

ORDINANCE NO. 2518

AN ORDINANCE OF THE CITY OF SALISBURY AUTHORIZING THE MAYOR TO ENTER INTO A CONTRACT WITH THE MARYLAND DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (DHCD) FOR THE PURPOSE OF ACCEPTING GRANT FUNDS IN THE AMOUNT OF \$25,000, AUTHORIZING THE MAYOR TO ENTER INTO A SUB-RECIPIENT AGREEMENT WITH THE SALISBURY ARTS & ENTERTAINMENT DISTRICT, INC. AND APPROVING A BUDGET AMENDMENT TO THE FY 2019 GRANT FUND TO APPROPRIATE FUNDS FOR THE 2019 NATIONAL FOLK FESTIVAL.

WHEREAS, the Department of Housing & Community Development (DHCD) has an Operating Assistance Grant program; and

WHEREAS, the purpose of the grant program is to provide financial assistance in carrying out community development activities; and

WHEREAS, the City of Salisbury has committed to hosting the 2018-2020 seasons of the National Folk Festival in order to celebrate our community's local heritage, culture, and art; and

WHEREAS, the City of Salisbury submitted a grant application for funding to DHCD to support the 2019 National Folk Festival; and

WHEREAS, DHCD has awarded the City funds in the amount of \$25,000; and

WHEREAS, all funds shall be used to support costs associated with office expenses and event coordinators and activities associated with each coordinator's responsibilities related to the 2019 National Folk Festival; and

WHEREAS, the City of Salisbury has designated the Salisbury Arts & Entertainment District, Inc. as its financial agency for the 2018-2020 National Folk Festivals; and

WHEREAS, the City of Salisbury is sub-granting the awarded \$25,000 to the Salisbury Arts & Entertainment District, Inc.; and

WHEREAS, the City of Salisbury must enter into a sub-recipient agreement with the Salisbury Arts & Entertainment District, Inc. defining how these funds must be expended; and

WHEREAS, § 7-29 of the Salisbury City Charter forbids contracts requiring an expenditure in excess of the amount appropriated for that general classification or expenditure, and forbids any office, department, or agency from expending funds not appropriated; and

WHEREAS, appropriations necessary to execute the purpose of this grant must be made upon the recommendation of the Mayor and the approval of four-fifths of the Council of the City of Salisbury.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND, THAT the Council of the City of Salisbury, Maryland, hereby authorizes Mayor Jacob R. Day to enter into a grant agreement with the Maryland Department of Planning for acceptance of these funds; and

BE IT FURTHER ORDAINED that the Council of the City of Salisbury, Maryland hereby authorizes Mayor Day to negotiate and enter into a sub-recipient agreement with the Salisbury Arts & Entertainment District, Inc. for the purpose of expending these funds; and

BE IT FURTHER ORDAINED that the City's Fiscal Year 2019 Grant Fund Budget is hereby amended as follows:

- 1) Increase FY19 TAG Grant Revenue account (10500-423601-XXXXX) by \$25,000

- 2) Increase Sub-Recipient – SBY Arts & Entertainment District, Inc. account (10500-569301-XXXXXX) by \$25,000; and


BE IT FURTHER ORDAINED that this Ordinance shall take effect from and after the date of its final passage.

THIS ORDINANCE was introduced and read at a meeting of the Council of the City of Salisbury held on this 14th day of January 2019, and thereafter, a statement of the substance of the Ordinance having been published as required by law, was finally passed by the Council on the 28th day of January, 2019.

ATTEST:

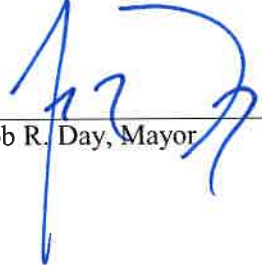


Kimberly R. Nichols, City Clerk



John R. Heath, President
Salisbury City Council

APPROVED BY ME THIS 29th day of JAN, 2019.



Jacob R. Day, Mayor



To: The Mayor & City Council
From: Laura Soper, Director of Business Development
Subject: Main Street Improvement Grant
Date: December 12, 2018

Attached is an Ordinance to accept funding from the Maryland Department of Housing and Community Development, Main Street Improvement Grant program. This funding, in the amount of \$25,000, will be utilized to provide funding for the National Folk Festival and to fund stipends for the various coordinators associated with the Festival, their work expenses, and some office expenses for the Local National Folk Festival Manager.

