

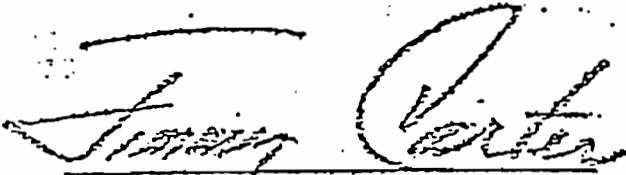
President / Governor AGREEMENT

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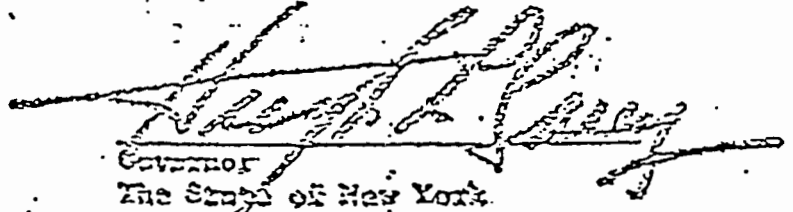
Pursuant to the authority vested in the President of the United States by the Constitution and the laws of the United States, including the Disaster Relief Act of 1974, as amended, 42 U.S.C. 5121, et seq., and the Supplemental Appropriations and Reversion Act, 1980, 96 Stat. 857, and pursuant to the laws of the State of New York, the President of the United States, on behalf of the United States, and the Governor of the State of New York, on behalf of the State of New York, agree that the United States, through the Federal Emergency Management Agency, shall provide financial assistance to the State of New York for the purpose of providing relocation for the families residing within the boundaries defined in the emergency declared by the President of the United States on May 21, 1980, as the Love Canal, in the State of New York.

The provision of such financial assistance from funds appropriated to the President for disaster relief shall be in accordance with, and subject to the terms and conditions of, the attachment to this Agreement, which attachment is incorporated into, and made part of this Agreement.

AGREED:



President
United States of America



Governor
The State of New York

DATED: October 1, 1980

ATTACHMENT TO THE AGREEMENT BETWEEN
THE PRESIDENT OF THE UNITED STATES AND THE GOVERNOR OF THE STATE OF NEW YORK
OCTOBER 1, 1980

1. The Federal Emergency Management Agency (FEMA) will continue to fund relocation assistance and temporary housing as previously authorized until November 14, 1980. At such time, all financial and operational responsibility for the provision of relocation assistance and temporary housing shall be vested in the State of New York. The State shall continue to comply with all temporary housing requirements and procedures as set out in FEMA's Disaster Temporary Housing Regulations.

2. FEMA shall make available to the State of New York, or its designee or assignee, the sum of \$7,500,000 to provide relocation for families residing in the Love Canal emergency area. Such grant shall be made in lieu and substitution of the Federal financial assistance for relocation assistance and temporary housing, which shall be terminated in accordance with paragraph 1 herein. Further, such grant shall be made under the authority of the two provisions in the section of the Supplemental Appropriations and Reconciliation Act, 1980 (Pub. L. 96-334; 94 Stat. 837), entitled "Federal Emergency Management Agency - Funds Appropriated to the President - Disaster Relief" (94 Stat. 876), popularly known as the Javits-Boynikhan amendment. Such grant shall be made subject to the terms and conditions of this Agreement.

3. FEMA shall advance to the State of New York, or its designee or assignee, the sum of \$7,500,000 under the authority of the Javits-Boynikhan amendment. Such advance shall be made in view of the fact that the State of New York proposes to undertake activities for the purpose of providing relocation for families residing within the Love Canal emergency area and in view of the fact that it has been determined by the State of New York that additional funds are necessary to undertake such activities. Until such advance has been liquidated, interest shall be charged at the rate of 8 1/4% per annum. Such interest shall be calculated annually on the outstanding balance of the principal, plus accrued interest not yet paid. Payments on principal and interest shall be made in equal annual installments over a 27-year period commencing three years from the date of execution of this Agreement. The interest for the first 3 years shall be added to the principal to determine the 27 equal annual installments. There shall be no prepayment penalty. Further, such advance of funds shall be made subject to the terms and conditions of this Agreement.

4.a. The United States understands that it is the intention of the State of New York to assign its rights and obligations to the funds specified in paragraphs 2 and 3 hereof to the Love Canal Area Revitalization Agency (the Agency). In the event that the State of New York does assign such funds to the Agency, the United States shall recognize that such Agency is responsible for the liquidation of the advance specified in paragraph 3 hereof, with interest.

The Agency shall apply any proceeds received as a result of property disposition transactions to meet scheduled payments to the United States, unless another use is approved by the Chairman of the New York State Disaster Preparedness Commission.

