments of HUD funds or non-HUD funds by any participant in the development process before completion of the environmental review. A violation of this requirement may result in a prohibition on the use of federal funds for the activity.

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 residential structures 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 (50) 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 City'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 City to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

XV. VENUE AND LEGAL REMEDIES

This Agreement is governed by the laws of the State of Texas. Exclusive venue for any dispute arising under this Agreement is in Hays County, Texas. Either party may pursue such remedies as are available at law or in equity for breach of this Agreement, including the recovery of costs of litigation and reasonable attorney fees.

The Subrecipient will notify the City whenever a problem arises that may lead to legal action or claim against the Subrecipient. The Subrecipient agrees to furnish to the City any information with respect to such action or claim.

XVI. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the City 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 City and the Subrecipient with respect to this Agreement.

[Signatures are on next page.]

Date: 10/30/2020

IN WITNESS WHEREOF, the Parties have executed this contract as of the date first written above.

City of San Marcos

BY: _____
Bert Lumbreras, City Manager

Date: _____

San Marcos Area Chamber of Commerce, Incorporated

BY: Jason T. Mock
Jason Mock, President and Chief Executive Officer

Date: 10/30/2020

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

BY: _____
Michael Cosentino, City Attorney

Date: _____

Appendix A: Program Summary

This Program is funded through Community Development Block Grant – Coronavirus Response (CDBG-CV) and therefore must conform to the rules, regulations, and requirements of:

- the CDBG program (24 CFR Part 570 and implementing regulations) and
- the Department of Housing and Urban Development [Docket No. FR-6218-N-01] Notice of Program Rules, Waivers, and Alternative Requirements Under the CARES Act for Community Development Block Grant Program Coronavirus Response Grants, Fiscal Year 2019 and 2020 Community Development Block Grants, and for Other Formula Programs (hereafter called the “Notice”).

National Objective:

The Subrecipient certifies that the activities carried out under this Agreement will meet the following National Objective:

- 24 CFR Part §570.208 Criteria for national objectives
 - (a) Activities benefiting low- and moderate-income persons
- (4) Job creation or retention activities

CDBG-CV Eligible Activities:

CDBG-CV Eligible Activities funded for this Project are as follows:

- 24 CFR Part §570.203 Special Economic Development Activities

Allowable Costs: [Ref: Notice Section III.B.2. Responsible Use of CARES Act Funds and Section III.B.5.(b) Reimbursements]

CDBG-CV funds usage is limited to the necessary and reasonable costs of activities to prevent, prepare for, and respond to coronavirus.

Administration costs for this program will not exceed 20% of the funds allocated to the program, will be tracked hourly, and will be charged to the program. Costs of administration may be charged to the program by San Marcos Area Chamber of Commerce staff, the City of San Marcos Economic and Business Development Manager, and the City of San Marcos Downtown Coordinator. Administrative costs allowed include salary and benefits, program supplies, and other direct costs of administration such as marketing. Activities charged to Administration must be directly related to this program.

Some ways in which businesses have had to work to prevent, prepare for, and respond to the COVID-19 coronavirus pandemic are the following. Costs to be reimbursed are limited to the following categories:

- Purchasing personal protective equipment for staff to prevent transmission of infection
- Purchasing additional sanitation supplies to meet more rigorous cleaning standards
- Implementing social distancing measures by purchasing supplies such as barriers or by reconfiguring the interior to maintain distance in both employee and customer areas
- Providing “touch free” payment mechanisms at the business location or online
- Providing points of sale online instead of in person to reduce physical contact but remain able to serve customers

The CARES Act also requires that all costs reimbursed with CDBG-CV funds be allowable costs, meaning they comply with all grant requirements. This program provides operating capital to eligible for-profit businesses, limited to expenses related to the above named methods of response to the pandemic. Therefore most program expenses will fall under matrix code 18A Economic Development Direct Financial Assistance to For-Profit Business [Ref: 24 CFR 570.203(b) or 42 USC 5305(a)(17)]

Some expenses related to the reconfiguration of the interior in order to maintain social distancing may fall under matrix code 14E Rehabilitation: Publicly or Privately Owned Commercial/Industrial [Ref: 24 CFR 570.202(a)(3) or 42 USC 5305(a)(2)]

In addition, some expenses of the program as a whole, including the provision of a mandatory workshop for awardees, will fall under matrix code 18B Economic Development: Technical Assistance [Ref: 24 CFR 570.203(c) or 42 USC 5305(a)(17)]

Beneficiaries:

The beneficiaries of the Revive SMTX COVID-19 Small Business Recovery Program are the businesses awarded funds and therefore their low- to moderate-income employees who are able to retain or get a job in spite of the COVID-19 pandemic because the program helped businesses have the ability to stay open and serve customers.

Program Summary [Ref: 24 CFR 570.209 (a) Guidelines and objectives for evaluating project costs and financial requirements]

The program will provide a maximum of \$5,000 grant per business in order to provide beneficial assistance to as many local small businesses as funds available will allow while still providing an amount of support that can make a real difference in a business's ability to be open and serving customers.

Due to business and university closures, the small businesses in San Marcos are in serious need of support in order to remain viable. This program reimburses business expenses that occurred solely due to the COVID-19 pandemic. While \$5,000 is not a huge amount, the Program is targeted in such a way to make the most impact on the businesses' ability to be open and serving customers.

Businesses can allocate their \$5,000 grant among the following three possible uses, to be chosen by the business to meet their greatest current needs:

- Personal Protection: purchase of personal protective equipment or sanitation supplies
- Social Distancing: supplies or facility reconfiguration that provide for social distancing of customers or employees
- Business Viability: services or electronic equipment that enables the business to provide point of sale online or without physical customer contact

Providing assistance for these three very practical, front-line business needs, and enabling the business to allocate funds among them, ensures that this small business support program makes the most effective use of the CDBG-CV funds available in San Marcos. It is particularly appropriate to provide support to small businesses in San Marcos because so many have been negatively impacted by COVID-19 related closures of the tourism and retail industries and the university, all major sources of business-related jobs for the San Marcos economy.

The pandemic has caused economic uncertainty, in particular for small businesses. This Program provides a grant to businesses awarded through a selection process, as well as funding for administrative costs of the Program to the Subrecipient. No repayment of business grants or funding for administrative expenses is expected, except as provided for in the Duplication of Benefits section of the Agreement, including under the unfortunate circumstances of a business closure, whether temporary or permanent.

Business Eligibility Requirements

- Business must be located within the City Limits of the City of San Marcos, Texas.

- Business must have been established as business organization with an assumed name certificate through a County Clerk for no less than six months to March 13, 2020.
- Business must have fewer than fifty (50) full time equivalent positions (FTE's) at time of application.
- 51% of the (FTE's in each business must be available low-to-moderate income people (that is, all training can be accomplished while on the job or just after accepting it).
- Although many non-profits provide eligible jobs, non-profits are not eligible for funding due to CDBG program restrictions.

Appendix B: Program Delivery and Performance Timeline

A. Performance Timeline

The Revive SMTX program will be administered by San Marcos Area Chamber of Commerce staff, with assistance from the City of San Marcos Economic Development Department and the City of San Marcos Main Street Program staff as needed.

No activity requiring CDBG-CV funding shall be commenced until the City has provided a Notice to Proceed.

Expected performance milestones are as follows:

[illegible]

	<ol style="list-style-type: none"> 3. Awardees will attend a mandatory virtual workshop on allowable grant expenditures and best practices for recovery. The workshop will include the following topics: business safety redesign, sanitation training and best digital practices for social distancing. 4. Required initial payroll and jobs documentation for any Round One awardee, in addition to expense documentation, will be submitted to and approved by the City of San Marcos Community Initiatives Division staff before expense reimbursement payment will be made to that awardee. 5. Costs paid by the small businesses who participate in the program will be evaluated by Subrecipient staff by comparing to prices commonly found locally, in order to ensure that amounts paid are reasonable. [Ref: 24 CFR 570.209(a)(1)] 6. A signed Beneficiary Certification is required from each business awarded funds prior to payment processing for Subrecipient expenses or the grant for each business.
NOVEMBER, 2020 D. Round Two Awards (if funds are available) E. Round Three Awards (if funds are available)	Application process remains open through November. Same steps as described in Items B and C above. Same steps as described in Items B and C above
APRIL – JUNE , 2021 F. Final Job Documentation Required	Required final payroll and jobs documentation must be provided by each business six (6) months after the date the check is cut for each awardee by the chamber. The Chamber will provide this documentation to the City's Community Initiatives Division after checking it for completeness.
JUNE, 2021 G. Program Closeout	After all required documentation is received, the City's Community Initiatives Division will issue a Notice of Program Completion to indicate the program has been closed.

B. Reporting

1. Quarterly Progress Reporting during Rehabilitation

The Subrecipient shall submit quarterly progress reports, on the form provided by the City for such purpose.

2. Beneficiary Reporting for the Six (6) Month Compliance Period *[Ref: National Objective 24 CFR 570.208(a)(4)(i) and (ii)(A) and Notice III.B.5.(d)(iii) LMI Job Creation and Retention Records]*

The Revive SMTX Program is an activity designed to create or retain permanent jobs, at least 51% of which, on a full time equivalent (FTE) basis, at each Beneficiary, are either held by low- to moderate-income persons or considered to be available to low- to moderate-income persons.

To enable documentation of program compliance with federal requirements for such an activity, when awarded a grant, each Beneficiary will be required to provide

- a. The Payroll as of February 29, 2020, that shows the title and rate of pay for each employee and any positions that are vacant but available to be filled.
- b. Either the IRS Form 941, Employer's Quarterly federal Tax Return or (preferred) the Texas Workforce Commission Employer's Quarterly Report (Form C-3) as of February 29, 2020.

Each Beneficiary will be required to submit the most recent version of the same documents as of six (6) months after the date the Beneficiary's grant check is cut by the Subrecipient. **Payment of the final 20% of the grant to each Beneficiary will be held until this documentation is received.**

Notice Section III.B.5.(d)(iii) changes the typical income documentation requirements by allowing the City to document the income of only the person holding the job instead of his or her family's income, and to substitute documentation from each business showing the types of jobs and annual wages or salary of each as income documentation on whether the jobs are held by low- to moderate-income people. HUD will consider a person holding a job to be income-qualified if the annual wages or salary of the job is equal to or less than \$54,700 or \$26.30 per hour, which is the Section 8 low-income limit established by HUD for a one-person family that applies to San Marcos.

The Subrecipient agrees to use the payroll and employment information required from each Beneficiary to document compliance to the above criteria, as described in the attached Program Procedures.

3. Documentation of Meeting the Public Benefit Requirement *[Ref: 24 CFR 570.209(b) and Notice III.B.5.(e) Public Benefit]*

One of the alternative public benefit requirements provided by the Notice is the ability to provide assistance to businesses without a job-created-or-retained-per-dollar-amount requirement by demonstrating that the assistance was provided due to business disruption related to coronavirus. This program will conform to this requirement by:

- a. Requiring each applicant to describe the impact the coronavirus has had on his or her business operation. The grant application evaluation committee will compare the requests for funding to the businesses' statements in their application forms describing the impact of the COVID-19 pandemic on their business.
- b. Providing reimbursement only for expenses that are clearly related to the ability to operate successfully in the pandemic. The program is restricted to covering expenses that are clearly related to responding to the COVID-19 pandemic and which are so basic in nature that they simply provide the ability to remain a viable business.
 - Personal Protection: purchase of personal protective equipment or sanitation supplies
 - Social Distancing: supplies or facility reconfiguration that provide for social distancing of customers or employees
 - Business Viability: services or electronic equipment that enables the business to provide point of sale online or without physical customer contact

Appendix C Budget

Below is the approved budget for the Revive SMTX program to be administered by the Subrecipient. It is expressly agreed and understood that the total amount to be paid for the Project by the City using CDBG-CV funds shall not exceed \$200,000.

Program Activity	CDBG-CV Funds	Match Funds	All other Funds
Soft Costs / Project Administration	Up to \$40,000		
Grant Awards to Beneficiaries			
Business Grants of up to \$5,000 each	\$160,000		
Project Total	\$200,000	N/A	N/A

The Environmental Review shall be performed by the City, with no expenses charged to the project since costs are minimal.

Unexpended funds may be reallocated to a different line item in the above budget for use by the Subrecipient upon receipt of written concurrence from the City, without a formal amendment to this Agreement.

Soft costs, including program administration must be tracked by the hour on forms approved by the City. Eligible project administration salary and benefit costs are limited to time spent working directly on this project.

Program Procedures

REVIVE SMTX, A COVID-19 SMALL BUSINESS RECOVERY PROGRAM

As stated in section I(B) of the Subrecipient Agreement between the City of San Marcos, Texas, and the San Marcos Area Chamber of Commerce, Incorporated, for the CDBG-CV funded Revive SMTX, Small Business Recovery Program, the following Program Procedures have been incorporated as requirements in said Subrecipient Agreement.

TABLE OF CONTENTS

- I. Direct Costs
- II. Selection Committee
- III. Application Processing
- IV. Payment Request Processing
- V. Final Payment Processing
- VI. National Objective Documentation
- VII. Quarterly Reporting
- VIII. List of Forms

Program Procedures

REVIVE SMTX, A COVID-19 SMALL BUSINESS RECOVERY PROGRAM

I. DIRECT COSTS

FORMS: Cost Allocation Plan

REF: Subrecipient Agreement Section I(B) General Administration

Procedure

1. Prepare a Cost Allocation Plan that details all the funding sources and the proportional share of direct costs that will be charged to each source for staff salaries, wages, and fringe benefits. For the purposes of this plan fringe benefits, vacation, holiday, and sick pay are to be allocated in the same manner as salaries and wages. The plan must be submitted and approved by the City prior to the submission of the first request for reimbursement.
2. Maintain financial records in sufficient detail to show clearly the expenses that are being reimbursed with program funds as detailed in the Cost Allocation Plan. Provide receipts for supplies and time sheets for the hours spent on this project, in a format acceptable to the City.
3. Ensure that all personnel working with the CDBG-CV funded program understand they have a responsibility to communicate upward any operating problems and non-compliance with laws and regulations.

Program Procedures

REVIVE SMTX, A COVID-19 SMALL BUSINESS RECOVERY PROGRAM

II. SELECTION COMMITTEE

FORMS: Conflict of Interest Certification

REF: 24 CFR 570.611(a)(2)

Procedure

1. Recruit Main Street Board Members, Chamber of Commerce Board Members, and community business leaders to be members of the selection committee. It is encouraged that the selection committee contain a membership diverse in race and ethnicity, gender, and business experience.
2. Ensure that each member of the selection committee for Revive SMTX awards signs the Conflict of Interest Certification prior to the start of conduct of business by the committee.
3. Submit the signed certification forms to the City promptly after the first meeting of the selection committee.

