

Proposed Certificate of Compliance

Certificate of Compliance

Effective as of the date hereof, the undersigned hereby certifies and covenants to the Federal Transit Administration ("FTA") as follows:

1. Title. Subject to the obligations and conditions set forth in 49 CFR 18.31, as amended, title to real property acquired under a grant or subgrant for FTA Project Number—, [insert project title here] (the "Project"), shall vest in the undersigned or subgrantee thereof (collectively or individually, as the case may be, the "Grantee").

2. Use. Except as otherwise provided by Federal statutes, real property shall only be used for the originally authorized purposes (which may include Joint Development purposes that generate program income, both during and after the award period and used to support public transportation activities) as long as needed for such purposes, and that the Grantee shall not dispose of or encumber its title or other interests.

3. Disposition. When real property acquired with funds provided by FTA for the Project is no longer needed for the purpose originally authorized by FTA, the Grantee shall request disposition instructions from FTA and shall agree that, unless otherwise authorized by FTA, such disposition shall be made in accordance with applicable law, including without limitation 49 U.S.C. 5334(h) and 49 CFR 18.31.

4. Federal Interest. The Federal Government retains a Federal interest in any real property, equipment, and supplies financed with Federal assistance ("Project Property") until, and to the extent that, the Federal Government relinquishes its Federal interest in such Project Property.

5. Incidental Use. Any incidental use of Project Property, as determined by FTA, shall not exceed that permitted under applicable Federal laws, regulations, and directives, including the requirements of FTA's Master Agreement.

6. Encumbrance of Project Property. The Grantee covenants to FTA as follows:

a. Written Transactions. The Grantee agrees that it will not execute any transfer of title to the Project Property or enter into an instrument legally binding on the Grantee that would encumber Federal Interest in the Project Property.

b. Oral Transactions. The Grantee agrees that it will not obligate itself in any manner to any third party with respect to Project Property.

7. Notice to Joint Development Partner. The undersigned has delivered to the Joint Development Partner a duly executed copy of this certificate, dated as of the date hereof,

receipt of which has been acknowledged by the Joint Development Partner in writing to the undersigned on or before the date of execution of the Joint Development Agreement.

8. Other Actions. The Grantee (a) agrees that it will not take any action that encumbers the Federal Interest in the Project Property and (b) hereby affirms that each of its representations and warranties set forth in the Master Agreement is true and correct in all material respects as of the date hereof. The Grantee agrees that nothing herein shall supersede, amend, modify or otherwise affect the provisions, terms or conditions set forth in the Master Agreement.

9. Definitions.

a. "FTA" shall have the meaning provided in the preamble of this certificate.

b. "Grantee" shall have the meaning provided in section (2) of this certificate.

c. "Joint Development" shall mean a capital project as defined by 49 U.S.C. 5302(a)(1)(G) that is eligible for funding pursuant to the terms and conditions set forth in [insert new Joint Development circular number].

d. "Joint Development Partner" shall mean [insert definition].

e. "Master Agreement" shall mean that certain Master Agreement by and between FTA and the Grantee, as authorized by 49 U.S.C. 53, Title 23, United States Code (Highways), the National Capital Transportation Act of 1969, as amended, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users, the Transportation Equity Act for the 21st Century, as amended, or other Federal laws that FTA administers, as the same may be lawfully revised, superseded or supplemented from time to time.

f. "Project" shall have the meaning provided in section (1) of this certificate.

g. "Project Property" shall have the meaning provided in section (4) of this certificate.

10. No Estoppel. The undersigned agrees that acceptance of this Certificate of Compliance by FTA shall not estop the Federal government from initiating or conducting, and shall not be used as a defense for, any investigation, audit or inquiry by the Federal government following approval by FTA of the project.

Issued on the 5th day of September, 2006.

James S. Simpson,
Administrator.