§ 54-1109. Contracts for state assistance payments for coastal rehabilitation.

1. The commissioner may, in the name of the state, enter into contracts with municipalities or not-for-profit corporations, to provide state assistance payments toward the cost of coastal rehabilitation projects which shall include the following provisions:

a. an estimate of the costs of the project as determined by the commissioner;

b. an agreement by the commissioner to make state assistance payments toward the cost of the project by periodically reimbursing the municipality or not-for-profit corporation during the progress of project development or following completion of the project as may be agreed upon by the parties, in an amount not to exceed the amounts established elsewhere in this title; and

c. an agreement by the municipality or not-for-profit corporation:

(i) to proceed expeditiously with and complete the project as approved by the commissioner;

(ii) to undertake and maintain the coastal rehabilitation project in accordance with applicable law and rules and regulations;

(iii) to provide for the payment of the municipality's or not-for-profit corporation's share of the cost of the project;

(iv) to assume the full cost of any additional elements or continued operation of the project;

(v) to repay within one year of notification by the commissioner, any state assistance payments made toward the cost of the project or an equitable portion of such monies declared appropriate by the commissioner, if the municipality or not-for-profit corporation fails to complete the project as approved. No repayment, however, shall be required where the commissioner determines that such failure, disposition or change of use was immediately necessary to protect public health and safety;

(vi) to apply for and make reasonable efforts to secure federal assistance for the project; and

(vii) to not sell, lease, or otherwise dispose of or use lands rehabilitated under this title for any purpose inconsistent with the project for a period of seven years from the commissioner's approval of the project.

2. In connection with each contract, the commissioner shall keep adequate records of the amount of the payment by the state and of the amount of federal assistance, if any, received by the municipality or not-for-profit corporation. Such records shall be retained by the commissioner and shall establish the basis for recalculation of the state payment as required herein.