Program Procedures

REVIVE SMTX, A COVID-19 SMALL BUSINESS RECOVERY PROGRAM

III. APPLICATION PROCESSING

FORMS:

- Application Form
- Beneficiary Certifications Form
- Beneficiary Grant Award Agreement

REF: N/A

Procedure

1. Threshold Eligibility

- a. Maintain a checklist of all applications received.
- b. Ensure that the following documentation is obtained from all applicants. Applicants should retain a copy for their records:
 - i. Completed and signed application form
 - ii. Articles of Incorporation or “Doing Business As” documentation
- c. Verify that each application for grant funding to be considered by the selection committee meets the following threshold standards of eligibility, and follow up to obtain any missing information:
 - i. Business is located within the City Limits of the City of San Marcos, Texas.
 - ii. Business must have been established as business organization with an assumed name certificate through a County Clerk for no less than six months to March 13, 2020
 - iii. Business is a for-profit business.
 - iv. Application states that the business has fewer than fifty (50) full time equivalent positions (FTE’s) at time of application.
 - v. Application states that 51% of the full time equivalent positions (FTE’s) in each business are available to low- to moderate-income people (that is, all training can be accomplished while on the job or just after accepting it).
 - vi. Application states that at least 51% of the business’ employees make less than \$26.30 per hour in the job they hold with the business.
 - vii. Application contains a clear and detailed description of the exact impact of the COVID-19 pandemic on the business.
 - viii. Applicant answered the questions as follows:
 1. “Without this grant, would your business have to cut back employment in the near future?”
Threshold answer: YES
 2. Do 51% of the jobs to be retained pay less than \$26.30 per hour?

Program Procedures

REVIVE SMTX, A COVID-19 SMALL BUSINESS RECOVERY PROGRAM

Threshold answer: YES

3. Total Number of Jobs to be Retained: _____ Full-Time _____ Part-Time

Threshold answer: a number above 0

4. How many Full Time Equivalent Jobs (FTE's) will be retained? _____

Threshold answer: a number above 0

- ix. Application is signed by the business owner.
 - x. Business name and applicant name do not show up on sam.gov as having been debarred or suspended from accepting federal government contracts.
 - xi. When multiple locations are owned by the same holding company, a separate application may be submitted for each location for which the following is true:
 - 1. Articles of Incorporation or "Doing Business As" documentation establishes it as a legally separate entity prior to March 13, 2020; and,
 - 2. It has a payroll that is separate from other locations.
 - d. Indicate on the checklist for each application that it has been verified to have met these standards.
2. Ranking and Selection Procedure
- a. Create a ranking and selection procedure to be followed by the selection committee. This procedure shall require written documentation of the ranking of applications and a brief description as to why the ranking was assigned.
 - i. The ranking and selection procedure shall contain a requirement that the selection committee compare the requests for funding to the businesses' statements in their application describing the impact of the COVID-19 pandemic on their business. [Ref: 24 CFR 570.209(b) and Notice III.B.5.(e) Public Benefit]
 - ii. When creating the ranking and selection procedure, consider the following requests by the City Council for selection criteria; however, these are not required:
 - Awards should be spread out throughout the city and not just in the downtown.
 - Preference should be given to minority-owned businesses.
 - Businesses requesting personal protection equipment should have a higher priority.
 - b. Prior to commencing its use, submit the ranking and selection procedure to the City for review to ensure that no federal standards are violated.
 - c. Maintain written documentation of the ranking decision for each application reviewed.
 - d. Applications not selected in a round shall be considered in the next round.

Program Procedures

REVIVE SMTX, A COVID-19 SMALL BUSINESS RECOVERY PROGRAM

3. Review Prior To Notification of Award:

- a. Maintain a checklist of all Revive SMTX awardees (“beneficiaries”).
- b. Regarding any awardees who have noted in their application that they have previously received federal support of any kind, more information may be needed in order to ensure to the best of our ability that duplication of benefits will not occur with this award. Coordinate with City staff on a quick review of each such application to determine whether additional information is needed.

4. Documentation after Notification of Award

Each business that receives a grant through this program is considered a Beneficiary of the program. Ensure that each beneficiary provides the following information as soon as possible after the grant is awarded. These must be submitted to the City for each business before payment will be made to that business.

- a. Signed Grant Award Agreement between each Beneficiary and the Subrecipient.
- b. Signed Beneficiary Certifications Form (*Ref: Notice Section III.B.9*)
- c. The Payroll as of February 29, 2020, that shows the title and rate of pay for each employee and any positions that are vacant but available to be filled.
- d. Either the IRS Form 941, Employer's Quarterly Federal Tax Return or (preferred) the Texas Workforce Commission Employer's Quarterly Report (Form C-3), as of February 29, 2020.

Program Procedures

REVIVE SMTX, A COVID-19 SMALL BUSINESS RECOVERY PROGRAM

IV. PAYMENT REQUEST PROCESSING

FORMS:

- Beneficiary Payment Request Form
- Revive SMTX Payment Request Form
- Payment Review Cover Sheet

REF: Notice Section III.B.2. Responsible Use of CARES Act Funds and Section III.B.5.(b) Reimbursements;
<https://files.hudexchange.info/resources/documents/Buying-Right-CDBG-DR-and-Procurement-A-Guide-to-Recovery.pdf>; https://www.hud.gov/program_offices/cpo/grantees/cstprice

Procedure

Payment will be made from the City of San Marcos to the San Marcos Area Chamber of Commerce (Subrecipient), which will then pay each business (Beneficiary).

1. Sufficiency of Documentation

- a. First ensure that each Beneficiary Payment Request Form is:
 - Signed, and
 - Accompanied by receipts that tally to the total request and are for the items described, and
 - Contains only expenses made on or after March 13, 2020.
- b. Ensure all documentation meets the requirements stated on the Beneficiary Payment Request Form.
- c. Payment will not be released unless the documents listed in Section 5.4 under Application Processing Procedure (above) have been received by the City.

2. Cost Analysis

- a. Disallow any cost that does not meet all of the following standards. Document this review by checking off each topic on the Payment Request Cover Sheet and making notes about how it applies to the payment request under review:
 - Allowable –
 - Each item fits within the program description.
 - For construction contracts: contractor's company and the contractor are not listed as debarred or suspended on sam.gov
 - Allocable – All items are directly related to preventing, preparing for, or responding to Coronavirus (or the COVID-19 pandemic)
 - Reasonable – Create a table comparing costs for similar items among beneficiaries, and comparing costs to ads or personally observed prices in local stores. All costs must be what a prudent business would pay in a competitive marketplace. [Ref: 24 CFR 570.209(a)(1)]

Program Procedures

REVIVE SMTX, A COVID-19 SMALL BUSINESS RECOVERY PROGRAM

- Necessary – Each item was necessary for the operation of this particular business in the owner's opinion.
- b. Notify beneficiaries of any disallowed costs so they may substitute other costs that can be approved through the above cost analysis.
- 3. Construction contracts for \$2,000 or higher
City Staff will conduct the review of wages paid and other related federal regulations.
- 4. Initial Payments: Reduction pending final documentation
On the Revive SMTX Payment Review Cover Sheet, show the amount approved for payment, and subtract 20%, stating in writing that this amount will be paid upon provision of payroll and employment documentation required six (6) months after the date the check is cut by the Subrecipient for this initial payment.
- 5. Submission
 - a. List the name of each Beneficiary (business) and amount to be paid on the Revive SMTX Payment Request Form.
 - b. Email the Revive SMTX Payment Request Form, a copy of each payment request with Payment Review Cover Sheet, and all required documentation, to the City at cdbg@sanmarcostx.gov.
- 6. Recordkeeping
Note next to each beneficiary on the list the date the check is cut by the Subrecipient to the Beneficiary, and the date that is six (6) months after that date.

Program Procedures

REVIVE SMTX, A COVID-19 SMALL BUSINESS RECOVERY PROGRAM

V. FINAL PAYMENT PROCESSING

FORMS: Revive SMTX Payment Request Form

REF:

Procedure

Payment will be made from the City of San Marcos to the San Marcos Area Chamber of Commerce (Subrecipient), which will then pay each business (Beneficiary).

1. Sufficiency of Documentation

As of no earlier than six (6) months after the date the Beneficiary's grant check is cut by the Subrecipient, each Beneficiary is required to provide:

- a. The most current Payroll as of a date at least six (6) months no earlier than six (6) months after the date the Beneficiary's grant check is cut by the Subrecipient, that shows the title and rate of pay for each employee and any positions that are vacant but available to be filled.
- b. Either the most current IRS Form 941, Employer's Quarterly Federal Tax Return or (preferred) the most current Texas Workforce Commission Employer's Quarterly Report (Form C-3) as of that date.

2. Submission

- a. List the name of each Beneficiary (business) and amount to be paid (20% each) on the Revive SMTX Payment Request Form.
- b. Email the Revive SMTX Payment Request Form and all payroll and employment report documentation submitted by the Beneficiaries, to the City at cdbg@sanmarcostx.gov.

Program Procedures

REVIVE SMTX, A COVID-19 SMALL BUSINESS RECOVERY PROGRAM

VI. NATIONAL OBJECTIVE DOCUMENTATION

FORMS: Jobs Retained Worksheet

REF: National Objective 24 CFR 570.208(a)(4)(i) and (ii)(A) and Notice III.B.5.(d)(iii) LMI Job Creation and Retention Records

Procedure

The Revive SMTX Program is an activity designed to create or retain permanent jobs, at least 51% of which, on a full time equivalent (FTE) basis, at each Beneficiary, are either held by low- to moderate-income persons or considered to be available to low- to moderate-income persons.

To enable documentation of program compliance with federal requirements for such an activity, when awarded a grant, each Beneficiary will be required to provide

- a. The Payroll as of February 29, 2020, that shows the title and rate of pay for each employee and any positions that are vacant but available to be filled.
- b. Either the IRS Form 941, Employer's Quarterly Federal Tax Return or (preferred) the Texas Workforce Commission Employer's Quarterly Report (Form C-3) as of February 29, 2020.

Each Beneficiary will be required to submit the most recent version of the same documents as of six (6) months after the date the business's grant check is cut by the Subrecipient.

Note to Subrecipient: The requirements below relate to the retention of jobs that are currently held by low- to moderate-income people, as that is the more likely category for this pandemic-related program. If questions arise related to the creation of new jobs or the retention of jobs that are available but not currently filled, please email cdbg@sanmarcostx.gov since these situations must meet other criteria.

Documentation of Jobs Retained:

Note: Each potential beneficiary is asked the questions on the application in order to provide clear and objective evidence that permanent jobs would be lost with out CDBG-CV assistance.

1. Fill in the Jobs Retained Worksheet with the information for all Beneficiaries.
2. Email the Jobs Retained Worksheet to cdbg@sanmarcostx.gov at the start of the program after entering the payroll and employment information as of 02/29/20 and again after entering all final payroll and employment information. In addition, this worksheet may be requested from time to time by the City during the program.

Program Procedures

REVIVE SMTX, A COVID-19 SMALL BUSINESS RECOVERY PROGRAM

VII. QUARTERLY REPORTING

FORMS: Subrecipient Quarterly Progress Report

REF:

Procedure

In addition to the reports above, submit the attached Subrecipient Quarterly Progress Report by the fifteenth (15th) day of the month following the end of each calendar quarter until the program has ended.

Program Procedures

REVIVE SMTX, A COVID-19 SMALL BUSINESS RECOVERY PROGRAM

VIII. LIST OF FORMS

1. Cost Allocation Plan
2. Conflict of Interest Certification
3. Application Form
4. Beneficiary Certifications Form
5. Beneficiary Grant Award Agreement
6. Beneficiary Payment Request Form
7. Revive SMTX Payment Request Form
8. Payment Review Cover Sheet
9. Jobs Retained Worksheet
10. Subrecipient Quarterly Progress Report

