

**GRANT AGREEMENT  
(ARPA)**

This Grant Agreement (the "Agreement") is entered into by and between the City of Atlantic City, a Municipal Corporation of the State of New Jersey, 1301 Bacharach Boulevard, Atlantic City, New Jersey 08401 (the "City") and MICHAEL B. CATE, listed in the application(s) attached hereto as Exhibit A, located at 1413 ARTIC AVE, 08401 (the "Grantee").

WHEREAS, the City is the recipient of a grant (as more fully described in Exhibit A, the "ARPA Grant") made available under the American Rescue Plan Act ("ARPA") from the United States Treasury;

WHEREAS, the Grantee has submitted (and may in the future submit) to the City one or more applications for grants to be funded from the ARPA Grant (each application approved by the City and attached hereto from time to time in Exhibit A, an "Application"), and in reliance on the representations, certifications and warranties made by the Grantee herein and in the Applications, the City is willing to provide one or more restricted grants in the Grant Amount identified in the applicable Application (each, a "Grant") to the Grantee on the terms and conditions stated herein;

WHEREAS, the Grantee is willing to accept the Grant evidenced by each Application, and to thereby become a sub-recipient of the ARPA Grant, on the terms and conditions stated herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties agree and bind themselves as follows:

**ARTICLE I - REPRESENTATIONS OF THE GRANTEE**

Recognizing that the City is relying hereon, the Grantee represents, as of the date of this Agreement, as follows:

- (a) *Organization; Power, Etc.* The Grantee has the full legal right and power to authorize, execute, and deliver this Agreement, to receive each Grant, to undertake and implement the use of Grant funds described in each Application and to carry out and consummate all transactions contemplated by the foregoing (including without limitation the recordkeeping and reporting described herein).
- (b) *Authority.* The Grantee has duly and validly authorized the execution and delivery of this Agreement and has or will have so authorized the execution of each Application, and all approvals, consents, and other proceedings necessary for the execution and delivery of the foregoing or required to make this Agreement the legally binding obligation of the Grantee that it purports to be, in accordance with its terms, have been obtained or made. The representatives of the Grantee executing this Agreement have all necessary power and authority to execute this Agreement and to bind the Grantee to the terms and conditions herein.
- (c) *No Litigation.* No action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, other than as disclosed to the City in writing, is pending or, to the knowledge of the authorized representatives of the Grantee executing this Agreement, threatened (1) seeking to restrain or enjoin the execution and

delivery of this Agreement, or the undertaking of any Project (defined below) or (2) contesting or affecting the validity of this Agreement; and neither the corporate existence of the Grantee nor the title to office of any authorized representatives of the Grantee executing this Agreement, is being contested.

- (d) *No Conflicts.* The authorization, execution and delivery of this Agreement, and performance by the Grantee of each Project and of its obligations under this Agreement, will not constitute a breach of, or a default under, any law, ordinance, resolution, agreement, indenture or other instrument to which the Grantee is a party or by which it or any of its properties is bound.
- (e) *Binding Agreement.* This Agreement is, or when executed and delivered will be, the legal, valid, and binding obligation of the Grantee, enforceable in accordance with its terms, subject only to limitations on enforceability imposed in equity or by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally.
- (f) *Information Submitted.* All information, reports, and other documents and data submitted to the City in connection with this Agreement (including without limitation, the Application(s) attached hereto as of the date of execution and each other Application, if any, to be later attached and made a part hereof pursuant to the terms hereof) were, at the time the same were (or will be) furnished, and are, as of the date hereof (or will be as of the date the same are furnished), true, correct and complete in all material respects.
- (g) *Ratification.* By executing this Agreement, the Grantee (i) affirms and ratifies all statements, representations and warranties contained in all written documents that it has submitted to the City in connection with this Agreement (including, without limitation, the this Agreement and the Application(s) attached hereto as Exhibit A as of the date hereof) and (ii) agrees that on each date, if any, that an additional Application is attached hereto and made a part hereof, it will be deemed to have affirmed and ratified all such statements, representations and warranties (including, without limitation, those contained or provided in connection with such additional Application).

## **ARTICLE II - THE GRANT**

### **2.1 Grant Amount**

The City agrees to make, and the Grantee agrees to accept, on the terms and conditions stated in this Agreement, one or more Grants, in the Grant Amount(s) specified on the Application(s) attached as Exhibit A hereto. From and after the date hereof, the City may agree to make and the Grantee may agree to accept, on the terms and conditions stated herein, additional Grants pursuant to additional Applications in the Grant Amount stated in each such Application; in such event, such additional Applications will be attached hereto on Exhibit A and shall become a part of this Agreement.

