



AGENDA	
Section	Consent
Item No.	<i>II.B.2</i>

Meeting Date
7/22/14

AGENDA REPORT
BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS

SUBJECT:	APPROVAL OF AWARD AND AGREEMENT WITH COMMUNITY HOUSING INITIATIVE, INC. RE: PURCHASE ASSISTANCE PROGRAM (Fiscal Impact: \$300,000 HOME Grant Funding)
DEPT/OFFICE:	HOUSING AND HUMAN SERVICES DEPARTMENT

Requested Action:
 It is requested that the Board of County Commissioners approve the recommendation of the Affordable Housing Council and the attached agreement to award HOME funds of \$300,000 to Community Housing Initiative, Inc., for the administration of the County's Purchase Assistance Program and the Homebuyer Counseling Workshop. Additionally authorize the chairman to approve future modifications and/or amendments after review and approval of the County Attorney and Risk Management.

Summary Explanation & Background:
 On May 1, 2012, the Board of County Commissioners adopted Resolution No. 2012-101, approving the County's Local Housing Plan (Plan) for FY 2012 - 2015 and the administration of the County's First Time Homebuyer Program to a Contractor upon proper solicitation through a Request for Proposal process. State and Federal funds are awarded annually to Brevard County for the strategies identified in the Plan, with subsequent recommendations made by the Affordable Housing Council to the Board of County Commissioners.

On May 22, 2014, after the conclusion of a Request for Proposal (RFP) process that solicited applications from Contractors, the Affordable Housing Council unanimously voted to recommend to the Board of County Commission to award HOME Investment Partnership (HOME) Program funds not exceeding \$300,000 to Community Housing Initiative (C.H.I.), Inc. for the administration of the County's Purchase Assistance Program and the Homebuyer Counseling Workshop. Only one application was received in response to the RFP. Allocation of these funds will provide approximately ten (10) First Time Homebuyers with needed counseling and down payment assistance.

C.H.I. has successfully administered the County's First Time Homebuyer Programs for the past eight (8) years and has assisted approximately 240 households with homeownership. The program provides down payment assistance, closing costs and, in some cases, rehabilitation assistance to income eligible, first-time homebuyers, using funds provided by SHIP and HOME. The administration of these programs includes marketing; pre-screening applicants; all phases of loan processing such as income verification, underwriting, property inspections, rehabilitation work as necessary, closing document review, preparation and recording, and homebuyer education and counseling.

(Continued on Next Page)

Clerk to the Board instruction:

Exhibits Attached: 1) Three agreements, and 2) BC20's

Contract /Agreement (If attached): Reviewed by County Attorney		Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	PR	<input checked="" type="checkbox"/>
County Manager	Assistant County Manager- Venetta Valdengo		Department Director / Extension				
Stockton Whitten	<i>Venetta Valdengo</i>		<i>Ian Golden</i> Ian Golden-52007				

The Homebuyer Counseling Workshop, facilitated by C.H.I., is a five (5) hour seminar that provides information about the overall home buying process to first-time homebuyers and is open to participation by the general public. Seminar topics include budgeting, housing and debt ratios, shopping for a home/the real estate process, expectations for a realtor and a lender, the closing process, mortgage default prevention, post-closing responsibilities and fair housing issues. C.H.I. conducts this seminar a minimum of once a month and includes industry professionals as guest speakers/presenters on a regular basis.

Fiscal Impact: FY 13-14: The approval of this action will not impact the General Fund. \$300,000 in HOME funds are budgeted in Cost Centers (1472-303052 – HOME)
FY 14-15: There will be no impact to the General Fund

Contact: Chenita Joiner, CRD Manager, 633-2076



Tammy Etheridge, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001
Fax: (321) 264-6972

July 23, 2014

MEMORANDUM

TO: Ian Golden, Housing and Human Services Director Attn: Chenita Joiner

RE: Item II.B.2., Contract Agreement with Community Housing Initiative, Inc. for Purchase Assistance Program

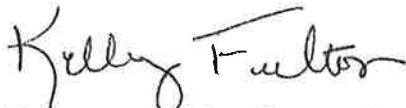
The Board of County Commissioners, in regular session on July 22, 2014, approved the recommendation of the Affordable Housing Council, and executed the Agreement to HOME funds of \$300,000 to the Community Housing Initiative, Inc., for the administration of the County's Purchase Assistance Program and the Homebuyer Counseling Workshop; and authorized the Chairman to approve future modifications and/or amendments after review and approval of the County Attorney and Risk Management.