The National Folk Festival uses the Arts Entertainment's non-profit status to accept donations, sponsorships, and to make payments. Since this is the case, we received written approval from DHCD to shift some of these funds to the National Folk Festival bank account c/o the Salisbury Arts and Entertainment District. The Local Manager will be required to follow all stipulations of the Grant Agreement when expending the funds and the City will need to enter into an MOU with the Arts & Entertainment District c/o the National Folk Festival to transfer these funds.

Included is the proposed MOU and Grant Agreement, which includes the proposed budget and uses.

**OPERATING ASSISTANCE GRANTS PROGRAM
GRANT AGREEMENT**

This Grant Agreement (this "**Agreement**") entered into as of the Effective Date (as hereinafter defined), by and between the DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT, a principal department of the State of Maryland ("**DHCD**") and THE CITY OF SALISBURY (the "**Grantee**").

RECITALS

WHEREAS, Grantee has applied to DHCD for a grant under the Operating Assistance Grants Program (the "**Program**"). The Program includes (i) Operating and Technical Assistance Grants ("**TAG Grants**"), pursuant to Section 4-211 of the Housing and Community Development Article of the Annotated Code of Maryland, as amended and COMAR 05.11.01 et seq. and (ii) Main Street Improvement Program Grants ("**MIP Grants**"), pursuant to Section 6-102 of the Housing and Community Development Article of the Annotated Code of Maryland and COMAR 5.13.02 et seq. and DHCD's general authority to administer and implement programs, pursuant to Section 2-102 of the Housing and Community Development Article of the Annotated Code of Maryland, as amended. The provisions of the Annotated Code of Maryland and the related regulations are referred to herein as the "**Act**".

WHEREAS, the purpose of the TAG Grants is to enable eligible nonprofit organizations, local governments, local development corporations and local development agencies to obtain or provide advisory, consultative, training and educational services to initiate or enhance community development and commercial revitalization activities to bring reinvestment and economic revitalization to their communities;

WHEREAS, the purpose of the MIP Grants is to promote the development and revitalization of business districts in local jurisdictions through a grant to a local government designated as a Main Street Maryland community, a Baltimore Main Street, or a nonprofit Main Street organization, with the support of the local government; and

WHEREAS, in reliance upon the representations and certifications contained in the Grantee's application for grant assistance dated July 12, 2018 (the "**Application**"), DHCD has approved an award of **Technical Assistance Grant** funds to the Grantee, to be expended by the Grantee in accordance with the requirements and provisions of this Agreement, the Program and the Act.

IN CONSIDERATION of the mutual promises and covenants contained in this Agreement, DHCD and Grantee agree as follows:

1. Specific Purpose. The purpose of this Agreement is to provide the Grantee with financial assistance to pay for the activities (the "**Project Activities**") set forth in Exhibit A attached hereto (the "**Project**").
2. Grant Amount.
 - (a) DHCD agrees to provide Grantee with a grant from the Program in a total amount not to exceed Twenty Five Thousand and 00/100 Dollars (\$25,000) (the "**Grant**").

(b) The Grant shall be disbursed in accordance with Section 6 of this Agreement and as detailed in the budget (the “**Budget**”) set forth and attached as Exhibit B of this Agreement.

3. Grantee Contribution.

The Secretary of DHCD has made a determination to waive the Grantee contribution pursuant to COMAR 5.11.01.11(D) and COMAR 5.13.02.12.

4. Grant Period.

(a) The Grant shall be disbursed over a one year term. The term is deemed to commence on the Effective Date (the “**Grant Period**”).

5. Expenditure Period for the Grant. All expenses to be paid with the Grant shall be paid in a manner satisfactory to DHCD, prior to the expiration of the Grant Period. The Grantee shall expend the Grant only for the categories of activities set forth in the Budget. The Grantee shall maintain complete financial records relating to the receipt and expenditure of all funds.

6. Disbursement of the Grant.

(a) Requests for disbursement of the Grant shall be in writing upon forms provided by DHCD.

(b) Requests for disbursement of Grant funds must be accompanied by a statement that the representations, certifications, and other matters contained in the Application and this Agreement are and remain true and complete in all material respects. Disbursement requests may seek funds to pay for certain projected costs anticipated to be incurred as well as reimbursement for costs incurred on or after the date of the Application. DHCD shall have the right at any time to request that the Grantee provide additional supporting documentation with any request for disbursement.

(c) All disbursements of the Grant are subject to the availability of funds under the Program during the Grant Period.