Code Num	Name of Business	Score	Chamber Member	Contact Name and Email	Request	Status	Contract Sent	Beneficiary Agreement Is Signed	Payroll Form Approved	Carol	Amount Requested	Beneficiary Payment Request Email	Deadline
#209	Stinky Dawg	47	Yes	Maraya Dunn marayadunn40@gmail.com	PPE, Physical Change, Operational Safety	Approved	TRUE	TRUE	TRUE	TRUE	5,000.00	1/22/2021	3/5/2021
#225	Aquabrew	46	Yes	Carlos Russo aquabrewsmtx@gmail.com	PPE, Physical Change, Operational Safety	Approved	TRUE	TRUE	TRUE	TRUE	5,000.00	1/22/2021	3/5/2021
#183	K-BOP	43	No	Bonhyun Gu. bon@kbopstx.com	PPE, Operational Safety, Physical Change	Approved	TRUE	TRUE	TRUE	TRUE	5,000.00	1/22/2021	3/5/2021
#206	La Quinta Inn & Suites	41	No	Sunil Patel sunil0918@gmail.com	PPE, Physical Change, Operational Safety	Approved	TRUE	TRUE	TRUE	TRUE	5,000.00	1/22/2021	3/5/2021
#224	Premier Cuts	41	Yes	Brian Olson advocare_olson@yahoo.com	PPE, Physical Change, Operational Safety	Approved	TRUE	TRUE	TRUE	TRUE	5,000.00	1/22/2021	3/5/2021
#200	AquaSprings Dental	41	Yes	Alexandra Coulbourn dra@aquaspringsdental.com	PPE, Physical Change, Operational Safety	Approved	TRUE	TRUE	TRUE	TRUE	5,000.00	1/22/2021	3/5/2021
#190	Econo Lodge	40	No	Urvish Patel Urvishsanmarcos@gmail.com	Training, PPE, Physical Change	Approved	TRUE	TRUE	TRUE	TRUE	5,000.00	1/22/2021	3/5/2021
#198	Candlewood Suites	45	No	Vikash Patel vic.patel@haven- ms.com	PPE, Operational Safety, Training	Payment	TRUE	TRUE	TRUE	FALSE	5,000.00	1/22/2021	3/5/2021
#203	Holiday inn Convention CTR	45	Yes	Vikash Patel vic.patel@haven- ms.com	PPE, Physical Change, Operational Safety	Payment	TRUE	TRUE	TRUE	FALSE	5,000.00	1/22/2021	3/5/2021
#193	Holiday inn Express	42	No	Vikash Patel vic.patel@haven- ms.com	PPE, Operational Safety, Training	Payment	TRUE	TRUE	TRUE	FALSE	5,000.00	1/22/2021	3/5/2021
#199	Country Inn & Suites	42	No	Vikash Patel vic.patel@haven- ms.com	PPE, Operational Safety, Training	Payment	TRUE	TRUE	TRUE	FALSE	5,000.00	1/22/2021	3/5/2021
#216	Small fries Child Care	47	No	Cherissa Young smallfrieschildcare@gmail.com	PPE, Physical Change, Operational Safety	Payment	TRUE	TRUE	TRUE	FALSE	5,000.00	2/12/2021	3/26/2021
#205	Salon Central Nails	43	No	Thao Tran hieuvantran621@gmail.com	PPE & Training	Payment	TRUE	TRUE	TRUE	FALSE	5,000.00	2/12/2021	3/26/2021
#184	Splash Coworking	44	No	Carina Boston Pinales splash@splashcoworking.com	Reimbursement	Payment	TRUE	TRUE	TRUE	FALSE	5,000.00	3/14/2021	4/9/2021
#227	IsAnZe Day Spa	44	NO	Zenaida Lee zenlee@isanze.com	PPE	Payment	TRUE	TRUE	TRUE	FALSE	5,000.00	3/14/2021	4/9/2021
#243	White Rock Inn	43	YES	Maganbhai Patel knightsinnsanmarcos@gmail.com	Training, reimbursements	Payment	TRUE	TRUE	TRUE	FALSE	5,000.00	3/14/2021	4/9/2021
#252	Howard Johnson Inn	42	YES	Mayank Patel mayank_363@yahoo.com	Payroll, PPE	Payment	TRUE	TRUE	TRUE	FALSE	5,000.00	3/14/2021	4/9/2021
#223	Prik Nam Pla Thai Cuisine	40	NO	Yotsavorn Sumalrot priknamplathaicuisine@gmail.com	PPE, Physical Change, Operational Safety	Payment	TRUE	TRUE	TRUE	FALSE	5,000.00	3/14/2021	4/9/2021
#188	Sunset Lanes	39	NO	Gary Gilbert stiremup@gmail.com	PPE,	Payment	TRUE	TRUE	TRUE	FALSE	5,000.00	3/18/2021	4/9/2021
#266	Hilton Garden Inn	48	YES	Shilpa Amin Shilpaamin@me.com	Operational Safety	Payment	TRUE	TRUE	TRUE	FALSE	5,000.00	3/18/2021	4/9/2021
#239	Stonebridge Hotels, LLC	46	NO	Shilpa Amin shilpaamin@me.com	PPE, Operational Safety	Payment	TRUE	TRUE	TRUE	FALSE	5,000.00	3/18/2021	4/9/2021
#238	Hampton Inn & Suites	45	YES	Shilpa Amin Shilpaamin@me.com	PPE, Operational Safety	Payment	TRUE	TRUE	TRUE	FALSE	5,000.00	3/18/2021	4/9/2021
#265	You Need Fences by Cool Beans	46	NO	Rakeitha Garner youcancontactus@youneedfencesbycoolbeans.com	PPE, Training, Operational Safety, Digital Redesign	Payment	TRUE	TRUE	TRUE	FALSE	5,000.00	3/19/2021	4/9/2021
#255	San Marcos Comfort Suites Hotel	45	NO	Ramesh Rakholia aswenson@dhmhotels.com	Operational Safety, Physical Change, PPE	Payment	TRUE	TRUE	TRUE	FALSE	5,000.00	3/19/2021	4/9/2021
#222	Moe K Fallahi	42	NO	Moe K Fallahi mfallahi1@yahoo.com	Operational safety, PPE	Payment	TRUE	TRUE	TRUE	FALSE	5,000.00	3/19/2021	4/9/2021
#215	Monroe Hair Studio	44	No	Lanna Horton lanna512@me.com	PPE, Physical Change, Operational Safety	Contract Review	TRUE	TRUE	FALSE	FALSE	5,000.00		
#232	Bobcat Nail and Spa	41	NO	Linh Thach bestlinh83@yahoo.com	PPE, Reimbursement , Physical Changes	Contract Review	TRUE	TRUE	FALSE	FALSE	5,000.00		
#262	Palmer's Restaurant and Bar	42	YES	Kristin and Monte Sheffield office@palmerstexas.com	PPE, Digital Redesign, Training	Contract Review	TRUE	TRUE	FALSE	FALSE	5,000.00		
#263	La Quinta Inn	41	NO	Vatsal and Paril Patel lq53418gm@laquinta.com	PPE, Physical Change	Contract Review	TRUE	TRUE	FALSE	FALSE			
#233	The Tavern	39	NO	Patrick Treff treffsbarandgrill@earthlink.net	Operational Safety, Digital Redesign, PPE	Contract Review	TRUE	TRUE	FALSE	FALSE			
#240	Super 8	39	NO	Vipin Patel vhdhpatel@gmail.com	PPE, Operational Safety, Physical Change	Contract Review	TRUE	TRUE	FALSE	FALSE			
#244	North Coast Trucking Limited Liability	39	NO	Peter Mwangi mwamba03@yahoo.com	PPE	Contract Review	TRUE	TRUE	FALSE	FALSE			
#226	PBSM	38	NO	Alexandra McArthur alimcarthur6@gmail.com	PPE, Physical Change	Contract Review	TRUE	TRUE	FALSE	FALSE			

#185	Tantra	37	NO	Eli Zablosky eli.zablosky@tantrasmtx.com	Point of Sales System	In Progress	FALSE	FALSE	FALSE	FALSE			
#194	A-1 Starter & Alternator	37	NO	James Lambert astarter01@grandecom.net	PPE, Physical Change	In Progress	FALSE	FALSE	FALSE	FALSE			
#204	Haven Management Services	37	NO	Vikash Patel vic.patel@haven- ms.com	PPE, Operational Safety, Training	In Progress	FALSE	FALSE	FALSE	FALSE			
#191	Baymont Inn & Suites	37	NO	Jayesh Patel bob- patel@hotmail.com	PPE	In Progress	FALSE	FALSE	FALSE	FALSE			
#236	Comfort Inn & Suites	37	NO	Kalpana Vasvani comfortsm2015@gmail.com	PPE, Operational Safety	In Progress	FALSE	FALSE	FALSE	FALSE			
#249	Best Western	37	YES	Manilal Patel 44427@hotel.bestwestern.com	PPE & Training	In Progress	FALSE	FALSE	FALSE	FALSE			
#186	Deans Shop	36	NO	Walter Mott. info@deansshop.com	Training, PPE, Physical Change	In Progress	FALSE	FALSE	FALSE	FALSE			
#195	RiverCity	36	YES	Luke Sanders. crystal@welogoit.com	PPE	In Progress	FALSE	FALSE	FALSE	FALSE			
#220	Rosie Garcia State Farm	36	NO	Rosie Garcia rosie.garcia.r96n@statefarm.com	PPE, Physical Change, Operational Safety	In Progress	FALSE	FALSE	FALSE	FALSE			
#231	Pennington's Cakes	36	YES	Stephen Horn chefstephen@penningtonscakes.com	Digital Redesign, Contactless Payment	In Progress	FALSE	FALSE	FALSE	FALSE			
#237	Texas Express Lube and Auto	36	YES	Jason Lewis jlewis@texasexpresslube.com	PPE, Digital Redesign, Operational Safety	In Progress	FALSE	FALSE	FALSE	FALSE			
#179	Quality Inn	35.5	YES	Bipin Patel qualityinnsmtx@gmail.com	Training, PPE	In Progress	FALSE	FALSE	FALSE	FALSE			
#189	Red Roof Inn	35.5	YES	Mahesh Patel i0632@redroof.com	PPE	In Progress	FALSE	FALSE	FALSE	FALSE			
#230	AMAJs.com	35	NO	Michele Burleson michele@amajs.com	Unclear	In Progress	FALSE	FALSE	FALSE	FALSE			
#208	University Inn	34	NO	Bharat Patel universityinn@yahoo.com	PPE, Training	In Progress	FALSE	FALSE	FALSE	FALSE			
#261	Zoop	34	NO	Sean Dowd sean@zoopmakes.com	Contactless payment	In Progress	FALSE	FALSE	FALSE	FALSE			
#207	Days Inn	31	NO	Bharat Patel daysinnsanmarcos@yahoo.com	PPE, Training	In Progress	FALSE	FALSE	FALSE	FALSE			
#213	PrimeSite Web Solutions	29	NO	Gregory Hoeft & Mancel Herring todd@primesiteweb.com	New website	In Progress	FALSE	FALSE	FALSE	FALSE			
#282	Texas Rock House			Erin Abel info@TexasRockHouse.com	PPE	Eligible							
#319	The Marc			Mike Dawoud cafeonthesquare@gmail.com	PPE	Eligible							
#329	Cotecthno Group Incorporated			Alexandru Apostol a.apostol@cotecthno.com	PPE, Training	Eligible							
#196	AHH Vapors	30	NO	Sharon Teal sharon@ahhvapors.com	PPE, Payroll	Incomplete (Usage)							
#197	Run Lizard Run		YES	Todd McMullen hmmph@me.com	PPE	Incomplete (See notes)							
#241	The Growling		NO	Manuel Lopez-Castro tonescale@hotmail.com	Rent	Incomplete (Rent, FTE's)							
#245	Best Budget Inn		NO	Kundan and Chetna Patel kundanpatel@yahoo.com	Unclear	Incomplete (Unclear request, cut back, FTE's)							
#246	Executive Inn & Suites		NO	Kundan and Chetna Patel kundanpatel@yahoo.com	Unclear	Incomplete (Unclear request, cut back)							
#253	San Marcos Inn		NO	Mansukhlal and Lina Jariwala Linaj1964@yahoo.com	Utilities and Payroll	Incomplete (Asking for Incorporation Date paperwork, clarifying usage)							
#264	AKYA		NO	Neil Ely AKYA@go2akya.com	Rent	Incomplete (Usage, Cutback)							
#267	Wingate by Wyndham		NO	Rajni Patel rajni@daystarhg.com	PPE	Incomplete (cut back, FTE)							
#273	Victory Cleaners Inc		NO	Gloria Suarez, Armando Martinez vc@victorycleanersinc.com	PPE, Training, Physical Redesign	Incomeplete (FTE)							
#280	Property Relief LLC			Byron and Kharma Francis-Butler info@propertyrelief.co	Digital Redesign	Incomplete (Cut back)							
#281	Blaque Luv Clothing Company			Byron Butler byron @byronsbayou.com	Digital Redesign	Incomplete (Cut back)							
#459	PakMail Thorpe Lane			Mary Bray marypbray@yahoo.com		Incomplete (Cut back)							
#177	Law Offices of mari Garza and Lynn Peach		NO	Ana Marilyn "Mari" Garza mari@garzapeachlaw.co	PPE, Digital Redesign, Operational Safety	Not Eligible (Withdrawn)							
#178	Braavos		NO	Alonso Chapa info@braavosco.com	PPE, Digital Redesign, Operational Safety	Not Eligible (Outside City)							

#180	Arcades4Home		NO	Imran Acosta imran@universaldiscounters.com		Not Eligible (Outside City)							
#181	San Marcos Tours & Charters	41	NO	Brandon Burleson brandon@skylinepartybusco.com	PPE, Operational Safety, Physical Change	Not Eligible (did not meet deadline)							
#187	Sofia Hair Salon		NO	Mona King 3960217sophia@gmail.com	Rent	Not Eligible (Rent, FTE's, Incorporation) Did not complete corrections by the deadline							
#201	The Davenport		NO	Leslie Bradley leslie.duane.bradley@gmail.com	COVID procedures	Not Eligible (Withdrawn) Incomplete (Cut Back, FTE's)							
#202	Fairfield Inn and Suites	43	YES	Armando Garcia armando.e.garcia@marriott.com	PPE, Physical Change, Operational Safety	Not Eligible (did not meet deadline)							
#210	Ole Dirty Birdz		NO	Eddie Henderson oledirtybirdz@gmail.com		Not Eligible (Pearland)							
#211	TruChoice Pregnancy Resource		YES	Cheri Martin cfmartin@austin.rr.com		Not Eligible (Non-Profit)							
#212	KZSM		NO	Diana Baker dbakerglobe@hotmail.com		Not Eligible (Non-Profit)							
#214	Weusi Wellness		YES	Emily Tomlin egftdesign@gmail.com		Not Eligible (ETJ)							
#218	KnD's Resale n More	47	NO	Kristan Alvarez kristan.alvarez512@yahoo.com	PPE, Physical Change, Operational Safety	Not Eligible (Withdrawn)							
#219	San Marcos Veterinary Clinic		YES	Julie House smvc@grandecom.net	PPE, Physical Change, Operational Safety	Not Eligible (Cut Back)							
#221	Cody's Bistro		NO	Bucky Couch cody.couch84@gmail.com	PPE, Physical Change, Operational Safety	Not Eligible (Withdrawn) Incomplete (Cut back, FTE clarification)							
#229	Air Care Today		NO	Von Toler office@aircaretoday.com	PPE, Redesign	Not Eligible (ETJ)							
#234	Young Rembrandts		NO	Catherine Greenlaw cathy.greenlaw@youngrembrandts.com		Not Eligible (Buda)							
#247	Classic Inn		NO	Babul Nagar Chetna Patel kundanpatel@yahoo.com	Sanitation products	Not Eligible (Incorporation Date: 10.16.19)							
#248	Super 8		NO	Vipin and Hemangini Patel vhdhpatel@gmail.com	PPE, Training	DUPLICATE of #240							
#250	Motel 6 North		NO	Paresh Patel petedhana@gmail.com	Supplies for COVID19	Not Eligible (Cut back, FTE's, 51% of jobs less than \$26.30)							
#251	Studio 6		NO	Paresh Patel petedhana@gmail.com	Supplies for COVID19	Not Eligible(Cut back, 51% of jobs less than \$26.30)							
#254	Comfort Inn & Suites		NO	Kalpana Vasvani comfortsm2015@gmail.com	PPE, Training	DUPLICATE OF #236							
#256	Cypress Tree Psychological Servicea		NO	Jon Lasser drlasser@gmail.com	Operational Safety, training	Not Eligible (Martindale)							
#257	Notary		NO	Biana Perez bianacacontrerasperez4@gmail.com	PPE, Plexi Glass Dividers	Not Eligible (Non-Profit, 51%)							
#258	Classic Tattoo		NO	Morgan Egan thepategan@gmail.com	PPE, Digital Redesign	Not Eligible (51% make more than \$26.30 an hour)							
#259	Property Doctor Services		NO	Wayman Jones wayman@propertydoctorservices.com	PPE	Not Eligible (Austin)							
#260	ACCEYSS Network		YES	Shetay Ashford-Hanserd acceyss@gmail.com	PPE, Digital Redesign	Not Eligible (Non-profit)							
#182	Mobettacutz Barbershop	47	No	Marvrid (Mario) Wiggins mobettacutz1@gmail.com	PPE	Not Eligible							
#217	All City Appliance	44	No	Billy Rodriguez rodriguezbbilly57@gmail.com	PPE, Training, Digital Redesign	Not Eligible (Withdrawn)							
#235	Chances R	42	NO	Johnny Finch chances_r_bar@yahoo.com	PPE	Not Eligible (Did not sign contract)							

From: [Ostrowski, Michael](#)
To: [Baker, Maxfield](#)
Cc: [Lumbreras, Bert](#); [Pantalion, Joe](#); [Mattingly, Shannon](#)
Subject: RE: [EXTERNAL] Re: Revive SMTX
Date: Tuesday, September 1, 2020 1:41:03 PM

Councilmember Baker:

Thanks for the email.

We just received approval from HUD on the submission of our amended action plan, and I just submitted the executed CDBG-CV grant agreement back to HUD last week. CDBG staff has been working with the Chamber on this program. Since we now have an agreement with HUD, we will be working with the Chamber to finalize the subrecipient agreement with them for this program soon (hopefully in September). The one unfortunate thing that we did learn as of yesterday, is that CDBG funds are **NOT** able to be used where the beneficiary is a non-profit, even if it is for job creation. While the non-profit can be used as a passthrough (essentially carrying out a program), they are not able to be direct beneficiary of CDBG funds. For the economic development programs, the funds must be used for for-profit businesses.

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Marketing of the program is planned to begin two weeks before the application opens. All areas of San Marcos will be targeted. Outreach will be through email, social media, press release, post card, and possibly other methods. Marketing materials as well as applications will be in both Spanish and English. Additionally, the revivesmtx.com page has now been translated to Spanish and should be updated shortly.