Upon execution by the Community Housing Initiative, Inc., please return a fully-executed copy of the Agreement to this office for inclusion in the official minutes.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK



Tammy Etheridge, Deputy Clerk

/kg

Encls. (3)

cc: Contracts Administration
Finance
Budget

**CONTRACT AGREEMENT
BETWEEN THE BREVARD COUNTY BOARD OF COMMISSIONERS
AND
COMMUNITY HOUSING INITIATIVE, INC.**

THIS AGREEMENT by and between the **Board of County Commissioners of Brevard County, Florida**, a political subdivision of the State of Florida (hereinafter the "County"), and **Community Housing Initiative, Inc.**, having its physical address as 3033 College Wood Drive, Melbourne, Florida 32934 and mailing address as P.O. Box 410522 Melbourne, Florida 32941-0522 (hereinafter the "Sponsor").

WITNESSETH:

WHEREAS, the County has met all prerequisites for participation in the HOME Investment Partnership Program (HOME), and

WHEREAS, the Department of Housing and Urban Development (HUD) authorized and directed the County to utilize funds distributed under HOME for eligible housing activities and projects, and

WHEREAS, the County authorizes and appropriates a total sum of up to \$300,000 of its HOME grant funds for the implementation of the Purchase Assistance Program and Homebuyer Counseling Workshop by the Sponsor, as specified in the County's approved HUD Five Year Consolidated Plan, and

WHEREAS, the County allows HOME funds under this allocation to be used for down payment assistance and closing costs and Homebuyer Counseling Workshop for eligible very low-income and low-income persons under the Purchase Assistance Program thereby facilitating the purchase of affordable housing, and

WHEREAS, the regulations contained in 24 CFR parts 91 and 92, as now in effect and as may be amended from time to time govern this Agreement, and

WHEREAS, the County and **Community Housing Initiative, Inc.**, is desirous of providing housing activities specified in this Agreement, and

NOW THEREFORE, in consideration of the covenants herein contained, it is mutually agreed between the parties as follows:

I. DEFINITIONS:

- A. **Program:** the Purchase Assistance Program.
- B. **Low-income person or low-income household:** one or more natural persons or a family, that has a total annual anticipated gross household income that does not exceed eighty percent (80%) of the median annual income for the Melbourne-Titusville-Palm Bay Metropolitan Statistical Area (MSA).
- C. **Very low-income person or very low-income household:** one or more natural persons or a family, that has a total annual anticipated gross household income that does not exceed fifty percent (50%) of the median annual income for the Melbourne-Titusville-Palm Bay MSA, adjusted for household size.

II. SCOPE OF SERVICES: Attachment A outlines the scope of work and procedures to be completed in the administration of the Purchase Assistance Program, Homebuyer Counseling Workshop and Annual Homebuyer Monitoring and Attachment A-1 outlines the timeline for completing tasks.

The Sponsor shall, in a satisfactory and proper manner, as determined by the County, perform the necessary tasks to administer and implement the Purchase Assistance Program, Homebuyer Counseling Workshop, and annual client monitoring/follow-ups as described in the Brevard County Purchase Assistance Program Policy, as updated from time to time, herein incorporated by reference as Attachment B.

III. TERM: The term of this Agreement shall begin when executed by both parties and shall remain in effect for two (2) consecutive years with an option to renew for one additional year with the approval of Risk Management and the County Attorney. All rights and duties designated hereunder shall be in effect throughout the term of this Agreement.