(d) Disbursements of the Grant may be made at any time after the Effective Date, subject however to any special conditions set forth in Exhibit C.

(e) Disbursements of the Grant shall be made on a quarterly basis. DHCD reserves the right to make disbursements contingent upon completion by Grantee of the Project Activities, in a manner acceptable to DHCD. Grantee shall indicate on each periodic disbursement request all costs for which payment is requested.

(f) DHCD may make disbursements of the Grant more frequently than quarterly if DHCD, in its sole discretion, determines that a disbursement would materially benefit the Project and help the Grantee accomplish the Project Activities.

(g) DHCD reserves the right not to disburse all or any portion of the Grant if in the sole discretion of DHCD: (i) Grantee has failed to supply any material fact in a disbursement request; (ii) Grantee's disbursement request, when combined with all prior disbursement requests, exceeds the total

amount of the Grant; (iii) Grantee is in default under this Agreement; or (iv) the Project is not performing to the satisfaction of DHCD.

7. Default and Remedies.

(a) A default shall consist of a breach of any covenant, agreement, term or certification in this Agreement, including a determination by DHCD that (i) the Grantee has expended all or any portion of the Grant for purposes other than as set forth herein; (ii) the Grantee has expended all or any portion of the Grant other than in accordance with the permitted categories of activities and matching source of funds set forth in the Budget; or (iii) the Grantee is not completing the Project Activities to the satisfaction of DHCD.

(b) Upon the occurrence of default, DHCD in its sole discretion may:

- (i) Reduce or withhold payment in response to Grantee's next disbursement request;
- (ii) Demand repayment from Grantee; and
- (iii) Terminate this Agreement.

(c) In addition to the rights and remedies contained in this Agreement, DHCD may at any time proceed to protect and enforce all rights available to DHCD by suit in equity, action at law, or by any other appropriate proceedings, all of which rights and remedies shall survive termination of this Agreement. Furthermore, no failure or delay of DHCD to exercise any right, power, or remedy consequent upon a default shall constitute a waiver of any such term, condition, covenant, certification, or agreement, or preclude DHCD from exercising any such right, power, or remedy at any later time or times.

8. General Requirements of Records and Reports; Inspection.

(a) Records and Inspection. Grantee shall maintain accurate financial records in a form acceptable to DHCD of all transactions relating to the receipt and expenditure of the Grant. Grantee shall maintain and shall make the financial records, books, accounts, other relevant records, administrative offices and personnel, whether full-time, part-time, consultants or volunteers, available to DHCD during reasonable work hours upon request during the term of this Agreement and for a period of not less than 5 years following termination of this Agreement.

(b) Quarterly Progress Reports. Grantee shall provide DHCD with quarterly progress reports on each of January 1, April 1, July 1, and October 1, in a form to be provided by DHCD, which shall contain information about the progress of the Grantee in relation to the Project, and Grantee's organizational goals, problems encountered, expenditures made against the Budget, and a projection of revenues required for the next quarter, including a disbursement request, if applicable. Grantee shall ensure that each quarterly progress report is received by DHCD within 10 working days of the close of the quarterly period.

(c) Final Report. Within 45 days after the expiration of the Grant Period, the Grantee shall submit to DHCD a final report (the "**Final Report**") which describes the progress made in fulfilling the purposes of the Grant, any problems encountered in fulfilling these purposes, as well as any other relevant factors related to the Grant as determined by DHCD. The Final Report shall also contain an expense and revenue summary of the Project, certified by the highest fiscal officer of the Grantee, which lists all

expenditures relating to the Grant. In addition, any completed studies, surveys, reports or other work products, if applicable, shall be attached to the Final Report.

(d) Audit. Grantee shall provide DHCD with:

(1) An annual financial statement within 30 days of the end of the fiscal year of Grantee, and

(2) Copies of any audits performed on Grantee's records by any other entities.

9. Modifications.

(a) DHCD will consider reasonable modifications to the Project. Prior to a request being made to DHCD, the board of directors or other governing body of the Grantee must first approve the modification.

(b) Upon approval of the modification by the board of directors or other governing body of the Grantee, Grantee shall submit a written request for modification of the Project to DHCD. DHCD shall determine, in its sole discretion, whether to allow the requested modification.

10. Assistance from DHCD. In carrying out the Project Activities, Grantee agrees to accept assistance from DHCD or DHCD's designee if DHCD deems it necessary.