## **2.2 Project and Schedule**

- (a) *Grant Purpose.* Each Grant is being made solely to finance the project described in the applicable Application (each, a “Project”).
- (b) *Grant Expenditure Schedule.* The Grant will not pay any costs other than those incurred during the grant period. All Grant proceeds that remain unexpended at the conclusion of the grant period, or such later date to which the City shall extend such deadline, in its sole discretion, shall be returned to the City promptly (and in any event within ten (10) business days thereafter).

## **2.3 Grant Award Package**

In connection with the execution and delivery of this Agreement, each of the following conditions shall be satisfied (all documents, certificates and other evidence of such conditions are to be satisfactory to the City in its sole and absolute discretion).

- (a) *Executed Grant Agreement.* The City shall receive a duly executed original of this Agreement.
- (b) *Expiration of Offer.* Each Grant, and the obligation of the City to disburse such Grant, or any portion thereof, shall expire ninety (90) days from the date the Grantee was notified that the City had approved the applicable Application. The City, in its sole and absolute discretion, may approve one or more extensions to the expiration of the offer of any Grant.

## **ARTICLE III - AFFIRMATIVE COVENANTS**

### **3.1 Use of Disbursements**

The Grantee shall expend the Grant funds only for eligible costs of the Project as described in the applicable Application, subject to Article II hereof. The Grantee shall be responsible for compliance with, and shall comply in all material respects with, all applicable law and regulations, whether or not such law or regulations are expressly referenced herein.

### **3.2 Reporting and Compliance with Laws**

The Grantee shall comply with all reporting requirements set forth in Schedule A hereto. In addition, the Grantee agrees that each Project shall be constructed or undertaken and each Grant shall be expended in full compliance with all applicable provisions of federal, state and local law and all regulations thereunder. Without limiting the generality of the foregoing, the Grantee covenants to comply in all respects with all applicable law, regulation and rule regarding bidding, procurement, employment and antidiscrimination.

### **3.3 Additional Project Funding**

The Grantee shall ensure that adequate funding is in place to complete each Project. In the event that any Grant, alone, is for any reason insufficient to complete the applicable Project, the Grantee will obtain or make available and apply other funds (including without limitation, by incurring loans or obtaining other grants) in an aggregate amount necessary to ensure completion of each such Project.

### **3.4 Recoupment and Costs**

The Grantee acknowledges that it is responsible for compliance with this Agreement and all state and federal law and regulation applicable to the Grant(s) funding source and the Project. Breach of this Agreement and/or failure to comply with such law or regulation may result in all or a portion of the Grant(s) becoming subject to recoupment (including, without limitation, as described in each Application). If one or more Grant is subject to recoupment, the City will notify the Grantee in writing and the Grantee shall promptly, and in any event within ten (10) days of receiving such notice, return such Grant proceeds (including both any unexpended portion and funds equal to the portion expended) and any interest earnings thereon. In addition, Grantee shall be responsible for and hereby agrees to promptly pay or reimburse the City for all costs incurred by the City, its employees, officers and agents (including without limitation, attorneys' fees) related to or arising out of such recoupment, including without limitation costs of any related investigation, audit and/or collection efforts.

### **3.5 Indemnification**

To the fullest extent permitted by law, the Grantee agrees to indemnify and hold harmless the City and all of its employees, officers, and agents (collectively, "Indemnified Persons") from and against any and all losses, costs, damages, expenses, judgments, and liabilities of whatever nature (including, but not limited to, attorneys', accountants' and other professionals' fees and expenses, litigation and court costs and expenses, amounts paid in settlement and amounts paid to discharge judgments and amounts payable by an Indemnified Person relating to or arising out of (i) the actual or alleged failure of the Grantee to comply with the terms of this Agreement or with any other requirement or condition applicable to the federal grant with which any Grant is funded or (ii) the operation or undertaking of each Project; provided that no indemnification shall be required of an Indemnified Person to the extent such losses are determined by the final judgment of a court of competent jurisdiction to be the result of the gross negligence or willful misconduct of such Indemnified Person. Such indemnification includes, but is not limited to, costs arising from third-party claims.

The provisions of this Section shall survive the termination of this Agreement, and the obligations of the Grantee hereunder shall apply to losses or claims whether asserted prior to or after the termination of this Agreement. In the event of failure by the Grantee to observe the covenants, conditions and agreements contained in this Section, any Indemnified Person may take any action at law or in equity to collect amounts then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Grantee under this Section. The obligations of the Grantee under this Section shall not be affected by any assignment or other transfer by the City of its rights or interests under this Agreement and will continue to inure to the benefit of the Indemnified Persons after any such transfer. The provisions of this Section shall be cumulative with and in addition to any other agreement by the Grantee to indemnify any Indemnified Person.

