## D.1.3 Contract Special Conditions Prior to Release of Funds

In addition to the items listed in Chapter 2, the following documentation must be submitted prior to the release of TxCDBG grant funds for any activity:

1) Security Document: Performance Bond, Letter of Credit, Irrevocable Line of Credit, or Escrow Account. The security document must not expire prior to 90 days after the TDA contract end date.
2) Starting Payrolls for the Benefitting Business(es) and/or other company locations
3) Agreement between Grant Recipient and Benefitting Business(es)
4) Repayment Agreement between Grant Recipient and TDA (if applicable)
5) Repayment Agreement between Grant Recipient and Benefitting Business(es) (if applicable)
6) For Real Estate Improvements: Lease Agreement between Grant Recipient and Benefitting Business(es)

**Comment [SB1]:** Clarified requirement

In addition to the items listed in Chapter 2, the following documentation must be submitted prior to the release of TxCDBG grant funds for construction or real estate activities:

1) Loan Agreement between Benefitting Business(es) and a lender for private funding required to complete the project (if applicable)
2) Phase 1 Environmental Site Assessment (if applicable)
3) For Infrastructure Improvements: Evidence of the Start of Building Construction (if applicable)
4) For Real Estate Improvements:
   a. Tri-Party Agreement between Grant Recipient, Benefitting Business(es), and a lender (if applicable)
   b. Appraisal for property to be purchased
   c. Evidence of Flood Insurance for property to be purchased
   d. Evidence of the owner's Title Insurance commitment for property to be purchased

Note: For TCF Real Estate Improvement projects that fund acquisition of property, the following documentation must be provided prior to the release acquisition funds, but not later than 30 days following the closing:

- All acquisition documentation required by Chapter 6;
- Certification that all warranty deeds have been recorded; and
- Evidence of the owner's Title Insurance policy for property purchased.

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## D.1.7 Contract Special Conditions Prior to Close-out

The following items are required to be submitted no later than the date that the Project Completion Report is submitted.

**Comment [SB2]:** New due date

1) Texas Department of Licensing and Regulation final approval letter for the project site identified in the TxCDBG contract Performance Statement;
2) Evidence of Hazard and Liability Insurance for the project site identified in the TxCDBG contract Performance Statement;
3) Final Payroll Report for the Benefitting Business(es)
   a. The report must include all employees that were working for the business prior to the execution date of the Grant Recipient TCF contract AND all newly hired employees reported for job creation requirements.

b. The period reported on the final payroll must be at least 30 days prior to the TCF contract end date, but no more than 30 days prior to the date that closeouts are submitted if the closeouts are submitted before the contract expires.
c. For **each employee** the report must contain at a minimum:
    i. Full name;
    ii. Employee Number, which must not include all or part of the employee's Social Security Number;
    iii. Full-time and Part-time employment status;
    iv. Date Hired;
    v. Wages; and
    vi. Hours Worked.

4) *Family Income/Size Certification* **(Form D7)** for each LMI employee.

The Grant Recipient's local files must include the employee Social Security Numbers for each job created or retained. Do NOT send this information to TDA unless specifically requested by TDA staff.

**Comment [SB3]:** New requirement to reduce risks for Personally Identifiable Information