4. New York State understands that if the Agency should fail to make any scheduled payment or payments toward liquidation of the advance, including any interest thereon, the Director of FEMA or his designee (1) shall notify the State of New York of such deficiency and, (2) may withhold, as an offset, all or any portion of financial assistance, other than for emergency work, which is authorized by the Disaster Relief Act of 1974, or any statutes repealing and replacing such Act, and which otherwise would be paid to the State of New York as applicant. Such offset shall be limited in any given year by the past due amount of principal and interest. However, the Director shall consult with the State regarding its financial capacity at the time before exercising his authority to offset under this subparagraph; nevertheless, the final authority to offset shall be vested exclusively in the Director. No provision of any document limiting the responsibility or liability of the State of New York vis-a-vis the activities or obligations of the Agency shall be asserted by the State of New York as a limitation on the authority of the Director of FEMA to withhold financial assistance under this paragraph.

5. Funds specified in paragraphs 2 and 3 herein may be made available to the State of New York upon its request. Such request shall set forth the amount, funds immediately required and the amount of funds which will be required for the following 60 days. The request shall also specify whether such required funds shall be drawn from the grant (paragraph 2) or the advance (paragraph 3).

6. The funds made available to the State of New York under paragraphs 2 and 3 herein may be expended only as provided in this paragraph. The funds may be used by the State of New York, or its designee or assignee, to acquire residences when the following conditions all apply:

1. The residences are located within the boundaries of the Love Canal emergency area as defined in the Federal-State Disaster Assistance Agreement of June 9, 1980, for emergency, No. FEMA-3098-27, New York (including any future amendments);
2. The residences were owned by, and were the primary residences of, families or individuals as of May 5, 1980; and
3. Such families or individuals whose residences are so acquired establish primary residences outside the Love Canal emergency area forthwith.

Such funds may also be used for administrative expenses incurred by the State of New York, or its designee or assignee, as a direct and necessary result of the authorized acquisition process. Such funds may not be used for the maintenance or depletion of acquired properties; the acquisition of nonresidential

properties; moving expenses for families or individuals; construction of new homes; any activities related to the revitalization or repopulation of the area; or any other purpose not specified above unless specifically agreed to, in advance, by the Director of FEMA, or his designee.

7. As required by the Javits-Moynihan amendment, the Federal share of the costs of providing relocation for families and individuals residing in the Love Canal emergency area under this Agreement, shall not exceed 75 percent of the total. Any funds advanced under paragraph 3 hereof shall not be computed as part of the Federal share.

8. The State of New York shall ensure that there is full compliance by the State, the Agency, or any other designee or assignee, with the terms and conditions of this Agreement. Specifically, the State of New York shall ensure that the State, the Agency, or any other designee or assignee, expends the funds made available by paragraphs 2 and 3 herein only as authorized in paragraph 5 herein. All items of cost and expense, whether incurred by the State of New York, the Agency, or any other designee or assignee, which have been or will be paid out of funds made available by paragraphs 2 or 3 herein, shall be subject to periodic audit by FEMA or the General Accounting Office of the United States at times specified by FEMA or the General Accounting Office. Accounting records shall be retained for at least 3 years following the retirement of the advance specified in paragraph 3 herein. The standards of OMB Circular A-102 shall also apply to all funds made available herein unless determined by the Director or his designee to be inapplicable.

9.a. The Federal Government shall not be liable or otherwise responsible for any claim arising out of the provision of financial assistance under this Agreement.

b. New York State understands and will ensure that any person who purchases or leases property acquired pursuant to this Agreement is informed in writing, at the time of such transaction, that the Federal Government does not authorize such transactions nor, in any way, warrant the safe habitability of such property.

c. The State of New York recognizes that it shall be responsible for adjusting any claim arising out of the provision of financial assistance under this Agreement in accordance with the provisions of the State Court of Claims Act.

d. The rights and obligations created hereunder shall be enforceable only by the parties hereto and nothing contained herein shall be deemed to create any right in or rights to enforce the provisions hereof by any third party.

10. In the event that any portion of this Agreement in relation to paragraph 2 funds is judicially determined to be invalid, all funds made available under paragraph 2 herein shall be refunded immediately to the Federal Government.

11. In the event that any portion of this Agreement in relation to paragraph 3 funds is judicially determined to be invalid, all funds made available under

paragraph 3 herein shall be refunded immediately to the United States with any accumulated interest.

12. This Agreement shall be construed as amending the Federal-State Disaster Assistance Agreement of June 9, 1969, for emergency, No. FEMA-3000-EM, New York. All the terms of that June 9 Federal-State Agreement shall continue in effect except as specifically modified by this Agreement.