- IV. USE OF FUNDS:** Unless amended otherwise, it is agreed and understood that the total amount to be paid by the County under this Agreement shall not exceed \$300,000 for the Purchase Assistance Program, Homebuyer Counseling Workshops and Annual Client Monitoring combined. Reimbursement for project delivery per completed eligible households shall not exceed \$2,600. Maximum reimbursement for Homebuyer Counseling Workshops shall not exceed \$10,000 annually. Requests for Reimbursement of eligible expenses shall be made against the budget (Attachment C) as previously specified and in accordance with Program performance and the County's financial policies and procedures, as may be amended from time to time.
- V. UNIFORM ADMINISTRATION REQUIREMENTS:** The Sponsor must comply with applicable federal administrative requirements (OMB Circular A-87 and applicable provisions of 24 CFR Part 85 for governmental entities, or OMB Circular A-122 and applicable provisions of 24 CFR Part 84 for non-profit entities.)
- VI. AFFIRMATIVE MARKETING POLICY (AMP):** The Sponsor shall comply with the requirements of 24 CFR 92.504(c) (2) (v) Affirmative Marketing Policy. In the event the Sponsor does not have a policy in place, the COUNTY'S AMP attached hereto as Attachment D shall be followed as it relates to marketing projects to income eligible households.
- VII. OTHER PROGRAM REQUIREMENTS:** Detailed in Attachment E
1. 24 CFR Part 92, as amended – The regulations governing the expenditure of *HOME* Investment Partnership Program funds.
 2. 24 CFR Part 58 – The regulations prescribing the Environmental Review procedure, including laws and procedures incorporated by reference.
 3. National Flood Insurance Act of 1968.
 4. 24 CFR Part 1 – The regulations promulgated pursuant to Title VI of the 1984 Civil Rights Act.
 5. 24 CFR Part 107 – The regulations issued pursuant to Executive Orders 11063 which prohibits discrimination and promotes equal opportunity in housing.
 6. Executive Order 11246 (and Revised Order Number 4), as amended by Executive Orders 11375 and 12086 – which establishes hiring goals for minorities and women on projects assisted with federal funds.
 7. Title VII of the 1964 Civil Rights Act as amended by the Equal Employment Opportunity Act of 1972 – which prohibits discrimination in employment.
 8. 24 CFR Part 135 – Regulations outlining requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended.
 9. Age Discrimination Act of 1973.
 10. 24 CFR Part 130 – Regulations which prohibit discrimination in employment in federally assisted construction contracts.
 11. Contract Work – Hours and Safety Standards Act – where applicable.
 12. Lead Based Paint Poisoning Prevention Act.
 13. Section 504 of the Rehabilitation Act of 1973, as amended.
 14. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.
 15. 29 CFR Parts 3.5 and a – Regulations which prescribe the payment of prevailing wages and the use of apprentices and trainees on federally assisted projects as mandated by the Davis-Bacon Act, where applicable.
 16. Executive Order 11914 – Prohibits discrimination with respect to the handicapped in federally assisted projects.
 17. Copeland Anti-Kickback Act.

18. OMB Circular A-87 – which identifies allowable administrative costs and administrative requirements.
19. Florida Statutes, Chapter 112, Part III, code of Ethics for Public Officers and Employees.
20. Public Law 100-430 – The Fair Housing Amendments Act of 1988.
21. Section 109 of Public Law 100-202 – which restricts the awarding of public works contracts to firms from foreign countries with unfair trade practices.
22. HUD – required reports, circulars, and procedures.
23. 24 CFR Part 85 – the “common rule” containing fiscal and administrative requirements for grantees and sub-recipients which are local governments. This includes OMB Circular A-102.
24. 24 CFR Part 92.257 – conditions for religious organizations, as applicable.
25. Section 92.504 – minimum standards of written contracts, as applicable. Including all project requirements, type of projects to be assisted, property standards, rents and recapture/resale provisions.
26. CHDO Provisions – for the use of funds including set aside funds, operating expenses, project-specific loans and capacity-building assistance.

VIII. REQUESTS FOR DISBURSEMENTS OF FUNDS: The Sponsor shall not request disbursement of HOME funds under this Agreement until the funds are needed for the payment of eligible costs as described in 24 CFR 92.205. The requested amount must not exceed the amount needed. Program income, interest earned, or loan repayments, hereinafter collectively referred to as (“recapture monies”) as defined in 24 CFR 92.503, as amended from time to time, derived from any projects set forth in this Agreement shall be accounted for by the Sponsor.

Eligible costs shall be requested from COUNTY on the HOME draw requests Attachment F. Reimbursement requests shall be submitted at least quarterly. The final draw request shall be submitted no later than fifteen calendar days after the end of the agreement.