11. Grantee's Certifications. Grantee certifies to DHCD that:

(a) Grantee is either a local jurisdiction, a local development agency, a local development corporation or a nonprofit organization duly organized and validly existing under the laws of Maryland, is qualified to do business in the State of Maryland, and has all requisite power and authority to enter into and carry out the transactions contemplated by this Agreement;

(b) This Agreement has been duly authorized, executed and delivered by the Grantee in such manner and form as to comply with all applicable laws to make this Agreement the valid and legally binding act and agreement of Grantee;

(c) No member, officer, or employee of Grantee, or its designees or agents, no consultants, no member of the governing body of Grantee, and no other public official of Grantee who exercises or has exercised any functions or responsibilities over the Project shall have or obtain a personal or financial interest or benefit from the activities under the Project, or have an interest in any contract, subcontract, or agreement with respect herewith;

(d) The representations, statements and other matters contained in the Application are and remain true and complete in all material respects;

(e) If applicable, Grantee has obtained, or has reasonable assurances, that it will obtain, all federal, State and local government approvals, permits and reviews which may be required to accomplish the Project Activities and its goals under the Project;

(f) Grantee is not affiliated with or controlled by a for-profit organization;

(g) Grantee will comply with all applicable federal, state, and local laws, and all regulations, ordinances, and all terms and conditions established by DHCD or the State of Maryland with respect to the operation of the Project;

(h) Grantee shall not use, and shall not permit other to use, the Grant funds to engage in political or legislative activities in violation of I.R.C. § 501 (c) (3);

(i) Grantee has complied or shall comply with all special conditions which may be imposed by DHCD; and

(j) Grantee is not subject to any current or pending bankruptcy proceeding, criminal investigation, or civil investigation by any federal, state, or local government agency for alleged violation of laws of regulations enforced by such agencies.

12. Nondiscrimination and Drug and Alcohol Free Workplace.

(a) Grantee may not discriminate against and hereby certifies that it prohibits discrimination against and will not discriminate against any person on the basis of race, color, religion, national origin, sex, sexual orientation, marital status, physical or mental disability, or age in any aspect of its projects, programs or activities.

(b) Grantee shall comply with applicable federal, State, and local laws regarding discrimination and equal opportunity in employment, housing, and credit practices, including:

- i) Titles VI and VII of the Civil Rights Act of 1964, as amended;
- ii) Title VIII of the Civil Rights Act of 1968, as amended;
- iii) Title 20 of the State Government Articles, Annotated Code of Maryland, as amended;
- iv) DHCD's Minority Business Enterprise Program, as amended;
- v) The Governor's Executive order 01.01.1989.18 related to Drug and Alcohol Free Workplaces, and any DHCD or State regulations adopted or to be adopted to carry out the requirements of that Order;
- vi) The Fair Housing Amendments Act of 1988, as amended; and
- vii) The Americans with Disabilities Act of 1990, as amended;

13. Fair Practices Certification.

(a) The Grantee certifies that it prohibits discrimination on the basis of:

(i) Political or religious opinion or affiliation, marital status, color, race, sex, age, creed or national origin; or

- (ii) The physical or mental disability of a qualified individual with a disability.
- (b) Grantee agrees that it will not engage in the forms of discrimination set forth in this Agreement.
- (c) Upon the request of DHCD, Grantee shall submit to DHCD information relating to its operations, with regard to political or religious opinion or affiliation, marital status, physical or mental disability, race, color, creed, sex, age, or national origin on a form to be prescribed by DHCD.

14. Indemnification.

(a) The Grantee (i) releases DHCD, its agents, employees, and the Program from, (ii) agrees that DHCD, its agents, employees and the Program shall not have any liability for, and (iii) agrees to protect, indemnify and save harmless DHCD, its agents, employees and the Program from and against any and all liabilities, suits, actions, claims, demands, losses, expenses and costs of every kind and nature, including a reasonable attorney's fee, incurred by, or asserted or imposed against, DHCD, its agents, employees, or the Program, as a result of or in connection with the Project. All money expended by DHCD, its agents, employees, or the Program as a result of such liabilities, suits, actions, claims, demands, losses, expenses or costs, together with interest rate not to exceed the maximum interest rate permitted by law, shall constitute an indebtedness of Grantee and shall be immediately and without notice due and payable by Grantee to DHCD.