ATTACHMENT 3

FEMA 3080 - DR 000-92004
PERMANENT RELOCATION PROGRAM

<u>DATE</u>	<u>AMOUNT</u>
10/20/80	4,525,312
2/13/81	2,974,688
6/03/81	2,063,750
7/24/81	2,889,250
9/30/82	148,000
10/26/82	777,000
8/15/83	<u>296,000</u>
TOTAL	13,674,000

ATTACHMENT 4

FEMA 3080 - EM 92003
TEMPORARY HOUSING

<u>DATE</u>	<u>AMOUNT</u>
6/23/80	1,500,000
8/07/80	772,715
10/14/80	382,357
12/18/80	552,196.50
Total	\$3,207,268.50

BILL FOR COLLECTION

Revised
 Bill No. R2-0001-84

Federal Emergency Management Agency

Date 12/29/83

(Department or Establishment and Bureau or Office)

26 Federal Plaza, New York, NY 10278
 (Address)

PAYER:

Mr. Donald A. DeVito, GAR
 Director Disaster Preparedness
 NYS Division of Military and Naval Affairs
 Office of Disaster Preparedness
 Bldg. 22, State Campus
 Albany, NY 12226
 FEMA 3080 DR 000-92004

*This bill should be returned by the payer with his remittance.
 SEE INSTRUCTIONS BELOW.*

Date	DESCRIPTION	Quantity	Unit Price		Amount
			Cost	Pcr	
12/29/83	<p>This bill for Collection for \$675,659.72 represents the first installment due on monies advanced by FEMA to the State of New York for relocation of residents of the Love Canal area.</p> <p>Repayment of the advanced funds is subject to the terms of the Federal-State Disaster Assistance Agreement of June 9, 1980 for emergency No. FEMA-3080-EM, New York, as amended by Agreement signed by President Jimmy Carter and Gov. Hugh Carey on October 1, 1980.</p> <p>Interest of 8½ percent continues on the unpaid balance in accordance with the Agreement.</p> <p><u>Make check payable to:</u> Federal Emergency Management Agency Att: Fiscal Branch 26 Federal Plaza, New York, NY 10278</p>				\$675,659.72
AMOUNT DUE THIS BILL,					\$675,659.72

Date 12/29/83 Signature Steven B. Singer Title Chief, RMA

INSTRUCTIONS

Tender of payment of the above bill may be made in cash, United States postal money order, express money order, bank draft, or check to the office indicated. Such tender, when in any other form than cash, should be drawn to the order of the Department or Establishment and Bureau or Office indicated above.

Receipts will be issued in all cases where "cash" is received, and only upon request when remittance is in any other form. If tender of payment of this bill is other than cash or United States postal money order, the receipt shall not become an acquittance until such tender has been cleared and the amount received by the Department or Establishment and Bureau or Office indicated above.

Failure to receive a receipt for a cash payment should be promptly reported by the payer to the chief administrative officer of the bureau or agency mentioned above.

PERIOD	BALANCE	INTEREST	PRINCIPAL	PAYMENT	NEW BALANCE
1	7,226,604.17	596,194.84	79,464.88	675,659.72	7,147,139.29
2	7,147,139.29	589,638.99	86,020.73	675,659.72	7,061,118.56
3	7,061,118.56	582,542.28	93,117.44	675,659.72	6,968,001.12
4	6,968,001.12	574,860.09	100,799.63	675,659.72	6,867,201.49
5	6,867,201.49	566,544.12	109,115.60	675,659.72	6,758,085.89
6	6,758,085.89	557,542.08	118,117.64	675,659.72	6,639,968.25
7	6,639,968.25	547,797.38	127,862.34	675,659.72	6,512,105.91
8	6,512,105.91	537,248.73	138,410.99	675,659.72	6,373,694.92
9	6,373,694.92	525,829.83	149,829.89	675,659.72	6,223,865.03
10	6,223,865.03	513,468.86	162,190.86	675,659.72	6,061,674.17
11	6,061,674.17	500,088.11	175,571.61	675,659.72	5,886,102.56
12	5,886,102.56	485,603.46	190,056.26	675,659.72	5,696,046.30
13	5,696,046.30	469,923.81	205,735.91	675,659.72	5,490,310.39
14	5,490,310.39	452,950.60	222,709.12	675,659.72	5,267,601.27
15	5,267,601.27	434,577.10	241,082.62	675,659.72	5,026,518.65
16	5,026,518.65	414,687.78	260,971.94	675,659.72	4,765,546.71
17	4,765,546.71	393,157.60	282,502.12	675,659.72	4,483,044.59
18	4,483,044.59	369,851.17	305,808.55	675,659.72	4,177,236.04
19	4,177,236.04	344,621.97	331,037.75	675,659.72	3,846,198.29
20	3,846,198.29	317,311.35	358,348.37	675,659.72	3,487,849.92
21	3,487,849.92	287,747.61	387,912.11	675,659.72	3,099,937.81
22	3,099,937.81	255,744.86	419,914.86	675,659.72	2,680,022.95
23	2,680,022.95	221,101.89	454,557.83	675,659.72	2,225,465.12
24	2,225,465.12	183,600.87	492,058.85	675,659.72	1,733,406.27
25	1,733,406.27	143,006.01	532,653.71	675,659.72	1,200,752.56
26	1,200,752.56	99,062.08	576,597.64	675,659.72	624,154.92
27	624,154.92	51,492.78	624,154.92	675,647.70	.00