Each Request for Reimbursement form shall be accompanied by appropriate supporting documentation (as required by the County). Each invoice shall bear the signature of the Sponsor’s representative or his/her designee, which constitutes the Sponsor’s representation to the County that the services indicated in the invoice have been reasonably incurred in accordance with this Agreement and that the amount requested is currently due.

IX. REVERSION OF ASSETS: The Sponsor understands that HOME funds will be reduced or recaptured by the federal government if not encumbered and expended as outlined under (Subpart K) 24 CFR 92.500(d). All funds are subject to repayment in the event the project does not meet the project requirements. It is understood that, upon the completion of the contract, any unused or reserved funds not expended will remain with the County.

X. RECORDS AND REPORTS: Reimbursement is contingent upon the receipt, and satisfactory evaluation by the County of the following reports:

A. Homebuyer Set-Up/Completion Form: The Sponsor shall initiate/complete each HOME activity by completing a Set-Up/Completion Report as required by HUD and attached as Attachment G. The Set-Up/Completion Form must be submitted to the County with the reimbursement request and a copy retained by the Sponsor.

B. Request for Reimbursement Form: The Sponsor shall submit reimbursement requests (Attachment F) at least quarterly; as outlined in SECTION VIII of this Agreement.

C. Data Information Sheet: The Sponsor shall complete and submit a data information sheet for each completed eligible household to the County, Attachment H along with each pay request.

D. **Monthly Report:** The Sponsor shall complete and submit a Monthly Report no later than the 3rd day of each month. The report shall include both a financial summary and status of each applicant served during the preceding month. The format may be determined by the Sponsor with County approval.

XI. **ENFORCEMENT PROVISIONS:** In accordance with 24 CFR 85.43, suspension or termination may occur if the Sponsor materially fails to comply with any term of this Agreement. The Agreement may also be terminated for convenience in accordance with 24 CFR 85.44, which provides for termination for mutual convenience or partial termination for specified reasons.

Timely completion of the work specified in this agreement is an integral and essential part of performance. The expenditure of HOME funds is subject to federal deadlines and could result in the loss of federal funds. By the acceptance and execution of this Agreement, it is understood and agreed by the Developer that the project will be completed as expeditiously as possible and that the Sponsor will make every effort to ensure that the project will proceed and not be delayed.

Brevard County reserves the right to withhold 100% of each payment request due to the Sponsor for failure to meet outcomes or failure to submit required quarterly reports in a timely manner. Any withheld amount will be remitted to the Sponsor upon receipt of documentation that outcomes are being met or upon receipt of the required quarterly reports.

Failure to meet these deadlines can result in the cancellation of this contract and the revocation of HOME funds.

- All HOME funds are subject to repayment in the event the project does not meet the project requirements.
- The County hereby agrees that the following events constitute a material failure sufficient to warrant suspension of payments:
 1. Failure to submit reports as required, including a favorable audit report; and
 2. Intentional submittal of incorrect or incomplete reports in any material respect.
- If payments are withheld, the County may specify, in writing the actions that must be taken by the Sponsor prior to resumption of payments.

XII. **PROJECT REQUIREMENTS:** The Sponsor agrees to comply with the requirements as outlined in 24 CFR Part 92.254 (Qualification as affordable Housing: Homeownership) in its entirety (Attachment E).