### **3.6 Recordkeeping**

The Grantee shall maintain accounts and records with respect to each Project and each Grant in accordance with generally accepted accounting principles as issued from time to time by the Governmental Accounting Standards Board (GASB). Grantee shall keep and maintain all financial records and supporting documentation related to the Project and each Grant for a period of seven (7) years after all Grant proceeds have been expended or returned to the City. Wherever practicable, Grantee shall collect, transmit, and store such records in open and machine-readable formats. Grantee agrees to make such records available to the City or the United States Treasury upon request, and to any other authorized oversight body, including but

not limited to the Government Accountability Office (GAO), the Treasury's Office of Inspector General (OIG) and the Pandemic Relief Accountability Committee (PRAC). Grantee agrees to make such accounts and records available for on-site inspection during regular business hours of the Grantee and permit the City, the United States Treasury or any other such authorized oversight body to audit, examine, and reproduce such accounts and records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, data, and other information relating to all matters covered by this Agreement.

The Grantee shall permit the City or any party designated by it upon reasonable prior notice to the Grantee to examine, visit and inspect each Project and to inspect and, without limiting the generality of the previous paragraph, to make copies of any accounts, books and records of the Grantee pertaining to each Project and/or each Grant.

### **3.7 Single-Audit**

The Grantee acknowledges that by accepting the Grant(s) it is a sub-recipient of federal financial assistance under the federal Single Audit Act of 1984, as amended (the "SAA").

## **ARTICLE IV - TERMINATION AND REMEDIES**

### **4.1 Termination**

- (a) *Termination by the City.* The City, in its sole and absolute discretion, may terminate this Agreement or any one or more Grant hereunder:
  - (i) if the Grantee has breached any provision of this Agreement (including without limitation reporting requirements in Schedule A hereto) or has failed to comply with any applicable state or federal law or regulation applicable to any Project and/or any Grant; or
  - (ii) if any representation or warranty made by the Grantee in any Application, this Agreement, or any certification or other supporting documentation thereunder or hereunder shall prove to have been incorrect in any material respect at the time made.
- (b) *Notice of Termination.* The City shall provide the Grantee with written notice of termination of this Agreement or any one or more Grants, setting forth the reason(s) for termination. The termination of this Agreement or any one or more Grants shall be effective as of the date such notice of termination is sent by the City.
- (c) *Effect of Termination.* Upon termination of this Agreement or any Grant, the Grantee shall reimburse the City for all costs and disbursements of the Grant(s) terminated on a schedule to be negotiated in good faith between the City and the Grantee, but in no event more than sixty (60) days from the date of such termination.

### **4.2 Term**

This Agreement shall remain in effect until one of the following events has occurred:

- (a) The Grantee and the City replace this Agreement with another written agreement;

- (b) All of the Grantee's obligations under this Agreement have been discharged, including, without limitation, any obligation to reimburse the City for disbursements of the Grant(s);  
or
- (c) This Agreement has been terminated pursuant to the provisions of Section 4.1 hereof.

## **ARTICLE V - MISCELLANEOUS**

### **5.1 Notices**

All notices, requests and other communications provided for herein including, without limitation, any modifications of, or waivers, requests or consents under, this Agreement shall be given or made in writing and delivered, (i) in the case of the City, to 1301 Bachrach Blvd., Suite 503, Atlantic City, NJ 08401, Attention: Bruce Weekes, Assistant Director of Economic Development, and (ii) in the case of the Grantee, to the address specified in the most recent Application; or, as to either party, at such other address as shall be designated by such party in a notice to each other party. Unless otherwise provided herein, receipt of all such communications shall be deemed to have occurred when personally delivered or, in the case of a mailed notice, upon receipt, in each case given or addressed as provided for herein.

### **5.2 No Waiver**

No failure or forbearance on the part of the City to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof nor shall any single or partial exercise by the City of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. Conditions, covenants, duties and obligations contained in this Agreement may be waived only by written agreement between the parties.

### **5.3 Governing Law**

This Agreement shall be construed under, and governed by, the laws of the State of New Jersey. The Grantee agrees to bring any federal or state legal proceedings arising under this Agreement in which the City is a party in a court of competent jurisdiction within the State of New Jersey. This section shall not be construed to limit any other legal rights of the parties.

### **5.4 Successors and Assigns**

This Agreement shall be binding upon and inure to the benefit of the Grantee and the City and their respective successors and assigns, except that the Grantee may not assign or transfer its rights or obligations hereunder without the prior written consent of the City.