If you have any further questions, please let us know.



[Michael Ostrowski, CEcD, AICP](#)

Assistant Director | Planning & Development Services
630 E Hopkins, San Marcos, TX 78666
512-805-2613

Make Sure You Count in San Marcos!

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From: Baker, Maxfield <MBaker@sanmarcostx.gov>

Sent: Friday, August 28, 2020 2:18 PM

To: Mock, Jason <jasonm@sanmarcostexas.com>; Ostrowski, Michael <MOstrowski@sanmarcostx.gov>; Lumbreras, Bert <BLumbreras@sanmarcostx.gov>

Subject: Re: [EXTERNAL] Re: Revive SMTX

Can we get an update on this project? Have we put money in their hands?

We had negotiated to include Organizations, not just businesses, as well as Spanish advertising and outreach. Instead all I see is this -

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The San Marcos Area Chamber of Commerce in collaboration with the City of San Marcos is launching Revive SMTX. Revive SMTX will provide local businesses with federal funds to

help them get through the COVID-19 pandemic.

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The application process will begin in the coming weeks. Keep an eye on this page, and submit your contact information by clicking the button below to receive updates as they are released.

I signed up on the 18th through their portal and have only received a 'welcome' email that doesn't even include links to helpful information...



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City Council Member | City Council
630 E. Hopkins St, San Marcos, TX 78666

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From: Baker, Maxfield <MBaker@sanmarcostx.gov>

Sent: Tuesday, August 18, 2020 3:02 PM

To: Mock, Jason <jasonm@sanmarcostexas.com>

Subject: Re: [EXTERNAL] Re: Revive SMTX

Noticed it's still just a splash page, and still not in Spanish...



Maxfield Baker

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From: Baker, Maxfield <MBaker@sanmarcostx.gov>

Sent: Friday, July 10, 2020 9:20 AM

To: Mock, Jason <jasonm@sanmarcostexas.com>

Subject: Re: [EXTERNAL] Re: Revive SMTX

Thanks for the update, have a good weekend!

Cheers,



Maxfield Baker

City Council Member | City Council
630 E. Hopkins St, San Marcos, TX 78666

Make Sure You Count in San Marcos!

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From: Jason Mock <jasonm@sanmarcostexas.com>

Sent: Wednesday, July 8, 2020 2:46 PM

To: Baker, Maxfield <MBaker@sanmarcostx.gov>

Subject: [EXTERNAL] Re: Revive SMTX

Council Member Baker

I hope all is well with you, and thank you for the email. The current page is just a splash page. We're working on the full website that will be in both English and Spanish.

As for when we can go live, I heard from the city staff today that it would be around the end of August or early September before we can go live. City staff will not be able to submit the final documents to HUD until Council approves the final project in August. Once HUD approves the paperwork, we can then go live with the great program.

Please let me know if you have any questions or concerns.

Jason

Jason Mock | President & CEO

San Marcos Area Chamber of Commerce

202 N. C.M. Allen Parkway

San Marcos, Texas 78666

e: jasonm@sanmarcostexas.com | **w:** sanmarcostexas.com

m: 770-241-3629 | **p:** 512-393-5900

On Tue, Jul 7, 2020 at 7:49 PM Baker, Maxfield <MBaker@sanmarcostx.gov> wrote:

<https://revivesmtx.com/>

Is there a Spanish version of this link? And is there an update as to when this will go live?



Maxfield Baker

City Council Member | City Council

630 E. Hopkins St, San Marcos, TX 78666

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CAUTION: This email is from an EXTERNAL source. Links or attachments may be dangerous. Click the Phish Alert button above if you think this email is malicious .

From: [Ostrowski, Michael](#)
To: [Baker, Maxfield](#); [Derrick, Melissa](#); [Rockeymoore, Mark](#)
Cc: [Lumbreras, Bert](#); [Pantalion, Joe](#); [Mattingly, Shannon](#)
Subject: RE: [EXTERNAL] Re: Revive SMTX
Date: Tuesday, October 20, 2020 10:28:30 AM
Attachments: [image003.png](#)

Councilmember Baker:

Yes, the Chamber is allowed to cover the expenses to run this program (we did set an upper limit of \$40,000). However, they only get reimbursed for the eligible costs that they incur. For instance, if they only incur \$10,000 - \$20,000 to run the program, their reimbursement would only be for this amount, and the remaining amount would go towards additional grants. Also, they will need to submit the proper paperwork to justify the reimbursement amount, including hourly time sheets for City staff review.

Please let me know if you have any further questions.

Thank you,



[Michael Ostrowski, CEcD, AICP](#)

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512-805-2613

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From: Baker, Maxfield <MBaker@sanmarcostx.gov>

Sent: Tuesday, October 20, 2020 9:42 AM

To: Ostrowski, Michael <MOstrowski@sanmarcostx.gov>; Derrick, Melissa <MDerrick@sanmarcostx.gov>; Rocky Moore, Mark <MRockeymoore@sanmarcostx.gov>

Cc: Lumbreras, Bert <BLumbreras@sanmarcostx.gov>; Pantalion, Joe <JPantalion@sanmarcostx.gov>; Mattingly, Shannon <SMattingly@sanmarcostx.gov>

Subject: Re: [EXTERNAL] Re: Revive SMTX

I think maybe I'm not asking this correctly or misunderstand the process -

The Chamber would not qualify for this money to assist their own organization, but they are passing it through to for-profit companies. BUT they are only gifting out \$5k grants to businesses while they take in was it \$46k in admin costs? They are essentially getting more money for their own organization out of these funds than they would be helping any individual business...



[Maxfield Baker](#)

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630 E. Hopkins St, San Marcos, TX 78666

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From: Ostrowski, Michael <MOstrowski@sanmarcostx.gov>

Sent: Tuesday, October 20, 2020 9:34 AM

To: Baker, Maxfield <MBaker@sanmarcostx.gov>; Derrick, Melissa <MDerrick@sanmarcostx.gov>; Rocky Moore, Mark <MRockeymoore@sanmarcostx.gov>

Cc: Lumbreras, Bert <BLumbreras@sanmarcostx.gov>; Pantalion, Joe <JPantalion@sanmarcostx.gov>; Mattingly, Shannon <SMattingly@sanmarcostx.gov>

Subject: RE: [EXTERNAL] Re: Revive SMTX

Councilmember Baker:

Non-profits can assist with the administration of a program, they just cannot be the direct beneficiary of CDBG funds for this activity. The business assistance program (Revive SMTX) is under a specific category under the

regulations called Special Economic Development Activities. Under these Economic Development activities, assistance in the form of grants, loans, loan guarantees, etc. can only be made to **private for-profit entities**, see below:



I hope answers your question.

If you have any further questions, please let me know.

Thank you,



Michael Ostrowski, CEcD, AICP

Assistant Director | Planning & Development Services
630 E Hopkins, San Marcos, TX 78666
512-805-2613

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From: Baker, Maxfield <MBaker@sanmarcostx.gov>

Sent: Monday, October 19, 2020 12:41 PM

To: Ostrowski, Michael <MOstrowski@sanmarcostx.gov>; Derrick, Melissa <MDerrick@sanmarcostx.gov>; Rockeymoore, Mark <MRockeymoore@sanmarcostx.gov>

Cc: Lumbreras, Bert <BLumbreras@sanmarcostx.gov>; Pantalion, Joe <JPantalion@sanmarcostx.gov>; Mattingly, Shannon <SMattingly@sanmarcostx.gov>

Subject: Re: [EXTERNAL] Re: Revive SMTX

Going through old emails, it occurred to me to ask - If non-profits are unable to be direct beneficiaries of CDBG funds, does that mean they are not allowed to take ANY of the funds for administrative purposes? Thanks for any clarification you might add.

**Maxfield Baker**

City Council Member | City Council
630 E. Hopkins St, San Marcos, TX 78666

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From: Ostrowski, Michael <MOstrowski@sanmarcostx.gov>

Sent: Tuesday, September 1, 2020 1:41 PM

To: Baker, Maxfield <MBaker@sanmarcostx.gov>

Cc: Lumbreras, Bert <BLumbreras@sanmarcostx.gov>; Pantalion, Joe <JPantalion@sanmarcostx.gov>; Mattingly, Shannon <SMattingly@sanmarcostx.gov>

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From: Baker, Maxfield <MBaker@sanmarcostx.gov>

Sent: Tuesday, August 18, 2020 3:02 PM

To: Mock, Jason <jasonm@sanmarcostexas.com>

Subject: Re: [EXTERNAL] Re: Revive SMTX

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From: Baker, Maxfield <MBaker@sanmarcostx.gov>

Sent: Friday, July 10, 2020 9:20 AM

To: Mock, Jason <jasonm@sanmarcostexas.com>

Subject: Re: [EXTERNAL] Re: Revive SMTX

Thanks for the update, have a good weekend!

Cheers,



Maxfield Baker

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From: Jason Mock <jasonm@sanmarcostexas.com>

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Council Member Baker

I hope all is well with you, and thank you for the email. The current page is just a splash page. We're working on the full website that will be in both English and Spanish.

As for when we can go live, I heard from the city staff today that it would be around the end of August or early September before we can go live. City staff will not be able to submit the final documents to HUD until Council approves the final project in August. Once HUD approves the paperwork, we can then go live with the great program.

Please let me know if you have any questions or concerns.

Jason

Jason Mock | President & CEO

San Marcos Area Chamber of Commerce

202 N. C.M. Allen Parkway

San Marcos, Texas 78666

e: jasonm@sanmarcostexas.com | w: sanmarcostexas.com

m: 770-241-3629 | p: 512-393-5900

On Tue, Jul 7, 2020 at 7:49 PM Baker, Maxfield <MBaker@sanmarcostx.gov> wrote:

<https://revivesmtx.com/>

Is there a Spanish version of this link? And is there an update as to when this will go live?



Maxfield Baker

City Council Member | City Council

630 E. Hopkins St, San Marcos, TX 78666

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CAUTION: This email is from an EXTERNAL source. Links or attachments may be dangerous. Click the Phish Alert button above if you think this email is malicious .

From: [Pantalion, Joe](#)
To: [Baker, Maxfield](#); [Ostrowski, Michael](#); [Derrick, Melissa](#); [Garza, Alyssa](#)
Cc: [Lumbreras, Bert](#); [Mattingly, Shannon](#); [Hardwick, Scott](#); [Migl, Hayden](#); [Kirby, Julie](#)
Subject: RE: [EXTERNAL] Re: Revive SMTX
Date: Tuesday, November 17, 2020 12:52:58 PM
Attachments: [image002.png](#)

Good afternoon Council Member Baker,
Scott Hardwick spoke with staff at the Chamber of Commerce. The Chamber is going to have the video you mentioned translated into Spanish with subtitles. It will go up once that process has been complete.
The week of December 7 will be the first review of submitted applications.

Best, Joe



[Joe Pantalion, PE](#)

Assistant City Manager | City Manager's Office
630 E Hopkins, San Marcos, TX 78666
512.393.8106

From: Baker, Maxfield
Sent: Tuesday, November 17, 2020 10:52 AM
To: Ostrowski, Michael <MOstrowski@sanmarcostx.gov>; Derrick, Melissa <MDerrick@sanmarcostx.gov>; Garza, Alyssa <AGarza@sanmarcostx.gov>
Cc: Lumbreras, Bert <BLumbreras@sanmarcostx.gov>; Pantalion, Joe <JPantalion@sanmarcostx.gov>; Mattingly, Shannon <SMattingly@sanmarcostx.gov>
Subject: Re: [EXTERNAL] Re: Revive SMTX
<https://revivesmtx.com/es/>

Will this link also get a video for the explanation?



[Revive SMTX ES - Revive SMTX](#)

Solicitar la subvención! La Cámara de Comercio del Área de San Marcos y la Ciudad de San Marcos lanzarán Revive SMTX. Revive SMTX proporcionará a las empresas locales fondos federales para ayudarles a superar la pandemia de COVID-19. Los aplicantes serán elegibles para recibir hasta \$5,000 por negocio.

revivesmtx.com



[Maxfield Baker](#)

City Council Member | City Council
630 E. Hopkins St, San Marcos, TX 78666

From: Ostrowski, Michael <MOstrowski@sanmarcostx.gov>
Sent: Tuesday, October 20, 2020 10:28 AM
To: Baker, Maxfield <MBaker@sanmarcostx.gov>; Derrick, Melissa <MDerrick@sanmarcostx.gov>; Rockeymoore, Mark <MRockeymoore@sanmarcostx.gov>
Cc: Lumbreras, Bert <BLumbreras@sanmarcostx.gov>; Pantalion, Joe <JPantalion@sanmarcostx.gov>; Mattingly, Shannon <SMattingly@sanmarcostx.gov>
Subject: RE: [EXTERNAL] Re: Revive SMTX
Councilmember Baker:

Yes, the Chamber is allowed to cover the expenses to run this program (we did set an upper limit of \$40,000). However, they only get reimbursed for the eligible costs that they incur. For instance, if they only incur \$10,000 - \$20,000 to run the program, their reimbursement would only be for this amount, and the remaining amount would go towards additional grants. Also, they will need to submit the proper paperwork to justify the reimbursement amount, including hourly time sheets for City staff review.

Please let me know if you have any further questions.

Thank you,



Michael Ostrowski, CEcD, AICP

Assistant Director | Planning & Development Services
630 E Hopkins, San Marcos, TX 78666
512-805-2613

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From: Baker, Maxfield <MBaker@sanmarcostx.gov>

Sent: Tuesday, October 20, 2020 9:42 AM

To: Ostrowski, Michael <MOstrowski@sanmarcostx.gov>; Derrick, Melissa <MDerrick@sanmarcostx.gov>;
Rockeymoore, Mark <MRockeymoore@sanmarcostx.gov>

Cc: Lumbreras, Bert <BLumbreras@sanmarcostx.gov>; Pantalion, Joe <JPantalion@sanmarcostx.gov>; Mattingly, Shannon <SMattingly@sanmarcostx.gov>

Subject: Re: [EXTERNAL] Re: Revive SMTX

I think maybe I'm not asking this correctly or misunderstand the process -

The Chamber would not qualify for this money to assist their own organization, but they are passing it through to for-profit companies. BUT they are only gifting out \$5k grants to businesses while they take in was it \$46k in admin costs? They are essentially getting more money for their own organization out of these funds than they would be helping any individual business...



Maxfield Baker

City Council Member | City Council
630 E. Hopkins St, San Marcos, TX 78666

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[Click here to respond to the US Census](#)

From: Ostrowski, Michael <MOstrowski@sanmarcostx.gov>

Sent: Tuesday, October 20, 2020 9:34 AM

To: Baker, Maxfield <MBaker@sanmarcostx.gov>; Derrick, Melissa <MDerrick@sanmarcostx.gov>;
Rockeymoore, Mark <MRockeymoore@sanmarcostx.gov>

Cc: Lumbreras, Bert <BLumbreras@sanmarcostx.gov>; Pantalion, Joe <JPantalion@sanmarcostx.gov>; Mattingly, Shannon <SMattingly@sanmarcostx.gov>

Subject: RE: [EXTERNAL] Re: Revive SMTX

Councilmember Baker:

Non-profits can assist with the administration of a program, they just cannot be the direct beneficiary of CDBG funds for this activity. The business assistance program (Revive SMTX) is under a specific category under the regulations called Special Economic Development Activities. Under these Economic Development activities, assistance in the form of grants, loans, loan guarantees, etc. can only be made to **private for-profit entities**, see below:



I hope answers your question.