XIII. **GENERAL CONDITIONS:**

- A. **GENERAL COMPLIANCE:** The Sponsor agrees to comply with the requirements as outlined in 24 CFR parts 91 and 92. The Sponsor also agrees to comply with the Brevard County Purchase Assistance Program Policy, as updated from time to time, all other applicable state and local laws, regulations, and policies governing the funds provided under this contract. The Sponsor agrees to utilize funds available under this Agreement for; the Purchase Assistance Program for down payment and closing costs to eligible persons and households, project delivery costs and soft costs associated with the each completed eligible unit, Homebuyer Counseling Workshops and annual client monitoring.
- B. **INDEPENDENT CONTRACTOR:** The Sponsor shall perform the services under this Agreement as an independent Contractor and nothing contained herein shall be construed to be inconsistent with this relationship or status. Nothing in this Agreement shall be interpreted or construed to constitute the Sponsor or any of its agents or employees to be the agent, employee or representative of the County.
- C. **PROCUREMENT PROCEDURES.** The Sponsor agrees to utilize the procurement procedures already established by the Sponsor when purchasing eligible budgeted materials or services for said Sponsor. If the Sponsor is receiving federal funding, the Sponsor must utilize the procurement procedures as established in 24 CFR parts 84.44. If no formal procedures exist for the Sponsor, the following procedures should be utilized (if applicable):
1. If the purchase amount is less than \$750; no formal purchase procedures are required.
 2. If the purchase amount is \$750 or more, the Sponsor shall solicit formal written bids from a minimum of three vendors.
 3. The Sponsor shall maintain sufficient records to detail the significant history of procurement. These records shall include, but are not limited to: rationale for the method of procurement, selection of vendor and basis for the solicited prices. The Sponsor shall encourage the solicitation of quotations for purchases from minority- and women-owned business enterprises.

- D. **INDEMNIFICATION:** The Sponsor shall indemnify and hold harmless the County and its agents and employees from and against all claims, damages, losses, and expenses, including attorney's fees arising out of or resulting from the performance of its work under this Agreement, where such claim, damage, loss, or expense is caused, in whole or in part, by the act or omission of the Sponsor, or anyone directly or indirectly employed by the Sponsor, or anyone for whose acts any of them may be liable, regardless of whether or not it is caused, in part, by a party indemnified there under. In any and all claims against the County, or any of its agents or anyone directly or indirectly employed by the Sponsor, or anyone for whose acts any of them may be liable, indemnification obligation under this paragraph shall not be limited in any way by a limitation on the amount or type of damages, compensation or benefits payable by or for the custodial Sponsor, under workers' compensation acts, or other related policies of insurance. The parties acknowledge specific consideration has been exchanged for this provision.
- E. **AMENDMENTS/MODIFICATIONS TO CONTRACT:** This Agreement, together with any attachments, task assignments, and schedules constitute the entire Agreement between the County and the Sponsor and supersedes all prior written or oral understandings. This Agreement and any attachments, task assignments and schedules may only be amended, supplemented or canceled by a written instrument duly executed by the parties hereto.
- F. **INSURANCE:** The Sponsor, at its own expense, shall keep in force and at all times maintain during the term of this Agreement:
1. **General Liability Insurance:** General Liability Insurance issued by responsible insurance companies and in a form acceptable to the County, with combined single limits of not less than One Million Dollars (\$1,000,000) for Bodily Injury and Property Damage per occurrence.
 2. **Automobile Liability Insurance:** Automobile Liability coverage shall be in the minimum amount of One Million Dollars (\$1,000,000) combined single limits for Bodily Injury and Property Damage per accident (if applicable).
 3. **Workers' Compensation Coverage:** Full and complete Workers' Compensation Coverage, as required by State of Florida law shall be provided.
 4. **Professional Liability Insurance:** Professional liability insurance, in an amount not less than \$1,000,000 per claim, to cover its liabilities arising from activities performed under this Agreement (if applicable).
 5. **Insurance Certificates:** The Sponsor shall provide the County with Certificate(s) of Insurance on all the policies of insurance and renewals thereof in a form(s) acceptable to the County. Said Liability Policies shall provide that the County be an additional insured and that the County shall be notified in writing of any reduction, cancellation or substantial change of policy or policies at least thirty (30) days prior to the effective date of said action. All insurance policies shall be issued by responsible companies who are acceptable to the County and licensed and authorized under the laws of the State of Florida.
- G. **ATTORNEY'S FEES:** In the event of any legal action to enforce the terms of this Agreement each party shall bear its own attorney's fees and costs.
- H. **GOVERNING LAW:** This Agreement shall be governed, interpreted and construed according to the laws of the state of Florida.
- I. **COMPLIANCE WITH STATUTES:** It shall be the Sponsor's responsibility to be aware of and comply with all federal, state and local laws including, but not limited to, applicable HOME requirements and all applicable Brevard County Ordinances.
- J. **COMPLIANCE WITH ADA OF 1990:** The Sponsor must comply with the American with Disabilities Act of 1990 (PL101-336), and all state and local laws requiring physical and program accessibility to people with disabilities, and agrees to defend, hold harmless, and indemnify the County from and against and any and all liability for any noncompliance on the part of the Sponsor.
- K. **VENUE:** Venue for any legal action by any party to this Agreement to interpret, construe or enforce this Agreement shall be in a court of competent jurisdiction in and for Brevard County, Florida and any trial shall be non-jury.
- L. **ASSIGNMENTS:** Sponsor shall not assign any portion of this Agreement without the written permission of the County.
- M. **TERMINATION:** If either party fails or refuses to perform any of the provisions of this agreement or otherwise fails to timely satisfy the agreement provisions, either party may notify the other party in writing of the nonperformance and terminate the agreement or such part of the agreement as to which there has been delay or a failure to properly perform. Such termination is effective upon the party's receipt of the Notice of Termination. Any work completed or services provided prior to the date of termination shall, at