### **5.5 Complete Agreement; Waivers and Amendments**

All conditions, covenants, duties and obligations contained in the Agreement may be amended only through a written amendment signed by the Grantee and the City unless otherwise specified in this Agreement. At the date of execution hereof, one or more Applications are attached hereto as Exhibit A and made a part hereof. From time to time after the date hereof, the Grantee may apply for, and the Grantee may agree to make, additional Grants pursuant to additional Applications. In such event, such additional Applications shall be attached to and become a part of this Agreement. The parties understand and agree that this Agreement and all Applications attached hereto from time to time, which are expressly incorporated

herein by reference, supersedes all other verbal and written agreements and negotiations by the parties regarding the matters contained herein.

**5.6 Headings**

The headings and sub-headings contained in the titling of this Agreement are intended to be used for convenience only and do not constitute part of this Agreement.

**5.7 Severability**

If any term, provision or condition, or any part thereof, of this Agreement shall for any reason be found or held invalid or unenforceable by any governmental agency or court of competent jurisdiction, such invalidity or unenforceability shall not affect the remainder of such term, provision or condition nor any other term, provision or condition, and this Agreement shall survive and be construed as if such invalid or unenforceable term, provision or condition had not been contained therein.

**5.8 Schedules, Exhibits and Attachments; Counterparts; Electronic Signature**

Each schedule, exhibit or other attachment hereto (including without limitation each Application attached (or to be attached as referenced in Section 5.5 hereof) as Exhibit A and referred to herein is an integral part of this Agreement. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal E-SIGN Act of 2000 and related state law) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

**5.9 Further Assurances**

Grantee agrees that it will, from time to time, execute, acknowledge, and deliver, or cause to be executed, acknowledged, and delivered, such further instruments as may reasonably be required for carrying out the intention or facilitating the performance of this Agreement.

**5.10 Third-Party Beneficiaries**

This Agreement is exclusively between the City and the Grantee and does not nor is intended to create any privity of contract with any other party not a party hereto other than the Indemnified Persons, nor to imply a contract in law or fact. The City is not obligated to disburse grant funds on any contract, or otherwise, between the Grantee and any other party, nor intends to assume, at any time, direct obligations for payment for work, goods, or other performance under such contracts. The obligation to pay any amounts due under such contracts is solely the responsibility of the Grantee. Nothing herein, express or implied, is intended to, or shall confer upon, any other person any right, benefit, or remedy of any nature whatsoever under or by reason of this Agreement between the City, the Grantee and the Indemnified Persons.

*[Signature page follows]*

# Resolution of the City of Atlantic City

**No. 470**

Approved as to Form and Legality on Basis of Facts Set Forth

Factual contents certified to by

Assistant City Solicitor /s/ Karl Timbers

Director of Planning & Development/s/ Jacques Howard

Prepared by City Solicitor's Office

Council Member SHABAZZ presents the following Resolution:

**RESOLUTION AUTHORIZING THE CITY OF ATLANTIC CITY TO  
ESTABLISH A MICRO- GRANT PROGRAM FOR SMALL BUSINESSES  
IN THE AMOUNT OF \$450,000.00**

**WHEREAS**, the City of Atlantic City recognizes the value of small business development in creating and sustaining economic opportunity, and

**WHEREAS**, the City of Atlantic City has developed a Small Business and Entrepreneurship Program, for the purposes of providing participants with the knowledge and skills to development and manage a business enterprise, and

**WHEREAS**, access to capital for businesses, small business enterprises and start-up businesses, including minority and women owned businesses, remains a challenge, and

**WHEREAS**, the ability of small and start-up businesses, minority and women owned businesses to satisfy standard underwriting criteria by private lending institutions has limited and frustrated the growth of business development in the City of Atlantic City, and

**WHEREAS**, the City of Atlantic City has identified the opportunity to assist the capitalization of small and start-up business ventures, including minority and women owned businesses.

**BE IT RESOLVED** by the City Council of the City of Atlantic City is authorized to establish the Atlantic City Micro-Grant Program to assist small and start-up business ventures, including minority and women owned businesses.

April 27, 2026 2:50 PM

DO NOT USE SPACE BELOW THIS LINE													
RECORD OF COUNCIL VOTE ON FINAL PASSAGE													
COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	MOT.	SEC.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	MOT.	SEC.
BAILEY	X						LACCA			X			
CROUCH	X						MARSHALL	X					
DUNSTON	X						SHABAZZ	X				X	
KURTZ	X					X	TIBBITT	X					
RANDOLPH, PRESIDENT								X					
X-Indicates Vote    NV-Not Voting    AB-Absent    MOT-Motion    SEC-Second													

This is a Certified True copy of the Original Resolution on file in the City Clerk's Office.

DATE OF ADOPTION: JUNE 18, 2025

*Paula Geletei*

/s/ Paula Geletei, City Clerk