(b) If Grantee is a local government, this indemnification and release is subject to the extent permitted by the laws of the State of Maryland, and subject to appropriations as well as the notice requirements and damages limitations stated in the Local Government Tort Claims Act, Md. Code Ann., Cts. & Jud. Proc. § 5-301, et seq. (2013 Repl. Vol.) (the "LGTC") and Md. Code Ann., Cts. & Jud. Proc. §§5-509 and 5-5A-02 (2013 Repl. Vol.), all as amended from time to time, and except in the event of DHCD's negligence or willful misconduct or the negligence or willful misconduct of DHCD's officers, agents, employees, successors and assigns, Grantee shall indemnify and hold harmless, DHCD, its officers, agents, employees, successors and assigns against liability for any suits, actions or claims of any character arising from or relating to the performance by Grantee (or its officers, agents, employees, successors or assigns) of any of its rights or obligations under this Agreement.

15. Notice Regarding Disclosure of Information Relating to the Project. DHCD intends to make available to the public certain information regarding the Project and the Grantee. In addition, DHCD is required to disclose information about the Project to the Board of Public works and the Maryland General Assembly and may desire to disclose such information to other State officials or their staff, local government officials or their staff, and other lenders and funding sources. DHCD is also required to disclose information in response to a request for information made pursuant to the Public Information Act, General Provisions Article, Section 4-101 *et seq.* of the Annotated Code of Maryland (the "PIA Act"). Information that may be disclosed to any of the foregoing, including the public, may include, among other things, the name of the Grantee; the name, location, and description of the Project; the date and amount of financial assistance awarded by DHCD; the terms of the financial assistance; use of funds; information contained in the application for financial assistance; a copy of the application; and the sources, amounts and terms of other funding used to complete the Project, including capital contributions from the Grantee. Certain information may be exempt from disclosure under the PIA Act. Requests for disclosure of information made pursuant to the PIA Act are evaluated on an individual basis by DHCD. If Grantee believes that any of the information it has provided to DHCD is exempt from

disclosure, Grantee should attach a statement to this Agreement describing the information it believes to be exempt from disclosure and provide an explanation therefor. DHCD cannot guarantee non-disclosure of such information but may consider Grantee's statement when responding to a request made pursuant to the PIA Act.

16. Notices. All notices, requests, approvals and consents of any kind made pursuant to this Agreement shall be in writing. Any such communication, unless otherwise specified, shall be deemed effective as of the date it is mailed, postage prepaid, addressed as follows:

(a) Communications to DHCD shall be mailed to:

Department of Housing and Community Development
2 North Charles Street, Suite 450
Baltimore, Maryland 21201
Attn: Susan Sheppard, Project Manager

(b) Communication to Grantee shall be mailed to:

City of Salisbury
110 N. Division Street
Salisbury, MD 21801
Attn: Laura Soper, Director of Business Development

17. Amendment. This Agreement or any part hereof, may be amended from time to time only by a written instrument executed by both of the parties.

18. Assignment. No right, benefit or advantage inuring to the Grantee and no burden imposed on Grantee under this Agreement may be assigned without the prior written approval of DHCD.

19. Governing Law. This Agreement shall be construed, interpreted and enforced in accordance with the laws of the State of Maryland without regard to conflict of laws provisions.

20. Effective Date. This Agreement is effective as of the date of its execution by DHCD (the "**Effective Date**").

21. CONFESSION OF JUDGMENT. THE UNDERSIGNED HEREBY AUTHORIZES AND EMPOWERS ANY ATTORNEY OR CLERK OF ANY COURT OF RECORD IN THE UNITED STATES OR ELSEWHERE TO APPEAR FOR AND, WITH OR WITHOUT DECLARATION FILED, CONFESS JUDGMENT AGAINST THE UNDERSIGNED IN FAVOR OF THE HOLDER, ASSIGNEE OR SUCCESSOR OF HOLDER OF THIS AGREEMENT, AT ANY TIME, FOR THE PARTIAL OR TOTAL AMOUNT OF THE GRANT DESCRIBED HEREIN, TOGETHER WITH COSTS OF SUIT AND ATTORNEY'S COMMISSION OF TEN (10) PERCENT FOR THE COLLECTION; AND THE UNDERSIGNED EXPRESSLY RELEASES ALL ERRORS, WAIVES ALL STAY OF EXECUTION, RIGHTS OF INQUISITION AND EXTENSION UPON ANY LEVY UPON REAL ESTATE AND ALL EXEMPTION OF PROPERTY FROM LEVY AND SALE UPON ANY EXECUTION HEREON; AND THE UNDERSIGNED EXPRESSLY AGREES TO CONDEMNATION AND EXPRESSLY

FY19 Operating Assistance Grant Agreement

RELINQUISHES ALL RIGHTS TO BENEFITS OR EXEMPTIONS UNDER ANY AND ALL EXEMPTION LAWS NOW IN FORCE OR WHICH MAY HEREAFTER BE ENACTED.