If you have any further questions, please let me know.

Thank you,



Michael Ostrowski, CEcD, AICP

Assistant Director | Planning & Development Services
630 E Hopkins, San Marcos, TX 78666
512-805-2613

Make Sure You Count in San Marcos!

[Click here to respond to the US Census](#)

From: Baker, Maxfield <MBaker@sanmarcostx.gov>

Sent: Monday, October 19, 2020 12:41 PM

To: Ostrowski, Michael <MOstrowski@sanmarcostx.gov>; Derrick, Melissa <MDerrick@sanmarcostx.gov>;
Rockeymoore, Mark <MRockeymoore@sanmarcostx.gov>

Cc: Lumbreras, Bert <BLumbreras@sanmarcostx.gov>; Pantalion, Joe <JPantalion@sanmarcostx.gov>; Mattingly,
Shannon <SMattingly@sanmarcostx.gov>

Subject: Re: [EXTERNAL] Re: Revive SMTX

Going through old emails, it occurred to me to ask - If non-profits are unable to be direct beneficiaries of CDBG funds, does that mean they are not allowed to take ANY of the funds for administrative purposes?

Thanks for any clarification you might add.

Maxfield Baker

City Council Member | City Council
630 E. Hopkins St, San Marcos, TX 78666



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From: Ostrowski, Michael <MOstrowski@sanmarcostx.gov>

Sent: Tuesday, September 1, 2020 1:41 PM

To: Baker, Maxfield <MBaker@sanmarcostx.gov>

Cc: Lumbreras, Bert <BLumbreras@sanmarcostx.gov>; Pantalion, Joe <JPantalion@sanmarcostx.gov>; Mattingly, Shannon <SMattingly@sanmarcostx.gov>

Subject: RE: [EXTERNAL] Re: Revive SMTX

Councilmember Baker:

Thanks for the email.

We just received approval from HUD on the submission of our amended action plan, and I just submitted the executed CDBG-CV grant agreement back to HUD last week. CDBG staff has been working with the Chamber on this program. Since we now have an agreement with HUD, we will be working with the Chamber to finalize the subrecipient agreement with them for this program soon (hopefully in September). The one unfortunate thing that we did learn as of yesterday, is that CDBG funds are **NOT** able to be used where the beneficiary is a non-profit, even if it is for job creation. While the non-profit can be used as a passthrough (essentially carrying out a program), they are not able to be direct beneficiary of CDBG funds. For the economic development programs, the funds must be used for for-profit businesses.

No money has been transferred to the Chamber as of today, as this is a reimbursement program. Before any of this can take place an official subrecipient agreement needs to be executed between the City and Chamber, and we need to provide them an official notice to proceed.

Marketing of the program is planned to begin two weeks before the application opens. All areas of San Marcos will be targeted. Outreach will be through email, social media, press release, post card, and possibly other methods. Marketing materials as well as applications will be in both Spanish and English. Additionally, the revivesmtx.com page has now been translated to Spanish and should be updated shortly.

If you have any further questions, please let us know.



Michael Ostrowski, CEcD, AICP

Assistant Director | Planning & Development Services
630 E Hopkins, San Marcos, TX 78666
512-805-2613

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[Click here to respond to the US Census](#)

From: Baker, Maxfield <MBaker@sanmarcostx.gov>

Sent: Friday, August 28, 2020 2:18 PM

To: Mock, Jason <jasonm@sanmarcostexas.com>; Ostrowski, Michael <MOstrowski@sanmarcostx.gov>; Lumbreras, Bert <BLumbreras@sanmarcostx.gov>

Subject: Re: [EXTERNAL] Re: Revive SMTX

Can we get an update on this project? Have we put money in their hands?

We had negotiated to include Organizations, not just businesses, as well as Spanish advertising and outreach. Instead all I see is this -

<https://revivesmtx.com/>

The San Marcos Area Chamber of Commerce in collaboration with the City of San Marcos is

launching Revive SMTX. Revive SMTX will provide local businesses with federal funds to help them get through the COVID-19 pandemic.

Applicants will be eligible to receive up to \$5,000 per business. The funds can be used for operation safety, sanitation training, PPE and digital redesign for social distancing.

The application process will begin in the coming weeks. Keep an eye on this page, and submit your contact information by clicking the button below to receive updates as they are released.

I signed up on the 18th through their portal and have only received a 'welcome' email that doesn't even include links to helpful information...



Maxfield Baker

City Council Member | City Council
630 E. Hopkins St, San Marcos, TX 78666

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From: Baker, Maxfield <MBaker@sanmarcostx.gov>

Sent: Tuesday, August 18, 2020 3:02 PM

To: Mock, Jason <jasonm@sanmarcostexas.com>

Subject: Re: [EXTERNAL] Re: Revive SMTX

Noticed it's still just a splash page, and still not in Spanish...



Maxfield Baker

City Council Member | City Council
630 E. Hopkins St, San Marcos, TX 78666

Make Sure You Count in San Marcos!

[Click here to respond to the US Census](#)

From: Baker, Maxfield <MBaker@sanmarcostx.gov>

Sent: Friday, July 10, 2020 9:20 AM

To: Mock, Jason <jasonm@sanmarcostexas.com>

Subject: Re: [EXTERNAL] Re: Revive SMTX

Thanks for the update, have a good weekend!

Cheers,



Maxfield Baker

City Council Member | City Council
630 E. Hopkins St, San Marcos, TX 78666

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[Click here to respond to the US Census](#)

From: Jason Mock <jasonm@sanmarcostexas.com>

Sent: Wednesday, July 8, 2020 2:46 PM

To: Baker, Maxfield <MBaker@sanmarcostx.gov>

Subject: [EXTERNAL] Re: Revive SMTX

Council Member Baker

I hope all is well with you, and thank you for the email. The current page is just a splash page. We're working on the full website that will be in both English and Spanish.

As for when we can go live, I heard from the city staff today that it would be around the end of August or early September before we can go live. City staff will not be able to submit the final documents to HUD until Council approves the final project in August. Once HUD approves the paperwork, we can then go live with the great program.

Please let me know if you have any questions or concerns.

Jason

Jason Mock | President & CEO

San Marcos Area Chamber of Commerce

202 N. C.M. Allen Parkway

San Marcos, Texas 78666

e: jasonm@sanmarcostexas.com | w: sanmarcostexas.com

m: 770-241-3629 | p: 512-393-5900

On Tue, Jul 7, 2020 at 7:49 PM Baker, Maxfield <MBaker@sanmarcostx.gov> wrote:

<https://revivesmtx.com/>

Is there a Spanish version of this link? And is there an update as to when this will go live?



Maxfield Baker

City Council Member | City Council

630 E. Hopkins St, San Marcos, TX 78666

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REVIVE SMTX Applicant - As of Feb. 9, 2021

Code Number	Name of Business	Chamber Member	Request	Status
#182	Mobettacutz Barbershop	No	PPE	Payment
#209	Stinky Dawg	Yes	PPE, Physical Change, Operational Safety	Payment
#225	Aquabrew	Yes	PPE, Physical Change, Operational Safety	Payment
#198	Candlewood Suites	No	PPE, Operational Safety, Training	Payment
#203	Holiday inn Convention CTR	Yes	PPE, Physical Change, Operational Safety	Payment
#217	All City Appliance	No	PPE, Training, Digital Redesign	Payment
#183	K-BOP	No	PPE, Operational Safety, Physical Change	Payment
#193	Holiday inn Express	No	PPE, Operational Safety, Training	Payment
#199	Country Inn & Suites	No	PPE, Operational Safety, Training	Payment
#200	AquaSprings Dental	Yes	PPE, Physical Change, Operational Safety	Payment
#206	La Quinta Inn & Suites	No	PPE, Physical Change, Operational Safety	Payment
#224	Premier Cuts	Yes	PPE, Physical Change, Operational Safety	Payment
#190	Econo Lodge	No	Training, PPE, Physical Change	Payment
#216	Small fries Child Care	No	PPE, Physical Change, Operational Safety	Payment
#205	Salon Central Nails	No	PPE & Training	Payment
#184	Splash Coworking	No	Reimbursement	Contract Review
#215	Monroe Hair Studio	No	PPE, Physical Change, Operational Safety	Contract Review
#232	Bobcat Nail and Spa	NO	PPE, Reimbursement , Physical Changes	Contract Review
#188	Sunset Lanes	NO	PPE,	Contract Review
#266	Hilton Garden Inn	YES	Operational Safety	In Progress
#239	Stonebridge Hotels, LLC	NO	PPE, Operational Safety	In Progress
#265	You Need Fences by Cool Beans	NO	PPE, Training, Operational Safety, Digital Redesign	In Progress
#238	Hampton Inn & Suites	YES	PPE, Operational Safety	In Progress
#255	San Marcos Comfort Suites Hotel	NO	Operational Safety, Physical Change, PPE	In Progress
#227	IsAnZe Day Spa	NO	PPE	In Progress
#243	White Rock Inn	YES	Training, reimbursements	In Progress
#222	Moe K Fallahi	NO	Operational safety, PPE	In Progress

#235	Chances R	NO	PPE	In Progress
#252	Howard Johnson Inn	YES	Payroll, PPE	In Progress
#262	Palmer's Restaurant and Bar	YES	PPE, Digital Redesign, Training	In Progress
#263	La Quinta Inn	NO	PPE, Physical Change	In Progress
#223	Prik Nam Pla Thai Cuisine	NO	PPE, Physical Change, Operational Safety	In Progress
#233	The Tavern	NO	Operational Safety, Digital Redesign, PPE	In Progress
#240	Super 8	NO	PPE, Operational Safety, Physical Change	In Progress
#244	North Coast Trucking Limited Liability	NO	PPE	In Progress
#226	PBSM	NO	PPE, Physical Change	In Progress
#185	Tantra	NO	Point of Sales System	In Progress
#194	A-1 Starter & Alternator	NO	PPE, Physical Change	In Progress
#204	Haven Management Services	NO	PPE, Operational Safety, Training	In Progress
#191	Baymont Inn & Suites	NO	PPE	In Progress
#236	Comfort Inn & Suites	NO	PPE, Operational Safety	In Progress
#249	Best Western	YES	PPE & Training	In Progress
#186	Deans Shop	NO	Training, PPE, Physical Change	In Progress
#195	RiverCity	YES	PPE	In Progress
#220	Rosie Garcia State Farm	NO	PPE, Physical Change, Operational Safety	In Progress
#231	Pennington's Cakes	YES	Digital Redesign, Contactless Payment	In Progress
#237	Texas Express Lube and Auto	YES	PPE, Digital Redesign, Operational Safety	In Progress
#179	Quality Inn	YES	Training, PPE	In Progress
#189	Red Roof Inn	YES	PPE	In Progress
#230	AMAJs.com	NO	Unclear	In Progress
#208	University Inn	NO	PPE, Training	In Progress
#261	Zoop	NO	Contactless payment	In Progress
#207	Days Inn	NO	PPE, Training	In Progress
#213	PrimeSite Web Solutions	NO	New website	In Progress
#282	Texas Rock House	YES	PPE	Eligible
#319	The Marc	No	PPE	Eligible

#196	AHH Vapors	NO	PPE, Payroll	Incomplete (Usage)
#197	Run Lizard Run	YES	PPE	Incomplete (See notes)
#241	The Growling	NO	Rent	Incomplete (Rent, FTE's)
#245	Best Budget Inn	NO	Unclear	Incomplete (Unclear request, cut back, FTE's)
#246	Executive Inn & Suites	NO	Unclear	Incomplete (Unclear request, cut back)
#253	San Marcos Inn	NO	Utilities and Payroll	Incomplete (Asking for Incorporation Date paperwork, clarifying usage)
#264	AKYA	NO	Rent	Incomplete (Usage, Cutback)
#267	Wingate by Wyndham	NO	PPE	Incomplete (cut back, FTE)
#273	Victory Cleaners Inc	NO	PPE, Training, Physical Redesign	Incomplete (FTE)
#280	Property Relief LLC	NO	Digital Redesign	Incomplete (Cut back)
#281	Blaque Luv Clothing Company	NO	Digital Redesign	Incomplete (Cut back)
#177	Law Offices of mari Garza and Lynn Peac	NO	PPE, Digital Redesign, Operational Safety	Not Eligible (Withdrawn)
#178	Braavos	NO	PPE, Digital Redesign, Operational Safety	Not Eligible (Outside City)
#180	Arcades4Home	NO		Not Eligible (Outside City)
#181	San Marcos Tours & Charters	NO	PPE, Operational Safety, Physical Change	Not Eligible (did not meet deadline)
#187	Sofia Hair Salon	NO	Rent	Not Eligible (Rent, FTE's, Incorporation) Did not complete corrections by the deadline
#201	The Davenport	NO	COVID procedures	Not Eligible (Withdrawn) Incomplete (Cut Back, FTE's)

#202	Fairfield Inn and Suites	YES	PPE, Physical Change, Operational Safety	Not Eligible (did not meet deadline)
#210	Ole Dirty Birdz	NO		Not Eligible (Pearland)
#211	TruChoice Pregnancy Resource	YES		Not Eligible (Non-Profit)
#212	KZSM	NO		Not Eligible (Non-Profit)
#214	Weusi Wellness	YES		Not Eligible (ETJ)
#218	KnD's Resale n More	NO	PPE, Physical Change, Operational Safety	Not Eligible (Withdrawn)
#219	San Marcos Veterinary Clinic	YES	PPE, Physical Change, Operational Safety	Not Eligible (Cut Back)
#221	Cody's Bistro	NO	PPE, Physical Change, Operational Safety	Not Eligible (Withdrawn) Incomplete (Cut back, FTE clarification)
#229	Air Care Today	NO	PPE, Redesign	Not Eligible (ETJ)
#234	Young Rembrandts	NO		Not Eligible (Buda)
#247	Classic Inn	NO	Sanitation products	Not Eligible (Incorporation Date: 10.16.19)
#248	Super 8	NO	PPE, Training	DUPLICATE of #240
#250	Motel 6 North	NO	Supplies for COVID19	Not Eligible (Cut back, FTE's, 51% of jobs less than \$26.30)
#251	Studio 6	NO	Supplies for COVID19	Not Eligible (Cut back, 51% of jobs less than \$26.30)
#254	Comfort Inn & Suites	NO	PPE, Training	DUPLICATE OF #236
#256	Cypress Tree Psychological Service	NO	Operational Safety, training	Not Eligible (Martindale)
#257	Notary	NO	PPE, Plexi Glass Dividers	Not Eligible (Non-Profit, 51%)
#258	Classic Tattoo	NO	PPE, Digital Redesign	Not Eligible (51% make more than \$26.30 an hour)
#259	Property Doctor Services	NO	PPE	Not Eligible (Austin)
#260	ACCEYSS Network	YES	PPE, Digital Redesign	Not Eligible (Non-profit)

Status Information				
Payment	Beneficiary Payment Request Form Has been sent to the business			
Contract Review	Beneficiary Agreement was signed by the busienss. Business is missing payroll documents			
In Progress	Beneficiary Agreement was sent to the business and signature is needed			
Eligible	Application has been recived by Revive SMTX. Needs to be reviewed by the Task Force			
Incomplete	Application is missing infomation or has wrong information			
Not Eligible	Not Eligible			
Data				
93	Applications			
70	Non Chamber Member			
23	Chamber Member			

From: [Migl, Hayden](#)
To: [Garza, Alyssa](#)
Cc: [Pantalion, Joe](#); [Lumbreras, Bert](#); [Cosentino, Michael](#)
Subject: RE: REVIVE SMTX
Date: Wednesday, February 10, 2021 11:02:10 AM
Attachments: [Revive SMTX Applications - Information for Council - As of 2-9-2021.pdf](#)

Hello Council Member Garza,

Thank you again for your patience as we worked on this request. Attached is the list of businesses that have applied for the Revive SMTX grant as of February 9.

