



**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**  
WASHINGTON, DC 20410-7000

OFFICE OF THE ASSISTANT SECRETARY FOR  
COMMUNITY PLANNING AND DEVELOPMENT

OCT - 2 2017

Ms. Ann Kroll  
Director  
Grants Management  
State of Vermont  
One National Life Drive  
Montpelier, VT 05620

Dear Ms. Kroll:

Pursuant to the Disaster Relief Appropriations Act, 2013 (the Act), the Department has awarded a grant of \$17,932,000 in Community Development Block Grant disaster recovery (CDBG-DR) funds to the State of Vermont (B-13-DS-50-0001). As of this date, the Department has obligated \$17,932,000 of this grant to the State of Vermont. Pursuant to the requirements of the Act, obligated funds must be expended within 24-months following obligation, unless an extension of that deadline has been approved by HUD. For the State of Vermont, funds obligated under this grant were due to be expended in accordance with the disbursement schedule below:

**State of Vermont  
Cumulative Expenditure Schedule**

<b>OBLIGATION ROUND</b>	<b>OBLIGATION DATE</b>	<b>EXPENDITURE DEADLINE</b>	<b>CUMULATIVE AMOUNT OF GRANT FUNDS THAT MUST BE EXPENDED BY DEADLINE</b>
#1	12/10/2013	12/10/2015	\$7,142,986
#2	10/30/2015	10/30/2017	\$11,842,986

**Extended Expenditure Schedule**

<b>OBLIGATION ROUND</b>	<b>OBLIGATION DATE</b>	<b>EXTENDED EXPENDITURE DEADLINE</b>	<b>AMOUNT OF EXTENDED GRANT FUNDS THAT MUST BE EXPENDED BY DEADLINE</b>
#1	12/10/2013	6/30/2017	\$4,872,756
#1	12/10/2013	12/31/2018	\$1,216,258

On May 11, 2015, the Department published a *Federal Register* Notice outlining the process and criteria for a grantee receiving funds under the Act to receive an extension of an expenditure deadline (78 FR 26942). On June 1, 2017, the State of Vermont submitted the CDBG-DR Expenditure Deadline Extension Request as required by the Notice, with a request to extend the expenditure deadline for certain activities within the following program categories in the Disaster Recovery Grant Reporting (DRGR) system. The maximum amount of funds that will be extended for each program category are shown below. These program level fund balances represent the sum of the current remaining balances for the DRGR activities that were identified in the grantee's extension request. The grantee may make budget adjustments between DRGR activities within each category, however, funds may not be adjusted between categories without express authorization from HUD as defined in the May 11, 2015, *Federal Register* Notice.

<b>Program Category</b>	<b>*Maximum Amount Extended</b>
Housing	\$411,380.00
Infrastructure	\$1,078,709.00
Grant Administration	\$79,613.71
<b>Total:</b>	<b>\$1,569,702.71</b>

\* *The Maximum Amount Extended represents the sum of the balance remaining for the DRGR Activities included in the grantee's extension request within each Program Category as of the date of this letter.*

As outlined in the Notice, the Department has assessed the Expenditure Deadline Extension Request to ensure the revised expenditure deadline for the CDBG-DR activities as well as the projection of quarterly expenditures are achievable based on the grantee's past performance and expenditure rate. Based on this assessment, the Department has concluded that the grantee's requested timeline appears to be achievable, and the extension is granted as requested. The Department is approving the State of Vermont's request to extend the time for the expenditure of funds under the identified activities within these Program Categories until December 31, 2018.

Please find the enclosed amended grant conditions that reflect the extended funds. Within 30 days of this notice, the grantee must update the DRGR Action Plan to implement the extension, and make any updates to the written Action Plan and Quarterly Expenditure Projections that may be needed to reflect the extension. The Department will coordinate with the grantee to revise the DRGR Project and Activity Block Dates as needed.

Thank you for your interest in the Department's programs.

Sincerely,



Ralph Gaines  
Principal Deputy Assistant Secretary

Enclosure

**Amended Grant Agreement**  
**CDBG Disaster Recovery Assistance**  
**State of Vermont**

**(Disaster Recovery Appropriations Act, 2013 P.L. 113-2)**

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1. The grantee must use these Community Development Block Grant disaster recovery (CDBG-DR) funds in accordance with Public Law 113-2, Disaster Relief Appropriations Act, 2013 (approved January 29, 2013). This grant agreement governs the use of all funds made available to the grantee under grant number B-13-DS-50-0001. The provisions of this grant agreement replace any provisions previously provided for in previous grant agreements that governed grant number B-13-DS-50-0001.
  
2. The grantee is required to expend the funds governed by this grant agreement within two years of the date HUD obligated the funds. The HUD obligation date is the date of the grant agreement or amended grant agreement that made the respective funds available to the grantee. Expenditure deadlines for all funds obligated by this amended grant agreement or earlier grant agreements are summarized in a table below. Funds with an expenditure deadline that occurs prior to September 30, 2017, will be returned to the Department and may be reallocated if unexpended by the expenditure deadline. After September 30, 2017, funds unexpended by the applicable expenditure deadline will be returned to the U.S. Treasury.
  