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IN WITNESS WHEREOF, the parties hereto have executed this document with the specific intention of creating a document under seal.

WITNESS/ATTEST:

CITY OF SALISBURY

By: _____ (SEAL)

Name: _____

Title: _____

DEPARTMENT OF HOUSING AND
COMMUNITY DEVELOPMENT

By: _____ (SEAL)

_____, Assistant Secretary
Division of Neighborhood Revitalization

Effective Date

Approved for form
and legal sufficiency

Assistant Attorney General

Exhibit A - Description of the Project Activities

Exhibit B - Project Budget

Exhibit C - Special Conditions

EXHIBIT A

OPERATING ASSISTANCE GRANTS PROGRAM

SCOPE OF SERVICES

As more fully described in Grantee's application for funds
dated July 12, 2018

GRANTEE: City of Salisbury

PROJECT ADDRESS: 110 N. Division Street; Salisbury, MD 21801

GRANT AMOUNT: \$25,000

USE OF FUNDS: Funds will be used to support costs associated with office expenses and event coordinators and activities associated with each coordinator's responsibilities related to the 2019 National Folk Festival.

OTHER CONTRIBUTION(S)

Source of Funds

Amount

Value Derivation

EXHIBIT B
OPERATING ASSISTANCE GRANTS PROGRAM
 PROJECT BUDGET

USES OF FUNDS	DHCD	TOTALS
Office Space	\$3,000	\$3,000
Office Supplies	\$2,000	\$2,000
Food Vendor Coordinator	\$4,000	\$4,000
Food Vendor Work Expenses	\$1,000	\$1,000
Marketplace Vendor Coordinator	\$3,000	\$3,000
Marketplace Vendor Work Expenses	\$1,000	\$1,000
Transportation Coordinator	\$3,000	\$3,000
Transportation Work Expenses	\$1,000	\$1,000
Volunteer Coordinators (2 @ \$2,500)	\$5,000	\$5,000
Volunteer Coordinators Work Expenses	\$2,000	\$2,000
TOTALS	\$25,000	\$25,000

EXHIBIT C

OPERATING ASSISTANCE GRANTS PROGRAM

SPECIAL CONDITIONS

MEMORANDUM OF UNDERSTANDING

Second Amendment

This Memorandum of Understanding (Amended) made as to this ____ day of _____, 2019 (the "Effective Date"), by and between the City of Salisbury ("City") and The Salisbury Arts and Entertainment District, Inc., a 501(c)(3) organization ("Contractor") to assist in the administration of funds for the Salisbury National Folk Festival ("NFF").

RECITALS

Whereas, the City and Contractor signed a Memorandum of Understanding on _____ for administration of funds for the Salisbury National Folk Festival; and

Whereas, the City has received additional grant funds from the Department of Housing and Community Development, a principal department of the State of Maryland ("DHCD") for use in connection with the Folk Festival; and

Whereas, the City is authorized and desires to transfer up to \$25,000 of the DHCD's grant funds for authorized expenditures identified under the DHCD grant to Contractor for allowable expenditures; and

Whereas, Contractor accepts responsibility for financial compliance under the DHCD grant terms and conditions and those contained in the signed Memorandum of Understanding between the parties, including proof of and documentation of all expenditures in compliance with the DHCD grant.

NOW, THEREFORE, in consideration of the mutual promises, recitals and agreements contained herein, and for other good and valuable consideration, the _____ Memorandum of Understanding between the parties is amended by changing the following language to Section 8.6:

, and includes the grant agreement between the City and the Department of Housing and Community Development, a principal department of the State of Maryland ("DHCD") dated _____ from which up to ~~\$20,000~~**\$25,000** will be provided to Contractor and/or Manager for payment of expenses related to the folk festival as outline in the DHCD grant to the City of Salisbury. Contractor and Manager shall account for all expenses and disbursements in accordance with that grant as required under the terms and conditions of the grant.

WITNESSED BY:

THE SALISBURY ARTS AND ENTERTAINMENT DISTRICT, INC.

Name:

Chairman

ATTEST:

THE CITY OF SALISBURY

Name:

Jacob R. Day, Mayor

Name:

Caroline O'Hare, Local Festival Manager