Please let us know if you have any questions.

Hayden



[Hayden Migl](#)

Senior Management Assistant | City Manager's Office
630 E. Hopkins St, San Marcos, TX 78666
512.393.8095

From: Migl, Hayden

Sent: Monday, February 8, 2021 4:34 PM

To: Garza, Alyssa <AGarza@sanmarcostx.gov>

Cc: Pantalion, Joe <JPantalion@sanmarcostx.gov>; Lumbreras, Bert <BLumbreras@sanmarcostx.gov>; Cosentino, Michael <MCosentino@sanmarcostx.gov>

Subject: RE: REVIVE SMTX

Hello Council Member,

I believe the Law Department wants to review this request in relation to the issues raised in this story regarding a similar request to the City of Austin: <https://www.kxan.com/investigations/austin-covid-19-aid-recipients-hidden-under-new-law/>.

The other part of the delay was unintentional and is my fault. City Attorney Cosentino asked for the documents associated with Revive SMTX a couple of weeks ago, but I did not realize he had not received them until late last week. He does have them now to review. I apologize for the oversight.

Thank you,

Hayden



[Hayden Migl](#)

Senior Management Assistant | City Manager's Office
630 E. Hopkins St, San Marcos, TX 78666
512.393.8095

From: Garza, Alyssa

Sent: Monday, February 8, 2021 3:42 PM

To: Migl, Hayden <HMigl@sanmarcostx.gov>

Cc: Pantalion, Joe <JPantalion@sanmarcostx.gov>; Lumbreras, Bert <BLumbreras@sanmarcostx.gov>

Subject: Re: REVIVE SMTX

Hello,

I just want to make sure I am understanding this correctly? You can't provide list of names due to confidentiality reasons? I just want a list of names.

I'm honestly very confused as to why this request is taking so long.

Acg

Get [Outlook for iOS](#)

From: Migl, Hayden <HMigl@sanmarcostx.gov>

Sent: Friday, February 5, 2021 1:34 PM

To: Garza, Alyssa

Cc: Pantalion, Joe; Lumbreras, Bert

Subject: RE: REVIVE SMTX

Hello Council Member Garza,

I want to follow up with you on this request and provide an update. Due to some of the information requested in the application process, we sent the documents to Law to determine if the materials required confidentiality. We are awaiting their determination and will let you know when we hear back.

I hope you have a great weekend!

Hayden



Hayden Migl

Senior Management Assistant | City Manager's Office

630 E. Hopkins St, San Marcos, TX 78666

512.393.8095

From: Garza, Alyssa

Sent: Monday, February 1, 2021 9:38 AM

To: Lumbreras, Bert <BLumbreras@sanmarcostx.gov>

Cc: Migl, Hayden <HMigl@sanmarcostx.gov>; Pantalion, Joe <JPantalion@sanmarcostx.gov>

Subject: Re: REVIVE SMTX

Hello,

I am writing for a status update on this request.

Acg

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From: Lumbreras, Bert <BLumbreras@sanmarcostx.gov>

Sent: Wednesday, January 20, 2021 3:25:37 PM

To: Garza, Alyssa <AGarza@sanmarcostx.gov>

Cc: Migl, Hayden <HMigl@sanmarcostx.gov>; Pantalion, Joe <JPantalion@sanmarcostx.gov>

Subject: Re: REVIVE SMTX

Alyssa,

Good to hear from you and very happy to follow up!

We have the list of businesses and city staff as well as the Chamber have been working through certifying receipts. Our plan is to provide this to Council and will work on getting this out.

Thanks.

Bert

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From: Garza, Alyssa <AGarza@sanmarcostx.gov>

Sent: Tuesday, January 19, 2021 11:27 AM

To: Lumbreras, Bert

Subject: REVIVE SMTX

Good morning,

I hope this email finds you well. I am writing to request a list of the businesses that have applied for REVIVE SMTX and a list of those who were granted the funds.



Alyssa Garza

City Council Member | City Council
630 E Hopkins, San Marcos, TX 78666

From: [Garza, Alyssa](#)
To: [Lumbreras, Bert](#); [Baker, Maxfield](#)
Cc: [Cosentino, Michael](#)
Subject: Re: Revive SMTX
Date: Saturday, March 13, 2021 8:13:33 PM

Hello,
Thank you for taking the time to reply to me on a weekend.

“This program was adopted by Council is well underway and do not see a way to reconsider criteria already approved, used in sharing with the community, applicants being evaluated on and ultimately being considered or approved.” <~~~

This sentence is confusing to me. You are indicating that **you***do not see a way to reconsider the criteria already approved? What is the legal opinion? I anticipate many constituents will want to know this & understand the rationale. I need to be prepared with facts to be able to explain your rationale to community members.

Many of our neighbors are actively organizing to hold us accountable for doing everything we can to encourage science-backed approaches to public health. This organizing includes analyzing how Covid-19 relief efforts and funding are being handled and distributed. I am sharing this because I think it's important to understand the happenings of the community. This is critical to your efforts in building a sense trust between San Marcans and our city.

Gracias,
ACG

Get [Outlook for iOS](#)

From: Lumbreras, Bert <BLumbreras@sanmarcostx.gov>

Sent: Saturday, March 13, 2021 8:01 PM

To: Baker, Maxfield; Garza, Alyssa

Subject: Re: Revive SMTX

CM Garza,

If you recall, we had a Work Session discussion and we spent time laying out a plan, received Council direction and developed a program and criteria vetted out with Council. The Council subsequently adopted into our action plan via a public hearing and submitted and approved by HUD.

This week the Chamber submitted 6 payment request forms. The total was for \$18,512.45. Chamber had a meeting Friday to review 15 payroll forms. If all are good, Chamber would be asking 15 business to submit receipts. In summary, 6 businesses should get funding if their payroll forms are verified and 15 more to be considered.

This program was adopted by Council is well underway and do not see a way to reconsider criteria already approved, used in sharing with the community, applicants being evaluated on and ultimately being considered or approved.

Thanks.

Bert

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From: Baker, Maxfield <MBaker@sanmarcostx.gov>

Sent: Thursday, March 11, 2021 2:33 PM

To: Garza, Alyssa; Lumbreras, Bert

Subject: Re: Revive SMTX

I tried to stress this when it was first brought up, and I agree with my colleague.

Cheers,



Maxfield Baker

City Council Member | City Council

630 E. Hopkins St, San Marcos, TX 78666

From: Garza, Alyssa <AGarza@sanmarcostx.gov>

Sent: Thursday, March 11, 2021 2:09 PM

To: Lumbreras, Bert <BLumbreras@sanmarcostx.gov>

Cc: Baker, Maxfield <MBaker@sanmarcostx.gov>

Subject: Revive SMTX

Hi,

I'm already seeing local businesses posting how they won't be requiring masks from customers or their employees. Is there anyway we can put a hold on accepting any further applications until we can amend the requirements to include abiding by CDC recommendations. I don't think it makes sense to give anyone money if they're doing the opposite. To be honest, this should have been a requirement from the beginning.

Last meeting we were told no money had been disbursed yet. What's the timeline on that?

Acg

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From: [Griffith, Carol](#)
To: [Griffith, Carol](#)
Subject: FW: Revive SMTX
Date: Monday, March 22, 2021 11:12:26 AM

Reponse from Legal

From: Cosentino, Michael
Sent: Monday, March 15, 2021 2:38 PM
To: Pantalion, Joe <JPantalion@sanmarcostx.gov>; Reyes, Stephanie <SReyes@sanmarcostx.gov>; Kalka, Marie <MKalka@sanmarcostx.gov>
Cc: Lumbreras, Bert <BLumbreras@sanmarcostx.gov>; Mattingly, Shannon <SMattingly@sanmarcostx.gov>; Hernandez, Amanda <AHernandez@sanmarcostx.gov>; Griffith, Carol <CGriffith@sanmarcostx.gov>
Subject: RE: Revive SMTX

The following provisions are among those included in the Beneficiary Certification document that Carol provided:

- a. I understand a written contract will be required between the business entity and San Marcos Area Chamber of Commerce, Inc. upon award of funds.
- b. I am aware that the submission of this application does not guarantee funding by the Revive SMTX grant program or the City of San Marcos.

Does City staff have a copy of the contract that the Chamber will be entering into with individual businesses?

If applicants acknowledge their awareness that filing an application does not guarantee funding by the Revive SMTX grant program or the City of San Marcos, then it does not appear that they have a legal entitlement/ right to such funding that would prevent the city from adding a mask requirement –if the city council supports that addition and the procedural steps Joe outlined in his email, below, are followed.



[Michael Cosentino](#)

City Attorney | Legal
630 E Hopkins, San Marcos, TX 78666
512.393.8153

BENEFICIARY AGREEMENT CDBG-CV-Activity #10-Program Year 2019

**AN AGREEMENT BETWEEN THE SAN MARCOS AREA CHAMBER OF COMMERCE, INCORPORATED, AND
[REDACTED] BUSINESS NAME, FOR
A CDBG-CV FUNDED PROGRAM:
REVIVE SMTX, A COVID-19 SMALL BUSINESS RECOVERY PROGRAM**

THIS AGREEMENT is made and effective as of the [REDACTED] date pending by and between the San Marcos Area Chamber of Commerce, Incorporated (herein called the “the Chamber”) and [REDACTED] Business Name, DUNS # [REDACTED] (herein called “the Beneficiary”). The Chamber and Subrecipient may also be referred to herein, individually as a “Party,” or collectively, as “Parties.”

WHEREAS, the City of San Marcos, Texas, (herein called “the City”) has applied for and received funds from the United States Department of Housing and Urban Development under Title I of the Housing and Community Development Act of 1974, as amended (HCD Act), Public Law 93-383; and

WHEREAS, this award of federal funds is made under federal Award Identification # B-20-MW-48-0513 awarded the 24th day of August, 2020, in the total amount of Community Development Block Grant-Coronavirus Response (CDBG-CV) funds of \$425,261; and

WHEREAS, the City has engaged the Chamber to assist the City in utilizing a portion of such CDBG-CV funds for a small business assistance program entitled Revive SMTX (“the Program”) offered by the Chamber in cooperation with the City of San Marcos Economic Development Department and the City of San Marcos Main Street Program; and

WHEREAS, the Beneficiary has applied for assistance from the Program and, relying on the Beneficiary’s information provided, the Chamber has determined that Beneficiary is eligible for assistance, having met the criteria of the program as described in Appendix A Beneficiary Eligibility Criteria, which is attached hereto; and

WHEREAS, the Beneficiary wishes to receive a grant from the Chamber through the Program of up to five thousand dollars (\$5,000.00) to be able to retain jobs and to be able to ameliorate the negative impact of the coronavirus on its business; and

WHEREAS, the Beneficiary has submitted a completed and signed application, signed Beneficiary Certifications, and Articles of Incorporation or “Doing Business As” documentation, and has been selected to receive such grant; and

WHEREAS, the Beneficiary has legal authority to enter this Agreement, and by signing this Agreement, to assure the Chamber that it will comply with all the requirements of the subaward described herein;

NOW, THEREFORE, it is agreed between the parties hereto that:

I. STATEMENT OF WORK

A. Activities and National Objective Documentation

1. Program Requirements

This Program is funded through Community Development Block Grant – Coronavirus Response (CDBG-CV) and therefore must conform to the rules, regulations, and requirements of:

- the CDBG program (24 CFR Part 570 and implementing regulations) and
- the Department of Housing and Urban Development [Docket No. FR-6218-N-01] Notice of Program Rules, Waivers, and Alternative Requirements Under the CARES Act for Community Development Block Grant Program Coronavirus Response Grants, Fiscal Year 2019 and 2020 Community Development Block Grants, and for Other Formula Programs (hereafter called the “Notice”).

National Objective:

The activities carried out under this Agreement must meet the following National Objective:

24 CFR Part §570.208 Criteria for national objectives

(a) Activities benefiting low- and moderate-income persons

(4) Job creation or retention activities

CDBG-CV Eligible Activities:

CDBG-CV Eligible Activities funded for this Project are as follows:

24 CFR Part §570.203 Special Economic Development Activities

2. Required Documentation

Having submitted a complete application which was vetted for program eligibility by the Chamber with assistance from City staff as needed, the Beneficiary has been selected to receive a grant award through the CDBG-CV Program Year 2019 Program entitled Revive SMTX (“the Program”). The Beneficiary is responsible for providing required documentation as a condition of receiving these funds.

a. Initial Documentation

All activities funded with CDBG-CV funds through the Revive SMTX program must meet the CDBG National Objective of benefitting low- and moderate-income persons as defined in the Code of Federal Regulations (CFR) 24 CFR 570.208, as well as other CDBG program requirements and the Business Eligibility Criteria in Appendix A. Activities funded with CDBG-CV funds must be used to prevent, prepare for, and respond to Coronavirus. In order to provide evidence that the foregoing requirements have been met, the Beneficiary agrees to provide the following required documentation immediately upon being selected for the program:

- i. Signed Grant Award Agreement between each Beneficiary and the Chamber
- ii. The Payroll as of February 29, 2020, that shows the title and rate of pay for each employee and any positions that are vacant but available to be filled.
- iii. Either the IRS Form 941, Employer's Quarterly Federal Tax Return or (preferred) the Texas Workforce Commission Employer's Quarterly Report (Form C-3), as of February 29, 2020.

b. Final Documentation

The Beneficiary agrees to provide the following required documentation as soon as possible after the date six (6) months after the date the check was cut by the Chamber to fund the Beneficiary's grant award:

- i. The Payroll as of at least six (6) months after the date the check was cut by the San Marcos Area Chamber of Commerce to fund the Beneficiary's grant award, that shows the title and rate of pay for each employee and any positions that are vacant but available to be filled.
- ii. Either the IRS Form 941, Employer's Quarterly Federal Tax Return or (preferred) the Texas Workforce Commission Employer's Quarterly Report (Form C-3), that is current as of that same date.

B. Payment Requests

1. Allowable Costs: [Ref: Notice Section III.B.2. Responsible Use of CARES Act Funds and Section III.B.5.(b) Reimbursements]

CDBG-CV funds usage is limited to the necessary and reasonable costs of activities to prevent, prepare for, and respond to coronavirus.