3. The grantee must comply with all Notice requirements, waivers and alternative requirements issued by the U.S. Department of Housing and Urban Development with respect to this grant, including *Federal Register* Notices that HUD publishes in the future to issue additional waivers and alternative requirements.
  
4. The grantee must comply with the Housing and Community Development Act of 1974, as amended, and the regulations governing the CDBG program at 24 CFR part 570, unless the Department has waived any of these requirements or established alternative requirements. The grantee is advised to pay particular attention to: regulations at 24 CFR part 58 pertaining to environmental review requirements; labor standards requirements of 42 U.S.C. 5310, and to act in conformance with cost principles applicable to federal grants, as directed by HUD regulations at 24 CFR part 570, and as may be amended from time to time.
  
5. The grantee's submissions, the Notices identified in term 3 (above), and the Funding Approval/Agreement (HUD form 7082) are incorporated by reference and constitute part of this Grant Agreement. Submissions include the CDBG-DR action plans and amendments, including the certifications and assurances and any information or documentation required to meet any grant award conditions.
  
6. The grantee must comply with the requirements of 24 CFR part 5, subpart K, Application, Registration, and Submission Requirements, and 2 CFR part 25 Universal Identifier and System for Award Management (SAM). The grantee 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 grantee 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. Previous grant agreements referred to these requirements by the names used in regulations prior to technical amendments in 2014 and 2015 that revised the nomenclature for the systems imposed by these regulations (i.e., eliminating older terms, “Central Contractor Registration,” “System of Award Management” and “the Dun and Bradstreet Data Universal Numbering System (DUNS).”).

7. Pursuant to the Notices identified in term 3 (above), the grantee is required to develop a needs assessment and amend its Action Plan as conditions change and additional needs are identified. In its action plan, grantees must also describe the connection between identified unmet needs and the allocation of CDBG-DR resources.

8. This grant agreement covers a total amount of \$17,932,000.00. The funds must be used to fund disaster recovery as defined in the grantee’s HUD approved Action Plan. Funds must be expended by the grantee in accordance with the schedules below.

Absent a HUD approved extension, the grantee must expend grant funds within 24-months of the date on which the funds were obligated in accordance with the Cumulative Expenditure Schedule below. The Cumulative Expenditure Schedule identifies grant funds obligated by HUD, the 24-month expenditure deadline associated with each obligation, and the cumulative amount of grant funds that the grantee must expend by various deadlines in order to satisfy the 24-month expenditure deadline (the “Cumulative Disbursement Goals”). Expenditures for all activities that have not been granted an extension will be used toward meeting the Cumulative Disbursement Goals identified in the Cumulative Expenditure Schedule.

The grantee may request additional time to expend funds that have been obligated to the grantee in accordance with the *Federal Register* Notice published May 11, 2015, at 80 FR 26942 (amending procedures in prior notices), but no extensions will be granted allowing expenditure after September 30, 2022. Grantees are cautioned that draws may be restricted several days prior to the September 30, 2022, deadline to ensure compliance with this expenditure deadline.

If HUD approves an extension, extended funds will be deducted from the next applicable cumulative disbursement goal in the Cumulative Expenditure Schedule, and all successive cumulative disbursement goals, and the extended funds will be subject to a separate, extended expenditure deadline (the “Extended Expenditure Goal”), which will be indicated under the Extended Expenditure Schedule. Only expenditures for activities associated with the HUD approved extension will count toward the applicable Extended Expenditure Goal for each identified HUD approved extension.

Funds subject to de-obligation will also be deducted from the appropriate obligation in the Cumulative Expenditure Schedule and all successive Cumulative Disbursement Goals.

Substantial amendments are subject to the additional requirement of the applicable CDBG-DR Notices. Subsequent amendments to this grant agreement will obligate additional funds towards the grantee’s full grant amount of \$17,932,000.00 or reflect funds that have been extended or are subject to de-obligation, as described above. The grantee may request additional funds by submitting a request to amend this grant agreement to the Department.

**State of Vermont  
Cumulative Expenditure Schedule**

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#2	10/30/2015	10/30/2017	\$10,273,283.29

**Extended Expenditure Schedule**

<b>OBLIGATION ROUND</b>	<b>OBLIGATION DATE</b>	<b>EXTENDED EXPENDITURE DEADLINE</b>	<b>AMOUNT OF EXTENDED GRANT FUNDS THAT MUST BE EXPENDED BY DEADLINE</b>
#1	12/10/2013	6/30/2017	\$4,872,756.00
#1	12/10/2013	12/31/2018	\$1,216,258.00
#2	10/30/2015	12/31/2018	\$1,569,702.71