Some ways in which businesses have had to work to prevent, prepare for, and respond to the COVID-19 coronavirus pandemic are the following. Costs to be reimbursed are limited to the following categories:

- Purchasing personal protective equipment for staff to prevent transmission of infection
- Purchasing additional sanitation supplies to meet more rigorous cleaning standards
- Implementing social distancing measures by purchasing supplies such as barriers or by reconfiguring the interior to maintain distance in both employee and customer areas
- Providing "touch free" payment mechanisms at the business location or online
- Providing points of sale online instead of in person to reduce physical contact but remain able to serve customers

2. Initial Payment Request

The Beneficiary agrees to submit payment requests with receipts and any other needed explanatory documentation along with a completed Beneficiary Payment Request Form (attached hereto as Appendix B) to the Chamber for initial processing. Initial Payment will not be funded unless the documentation listed in section I(A)(2)(a) Initial Documentation above has been submitted and demonstrates that the Beneficiary conforms to all requirements of the program.

The Beneficiary agrees to provide additional documentation, within reason, as requested, in order to ensure that the items to be reimbursed meet all program requirements.

After the Initial Payment Request has been reviewed and approved by the Chamber and the City, the amount that has been approved as meeting the eligibility requirements for the program, minus 20%, will be provided from the City to the Chamber, and the Chamber will cut a check to the Beneficiary.

The Beneficiary agrees that 20% will be withheld from the Initial Payment pending receipt of final documentation.

3. Final Payment Request

The Beneficiary agrees to submit the documentation required by Section I(A)(2)(b) Final Documentation above.

After the Final Documentation has been reviewed and approved by the Chamber and the City, the remaining \$500 will be provided from the City to the Chamber, and the Chamber will cut a check for \$500 to the Beneficiary.

II. TERM

A. Effective Date and Termination Date

The effective date of this Agreement is the [REDACTED] (the "Effective Date") and the termination date is [REDACTED] (the "Termination Date").

III. NOTICES

Notices required by this Agreement shall be in writing and delivered via mail (postage prepaid), commercial courier, or personal delivery, or sent by facsimile or other electronic means. Any notice delivered or sent as aforesaid shall be effective on the date of delivery or sending. 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 Agreement shall be directed to the following contract representatives:

Chamber

Jason Mock, President and Chief Executive Officer
San Marcos Area Chamber of Commerce
202 N. C.M. Allen Parkway
San Marcos, Texas 78666
Phone: (512)393-5900
Email: revivesmtx@sanmarcostexas.com

Beneficiary

Name, Title

Business Name

Address

Phone Number

Email Address

V. GENERAL CONDITIONS

A. General Compliance

The Beneficiary agrees to comply with the requirements of Title 24 of the Code of federal Regulations, Part 570 (the U.S. Housing and Urban Development regulations concerning Community Development Block Grants (CDBG) including subpart K of these regulations, except that (1) the Beneficiary does not assume the City's environmental responsibilities described in 24 CFR 570.604 and (2) the Beneficiary does not assume the City's responsibility for initiating the review process under the provisions of 24 CFR Part 52. The Beneficiary also agrees to comply with all other applicable federal, state, and local laws, regulations, and policies governing the funds provided under this contract. The Beneficiary further agrees to utilize 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 Beneficiary shall at all times remain an “independent contractor” with respect to the services to be performed under this Agreement. The Chamber shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers’ Compensation Insurance, as the Beneficiary is an independent contractor.

C. Hold Harmless

The Beneficiary shall hold harmless, defend, and indemnify the City from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the Beneficiary’s performance or nonperformance of the services or subject matter called for in this Agreement.

D. Workers’ Compensation

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

G. Amendments

The Chamber or Beneficiary may amend this Agreement at any time provided that such amendments make specific reference to this Agreement and are executed in writing and signed by a duly authorized representative of each organization. Such amendments shall not invalidate this Agreement nor relieve or release the City or Beneficiary from its obligations under this Agreement.

The Chamber may, in its 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 funding, the scope of services, or the schedule of activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both Chamber and Beneficiary.

H. Suspension or Termination

In the event of termination with or without cause, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by the Beneficiary pursuant to this Agreement shall, at the option of the Chamber, be turned over to the Chamber and become the property of the Chamber. In addition, the Beneficiary shall be entitled to receive reasonable compensation for any necessary services actually and satisfactorily performed prior to the date of termination which are allowable under federal regulations pertaining to this Agreement.

1. Termination for Cause (2 CFR 200 Appendix II(B))

The Chamber may suspend or terminate this Agreement if the Beneficiary materially fails to comply with any terms of this Agreement, which include (but are not limited to) the following:

- a. 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;
- b. Failure, for any reason, of the Beneficiary to fulfill in a timely and proper manner its obligations under this Agreement;
- c. Ineffective or improper use of funds provided under this Agreement; or
- d. Submission by the Beneficiary to the Chamber reports that are incorrect or incomplete in any material respect.

If the Beneficiary fails to fulfill in a timely and proper manner its obligations under this Agreement, or if the Beneficiary violates any of the covenants, conditions, agreements, or stipulations of this Agreement, the Chamber shall have the right to terminate this Agreement by giving written notice to the Beneficiary of such termination and specifying the effective date thereof, which shall be at least five (5) days before the effective date of such termination.

Notwithstanding the above, the Beneficiary shall not be relieved of liability to the Chamber for damages sustained by the Chamber by virtue of any breach of contract by the Beneficiary, and the Chamber may set-off the damages it incurred as a result of the Beneficiary's breach of contract from any amounts it might otherwise owe the Beneficiary.

2. Resolution of Program Non-compliance and Disallowed Costs

In the event of any dispute, claim, question, or disagreement arising from or relating to this Agreement, or the breach thereof, including determination of responsibility for any costs disallowed as a result of non-compliance with federal, state, or CDBG-CV program requirements, the parties hereto shall use their best efforts to settle the dispute, claim, question, or disagreement. To this effect, the parties shall consult and negotiate with each other in good faith within thirty (30) days of receipt of a written notice of the dispute or invitation to negotiate, and attempt to reach a just and equitable solution satisfactory to both parties. If the matter is not resolved by negotiation within thirty (30) days of receipt of written notice or invitation to negotiate, the parties agree first to try in good faith to settle the matter by mediation administered by the American Arbitration Association under its Commercial Mediation Procedures before resorting to arbitration, litigation, or some other dispute resolution procedure. The parties may enter into a written amendment to this Agreement and choose a mediator that is not affiliated with the American Arbitration Association. The parties shall bear the costs of such mediation equally. If the matter is not resolved through such mediation within sixty (60) days of the initiation of that procedure, either party may proceed to file suit.

3. Termination for Convenience (2 CFR 200 Appendix II(B))

Chamber may at any time and for any reason terminate Beneficiary's services and work at Chamber's convenience upon providing written notice to the Beneficiary specifying the extent of termination and the effective date. Upon receipt of such notice, Beneficiary shall, unless the notice directs otherwise, immediately discontinue the work and placing of orders for materials, facilities, and supplies in connection with the performance of this Agreement.

This Agreement may also be terminated for convenience by either the Chamber or the Beneficiary, 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 Chamber determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the Chamber may terminate the award in its entirety.

VI. ADMINISTRATIVE REQUIREMENTS

A. Financial Management

1. Uniform Administrative Requirements

The Beneficiary agrees to comply with the *Uniform Administrative Requirements, Cost Principles and Audit Requirement for federal Awards* as codified in Title 2, Part 200 of the Code of federal Regulations (UAR) and agrees to adhere to the accounting principles and procedures required therein, and maintain necessary source documentation for all costs incurred.

2. Internal Controls

The Beneficiary must establish and maintain effective interim control over the federal award that provides reasonable assurance that the Beneficiary is managing the CDBG-CV award in compliance with federal statutes and program regulations.

3. Cost Principles

Costs incurred, whether charged on a direct or an indirect basis, must be in conformance with 2 CFR part 200, subpart E. All items of cost listed in 2 CFR part 200, subpart E, that require prior federal agency approval are allowable without prior approval of HUD to the extent they comply with the general policies and principles stated in 2 CFR part 200, subpart E and are otherwise eligible under this Agreement, except for the following:

- a. Depreciation methods for fixed assets shall not be changed without the approval of the federal cognizant agency.
- b. Fines penalties, damages, and other settlements are unallowable costs to the CDBG-CV program.
- c. Costs of housing (e.g., depreciation, maintenance, utilities, furnishings, rent), housing allowances and personal living expenses (goods or services for personal use) regardless of whether reported as taxable income to the employees (2 CFR 200.445);
- d. Organization costs (2 CFR 200.455); and
- e. Pre-Award Costs, as limited by this agreement

4. Pre-Award Costs (Reimbursements) [Ref: Department Of Housing And Urban Development [Docket No. FR-6218-N-01] Notice of Program Rules...Section III.B.5.(b) Reimbursements]

HUD is waiving the requirements of 570.200(h) and 570.489(b) to the extent necessary to authorize the Chamber to permit reimbursement of pre-application costs of the Beneficiary and program beneficiaries, in addition to pre-agreement and pre-award costs.

All grantees may authorize Beneficiaries to incur pre-award costs in accordance with pre-agreement cost authority under 24 CFR 570.489(b) (states) and pre-award cost authority under 24 CFR 570.200(h) (entitlements), as modified above. However, an environmental review must be performed by Chamber staff and a release of funds must be obtained from HUD in accordance with 24 CFR part 58 prior to committing CDBG-CV funds to reimburse such costs.

The Chamber agrees to reimburse allowable costs as restricted by this Agreement incurred on or after March 13, 2020, for the Beneficiaries awarded grants through the Program.

B. Documentation and Record Keeping

The City and this program is governed by the Texas Public Information Act, Chapter 552 of the Texas Government Code. This Agreement and all written information generated under this Agreement may be subject to release under this Act.

1. Records to be Maintained

The Beneficiary 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.

2. Retention [Ref: 24 CFR 570.502(a)(7)(ii)(A)]

The Beneficiary shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement until the later of four (4) years after the expiration or termination of the Beneficiary agreement under 24 CFR §570.503, or four (4) years after the submission of the annual performance and evaluation report (The “CAPER”), as prescribed in 24 CFR §91.520, in which the specific activity is 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 four-year period, whichever occurs later.

3. Access to Records

As required by 2 CFR 200.336, the Beneficiary shall permit the Chamber and auditors to have access to the Beneficiary's records and financial statements as necessary for the Chamber to meet its audit requirements under the federal award.

4. Beneficiary Reporting for the Six (6) Month Compliance Period

- a. The beneficiaries of the Revive SMTX Program are the businesses awarded a grant under the program (“the Beneficiaries”). As described in the attached Program Procedures In order to document the benefit to low- and moderate-income persons over the required six (6) month period required by 24 CFR 570.503(b)(7), the Beneficiary will provide a report in a form acceptable to the Chamber aggregating income statistics for the employees of each unique Beneficiary such that the determination can be made of the

percentage of employees per Beneficiary who are in the then-current low- to moderate-income categories for the Chamber of San Marcos, using the payrolls and employment reports provided by each Beneficiary as of February 29, 2020, and as of six (6) months after the day the grant check is cut by the Beneficiary for the Beneficiary.

- b. Safeguarding Sensitive Information. The Beneficiary shall comply with The Privacy Act of 1974, 5 U.S.C. § 552a, The Freedom of Information Act 5 U.S.C. § 552, and Section 208 of the E-Government Act regarding the disclosure of information about clients. Compliance for CDBG-CV-funded projects is also spelled out in 24 C.F.R. § 5.212.

- 1) The collection, maintenance, use, and dissemination of Social Security Numbers (SSN's), Employer Identification Numbers (EINs), any information derived from SSN's and EINs, and income information under this subpart shall be conducted, to the extent applicable, in compliance with the Privacy Act and all other provisions of federal, State, and local law.
- 2) All records, both electronic and paper copies, shall be maintained in systems that have the appropriate administrative, technical, and physical safeguards to protect the information, however current.

C. DUNS Number

Beneficiary must have or obtain a Dun and Bradstreet Data Universal Numbering System (DUNS) number that identifies the organization.

D. Duplication of Benefits

Duplication of benefits occurs when federal financial assistance is provided to a person or entity through a program to address losses resulting from a federally-declared emergency or disaster, and the person or entity has received (or would receive, by acting reasonably to obtain available assistance) financial assistance for the same costs from any other source (including insurance), and the total amount received exceeds the total need for those costs.

The Beneficiary is required to maintain adequate procedures to prevent a duplication of benefits. This requirement will be fulfilled by signing the Beneficiary Certifications. Such certifications must be provided prior to the receipt of grant funds.

By signing this Agreement, the Beneficiary certifies that:

1. The Beneficiary's specific expenses for which the grant is a reimbursement have not been and are not expected to be covered by any other federal source of funds, including loans from the Small Business Administration.
2. If in the future it is determined that the grant has created a duplication of benefits regarding Beneficiary expenses that have been reimbursed, the Beneficiary will repay the amount duplicated to the CDBG-CV program.

VII. PERSONNEL AND PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

The Beneficiary agrees to comply 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 as amended by Executive Order 12259, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.

The Beneficiary shall comply with the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352), as amended and 24 CFR 570.601 and 570.602. No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity funded by this Agreement. The specific nondiscrimination provisions at 24 CFR 1.4 apply to the use of these funds. The Beneficiary shall not intimidate, threaten, coerce, or discriminate against any person for the purpose of interfering with any right or privilege secured by Title VI of the Civil Rights Act of 1964 or 24 CFR Part 1, or because he has made a complaint, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under 24 CFR Part 1. The identity of complainants shall be kept confidential except to the extent necessary to carry out the purposes of 24 CFR Part 1, including the conduct of any investigation, hearing, or judicial proceeding arising thereunder.

2. Nondiscrimination

a. 24 CFR part 6 and Other Applicable Rules

The Beneficiary will comply with 24 CFR part 6, which implements the provisions of section 109 of title I of the Housing and Community Development Act of 1974 (Title I) (42 U.S.C. 5309). Section 109 provides that no person in the United States shall, on the ground of race, color, national origin, religion, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with federal financial assistance.

Beneficiary shall similarly adhere to applicable laws or rules prohibiting discrimination on the basis of sexual orientation, gender identity or marital status.

The Beneficiary will adhere to the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101-6107) (Age Discrimination Act) and the prohibitions against discrimination on the basis of disability under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) (Section 504). Section 109 of the HCD Act makes these requirements applicable to programs or activities funded in whole or in part with CDBG-CV funds. Thus, the Beneficiary shall comply with regulations of 24 CFR part 8, which implement Section 504 for HUD programs, and the regulations of 24 CFR part 146, which implement the Age Discrimination Act for HUD programs.

b. Architectural Barriers Act and the Americans with Disabilities Act

The Beneficiary shall comply with and ensure that its activities are consistent with requirements of Architectural Barriers Act and the Americans with Disabilities Act.

The Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) requires certain federal and federally funded buildings and other facilities to be designed, constructed, or altered in accordance with standards that insure accessibility to, and use by, physically handicapped people. A building or facility designed, constructed, or altered with funds allocated or reallocated under this part after December 11, 1995, and that meets the definition of “residential structure” as defined in 24 CFR 40.2 or the definition of “building” as defined in 41 CFR 101-19.602(a) is subject to the requirements of the Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) and shall comply with the Uniform federal Accessibility Standards (appendix A to 24 CFR part 40 for residential structures, and appendix A to 41 CFR part 101-19, subpart 101-19.6, for general type buildings).

The Americans with Disabilities Act (42 U.S.C. 12131; 47 U.S.C. 155, 201, 218 and 225) (ADA) provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, State and local government services, and telecommunications. It further provides that discrimination includes a failure to design and construct facilities for first occupancy no later than January 26, 1993, that are readily accessible to and usable by individuals with disabilities. Further, the ADA requires the removal of architectural barriers and communication barriers that are structural in nature in existing facilities, where such removal is readily achievable—that is, easily accomplishable and able to be carried out without much difficulty or expense.

The Beneficiary shall 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.

4. Section 504

The Beneficiary agrees to comply with all federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against the individuals with disabilities or handicaps in any federally assisted program. The Chamber shall provide the Beneficiary with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

B. Affirmative Action

If the Beneficiary or a non-construction contractor or subcontractor has more than 50 employees, the Beneficiary agrees that it shall carry out pursuant to the Chamber’s specifications an Affirmative Action Program in compliance with the President’s Executive Order 11246 of September 24, 1966, as amended, and implementing regulations at 41 CFR Chapter 60. The Chamber shall provide Affirmative Action guidelines to the Beneficiary to assist in the formulation

of such program. The Beneficiary shall submit a plan for an Affirmative Action Program for approval prior to the release of funds under this agreement.

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

The Beneficiary will take all necessary affirmative steps 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, controlled, operated or managed by minority group members or women. Certified W/MBE businesses are preferred. The Beneficiary may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

Affirmative steps must include:

- a. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
- b. Assuring that small and minority businesses, and women's business enterprises, are solicited whenever they are potential sources.
- c. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce;
- d. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises.
- e. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises.
- f. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs "a" through "e" of this section.

2. Access to Records

If requested, the Beneficiary shall furnish and cause each of its own Beneficiaries or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Chamber, HUD or its agent, or other authorized federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

3. Notifications

The Beneficiary will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the Beneficiary's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

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

During active participation in this program, the Beneficiary will, in all solicitations or advertisements for employees placed by or on behalf of the Beneficiary, state that it is an Equal Opportunity or Affirmative Action employer.

5. Subcontract Provisions

The Beneficiary will include the provisions of the above paragraphs VII(A), Civil Rights, and VII(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 Beneficiaries or subcontractors.

C. Employment Restrictions

1. Political Activity

The Beneficiary is prohibited from using CDBG-CV funds to finance facilities or equipment used for political purposes or used to engage in other partisan political activities.

2. Labor Standards

The Beneficiary 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 Beneficiary 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 Beneficiary shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Chamber for review upon request.

The Beneficiary agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight 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 contract, shall comply with federal requirements adopted by the City 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 Beneficiary of its obligation, if any, to require payment of the higher wage. The Beneficiary shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

D. Conduct

1. Assignability

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

2. Subcontracts

a. Approvals

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

b. Monitoring

The Beneficiary 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. Content

The Beneficiary shall cause all of the provisions of this Agreement in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

d. Selection Process

The Beneficiary shall undertake to ensure 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 Chamber along with documentation concerning the selection process.

3. Hatch Act

The Beneficiary 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 Beneficiary agrees to abide by the provisions of 24 CFR 570.611 and 2 CFR 200.112 and 200.318(c), which include (but are not limited to) the following:

- a. The Beneficiary shall adhere to this agreement as 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 Beneficiary 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-CV-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-CV-assisted activity, or with respect to the proceeds from the CDBG-CV-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 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 Chamber, the Beneficiary, or any designated public agency.

5. Lobbying

The Beneficiary 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 Beneficiaries 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 Chamber and/or grantor agency 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 Beneficiary 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. The acquisition, construction, or rehabilitation of structures used for inherently religious activities is not allowable under this program.

VIII. ENVIRONMENTAL CONDITIONS

No funds may be committed to an activity or project before the completion of the Environmental Review process and approval of the Environmental Review by the City. The Chamber will coordinate with the City to ensure all Environmental Review requirements have been completed prior to committing funds. Further, all projects undertaken must comply with all environmental conditions noted in the specific Environmental Review Record.

A. Prohibition on Choice Limiting Activities Prior to Environmental Review

The Beneficiary must comply with the limitations in 24 CFR 58.22 even though the Beneficiary is not delegated the requirement under Section 104(g) of the HCD Act for environmental review, decision-making, and action (see 24 CFR part 58) and is not delegated the Chamber's responsibilities for initiating the review process under the provisions of 24 CFR Part 52. 24 CFR 58.22 imposes limitations on activities pending clearance, and specifically limits commitments of HUD funds or non-HUD funds by any participant in the development process before completion of the environmental review. A violation of this requirement may result in a prohibition on the use of federal funds for the activity.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the Beneficiary 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 Beneficiary agrees that any construction or rehabilitation of residential structures 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 Beneficiary 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.

IX. 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.

X. 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.

XI. WAIVER

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

XII. VENUE AND LEGAL REMEDIES

This Agreement is governed by the laws of the State of Texas. Exclusive venue for any dispute arising under this Agreement is in Hays County, Texas. Either party may pursue such remedies as are available at

law or in equity for breach of this Agreement, including the recovery of costs of litigation and reasonable attorney fees.

The Beneficiary will notify the Chamber whenever a problem arises that may lead to legal action or claim against the Beneficiary. The Beneficiary agrees to furnish to the Chamber any information with respect to such action or claim.

XIII. ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the Chamber and the Beneficiary 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 Chamber and the Beneficiary with respect to this Agreement.

Date: _____

IN WITNESS WHEREOF, the Parties have executed this contract as of the date first written above.

San Marcos Area Chamber of Commerce, Incorporated

BY: _____
Jason Mock, President and Chief Executive Officer

Date: _____

Beneficiary (Business) Name

BY: _____
Name, Title

Date: _____

Appendix A: Business Eligibility Criteria

1. Business is located within the City Limits of the City of San Marcos, Texas.
2. Business must have been established as business organization with an assumed name certificate through a County Clerk for no less than six months to March 13, 2020
 1. Business is a for-profit business.
 2. Business has fewer than fifty (50) full time equivalent positions (FTE's) at time of application.
 3. 51% of the full time equivalent positions (FTE's) in each business are available to low- to moderate-income people (that is, all training can be accomplished while on the job or just after accepting it).
 4. 51% of the business' employees make less than \$26.30 per hour in the job they hold with the business.
 5. Application contains a clear and detailed description of the exact impact of the COVID-19 pandemic on the business.
 6. Applicant answered the questions as follows:
 - a. "Does this grant assist your business in its ability to retain employees?"
Threshold answer: YES
 - b. Do 51% of the jobs to be retained pay less than \$26.30 per hour?
Threshold answer: YES
 - c. Total Number of Jobs to be Retained: _____ Full-Time _____ Part-Time
Threshold answer: a number above 0
 - d. How many Full Time Equivalent Jobs (FTE's) will be retained? _____
Threshold answer: a number above 0
7. Application is signed by the business owner.
8. Business name and applicant name do not show up on sam.gov as having been debarred or suspended from accepting federal government contracts.

Appendix B: Beneficiary Payment Request Form

(ATTACH THIS TO THE FINAL VERSION AS THE NEXT PAGE BY COMBINING PDF'S, TO MAINTAIN FORMAT)

Beneficiary Certifications

REVIVE SMTX, A COVID-19 SMALL BUSINESS RECOVERY PROGRAM

As a beneficiary (business grant awardee) through the CDBG-CV funded Revive SMTX COVID-19 Small Business Recovery Program, I certify that the following statements are true to the best of my knowledge and belief:

1. CHAMBER MEMBERSHIP: I understand that I do not have to be a member of the San Marcos Area Chamber of Commerce, Incorporated, in order to receive a grant through the Revive SMTX Program.
2. DUPLICATION OF BENEFITS, PART 1: I understand the following definition of Duplication of Benefits and I certify the specific expenses for which the Revive SMTX grant is a reimbursement have not been and are not expected to be covered by any other federal source of funds, including loans from the Small Business Administration. *[Ref: Notice Section III.B.9]*

Duplication of Benefits Definition: Duplication of benefits occurs when federal financial assistance is provided to a person or entity through a program to address losses resulting from a federally-declared emergency or disaster, and the person or entity has received (or would receive, by acting reasonably to obtain available assistance) financial assistance for the same costs from any other source (including insurance), and the total amount received exceeds the total need for those costs.

3. DUPLICATION OF BENEFITS, PART 2: I understand that if in the future it is determined that the Revive SMTX grant has created a duplication of benefits, I must repay the amount duplicated to the City of San Marcos CDBG-CV grant program.
4. COMPLIANCE WITH ANTI-DISCRIMINATION LAWS: The programs funded in part or totally by CDBG-CV will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act (42 USC 3601-3619, and implementing regulations, as amended).
5. COMPLIANCE WITH LAWS: The business entity will comply with all applicable local, state and federal laws.
6. LOCAL CODES: I certify that all construction or installation work for which reimbursement is requested through the Revive SMTX program has been completed in compliance with locally adopted codes.
7. QUALITY OF MATERIALS: I certify that the materials used, purchased, or installed, for which reimbursement is requested through the Revive SMTX program are of appropriately high quality such that they provide a good value over time for the money spent.
8. NUMBER OF FULL TIME EQUIVALENT EMPLOYEES: I certify that as of the date of this application, the business has no more than 50 full-time equivalent employees.
9. SIX MONTHS OF CONTINUED OPERATIONS: I certify that it is my intent for the business to continue operating as a business in San Marcos, Texas for a period of not less than six (6) months following receipt of the award.
10. RELIGIOUS OR FAITH-BASED CERTIFICATION: I certify that if awarded a grant through the Revive SMTX grant program, my business will not use the grant funds to support any inherently religious activities, such as worship, religious instruction, or proselytization.

Beneficiary Certifications

REVIVE SMTX, A COVID-19 SMALL BUSINESS RECOVERY PROGRAM

11. RACE AND ETHNICITY:

I understand the following will be aggregated for federal reporting and I (check one):

____ Certify that my race and ethnicity are as indicated below. ____ Prefer not to answer.

Ethnic Categories	Check One
Hispanic or Latino	<input type="checkbox"/>
Not Hispanic or Latino	<input type="checkbox"/>
Racial Category	Select All that Apply
American Indian or Alaska Native	<input type="checkbox"/>
Asian	<input type="checkbox"/>
Black or African American	<input type="checkbox"/>
Native Hawaiian or Other Pacific Islander	<input type="checkbox"/>
White	<input type="checkbox"/>

12. PROGRAM PROCEDURES

I certify that:

- All information reported in this application and attached is true, accurate and complete to the best of my belief and knowledge.
- I will provide written notice of any changes or additions to this information. I also understand the business entity may need to provide additional information during the application process and if funded.
- I understand a written contract will be required between the business entity and San Marcos Area Chamber of Commerce, Inc. upon award of funds.
- I am aware that the submission of this application does not guarantee funding by the Revive SMTX grant program or the City of San Marcos.
- I am aware that the program administrator will verify that the business entity and any principals are not shown as suspended or debarred on the federal System for Award Management (sam.gov).
- I am aware that the program administrator may conduct a background or credit check for the business entity and any principals.
- I am aware that all CDBG-CV projects and programs must pass all applicable environmental reviews before funding can be made available.
- I am authorized to make this application on behalf of the business entity and have been designated as such by the submission of Business Incorporation or Doing Business As documentation.

Beneficiary Certifications

REVIVE SMTX, A COVID-19 SMALL BUSINESS RECOVERY PROGRAM

13. NO SUPPLANTED FUNDING

Federal law prohibits recipients of federal funds from replacing state, local, or business entity funds with federal funds. Federal funds may not supplant or displace existing funds for a project and its individual sub-activities, including staff costs and general operating costs.

I understand that the Revive SMTX grant program is intended to cover extraordinary costs created by the COVID-19 pandemic that have not been covered by other grant or loan sources.

I certify that:

- a. CDBG and CDBG-CV funds, if awarded, will not supplant funds received from other federal, state or local government sources, or funds independently generated by the expenditures from other federal, state, or local sources, or funds independently generated by the business entity;
- b. CDBG and CDBG-CV funds, if awarded, will not supplant any funds used to leverage other funding; and
- c. CDBG and CDBG-CV funds, if awarded, will not be used to supplant other funds provided directly to employees by the business entity, other programs, or direct federal, state, or local funding.

14. DRUG-FREE WORKPLACE ACT CERTIFICATION 41 U.S. Code § 8103

Information about fulfilling this requirement can be found here: <https://www.samhsa.gov/workplace/toolkit>

I certify that my business shall provide a drug-free workplace by:

- a. Publishing a statement notifying employees that unlawfully manufacturing, distributing, dispensing, possessing or using a controlled substance in the workplace is prohibited and specifying the actions that will be taken against employees for violation of such prohibition;
- b. Establishing a drug-free awareness program to inform employees about:
 - 1) The dangers of drug abuse in the workplace;
 - 2) The company's policy of maintaining a drug-free workplace;
 - 3) Any drug counseling, rehabilitation, and employee assistance programs that are available; and
 - 4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- c. Making it a requirement that each employee to be engaged in the performance of the Agreement be given a copy of the statement required by paragraph (a).
- d. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the Agreement, the employee shall:
 - 1) Abide by the terms of the statement; and
 - 2) Notify the employee's employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such a conviction;

Beneficiary Certifications

REVIVE SMTX, A COVID-19 SMALL BUSINESS RECOVERY PROGRAM

- e. Notifying City at cdbg@sanmarcostx.gov within ten (10) days after receiving notice under subparagraph (d)(2), from an employee or otherwise receiving actual notice of such conviction (*during the six (6) month grant period only*);
- f. Taking one of the following actions, within thirty (30) days of receiving notice under subparagraph (d) (2), with respect to any employee so convicted:
 - 1) Taking appropriate personnel action against such an employee, up to and including termination; or
 - 2) requiring such an employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state or local health, law enforcement, or other appropriate agency;
- g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

15. ANTI-LOBBYING STATEMENTS

The anti-lobbying provisions will apply to any person who is an employee, agent, consultant, officer, elected or appointed official of the beneficiary that is receiving CDBG-CV funds.

I certify that:

- a. No federal funds have been paid or will be paid, by or on behalf of the applicant, to any person for influencing or attempting to influence an officer or employee of the awarding of any federal, state or municipal contract, the making of any federal or municipal grant, the making of any federal or municipal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any federal, state or municipal contract, grant, loan or cooperative agreement.
- b. If any funds other than federal funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any federal or municipal agency or department, Member of Congress, an officer or employee of Congress, an employee of a Member of Congress, Mayor, City Council member, or employee of the Mayor or a City Council member in connection with this application, contract, grant, loan or cooperative agreement, the business will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
- c. The business will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subcontractor awards at all tiers.

CERTIFIED BY:

Signature: _____

Date Signed: _____

Printed Name: _____

Title: _____

Business Name: _____