the option of the County, become the property of the County. The County is only responsible for payment for services provided prior to the effective date of termination. The County may also terminate this agreement at any time based upon availability of funds as determined by evaluation of the departmental expenditure goals, compliance with these contract terms, and regulatory compliance by the Director of Housing and Human Services.

XIV. ADMINISTRATIVE REQUIREMENTS:

1. **RIGHT TO AUDIT:** The Sponsor shall keep books, records, and accounts of all activities, related to the Agreement, in compliance with generally accepted accounting procedures. Books, records and accounts related to the performance of this Agreement shall be open to inspection during regular business hours by an authorized representative of the County and shall be retained by the Sponsor for a period of five (5) years after termination of this Agreement. All records shall be delivered to the County after a period of five (5) years after the termination of this Agreement. All records, books and accounts related to the performance of this Agreement shall be subject to the applicable provisions of the Florida Public Records Act, Chapter 119, Florida Statutes. No reports, data, programs or other materials produced, in whole or in part for the benefit and use of the County, under this Agreement shall be subject to copyright by Sponsor in the United States or any other country.
2. **AUDIT REQUIREMENTS:** If the Sponsor is a local government or a non-profit organization as defined in OMB Circular A-133, as revised, and in the event that the Agency expends \$500,000 or more in Federal awards in a fiscal year, the Agency must have a single or program-specific audit conducted in accordance with the Single Audit Act Amendments of 1996, and OMB Circular A-133, as revised. In determining the Federal awards expended in its fiscal year, the Agency shall consider all sources of Federal awards, including Federal resources received from the County. The determination of amounts of Federal awards expended should be in accordance with the guidelines established by OMB Circular A-133, as revised. An audit of the Operating Agency conducted by an independent certified public accountant (IPA) licensed under Chapter 473, Florida Statutes, in accordance with the provisions of OMB Circular A-133, as revised, will meet the requirements of this paragraph. If the Operating Agency expends less than \$500,000 in Federal awards in its fiscal year, an audit conducted in accordance with the provisions of OMB Circular A-133, as revised, is not required. In the event that the Agency expends less than \$500,000 in Federal awards in its fiscal year and elects to have an audit conducted in accordance with the provisions of OMB Circular A-133, as revised, the cost of the audit must be paid from non-Federal resources (i.e., the cost of such audit must be paid from the Operating Agency's resources obtained from other than Federal entities).
 - a. In accordance with OMB Circular A-133, if applicable, the Agency shall submit to the County a copy of the audit and all related responses within 120 days after termination of this Agreement. If unable to meet the audit deadline, the Operating Agency must submit a written request for an extension approval by the Director of Housing & Human Services Department to the following address:

Brevard County Housing and Human Services Department
Ian Golden, Director
2725 Judge Fran Jamieson Way, Building B, Suite 106
Viera, Florida 32940

3. MONITORING:

The County shall monitor the Sponsor's performance annually or as necessary throughout the Agreement period to ensure compliance with all contractual requirements.

- a. The Sponsor shall also provide the County with the records, reports or financial statements upon request for the purposes of auditing and monitoring the funds awarded under this Agreement. The Sponsor is requested to provide copies of any monitoring conducted under this Agreement period, conducted by any agency or agent, and agency responses to such audits or monitoring within 30 days of receipt in order to facilitate county monitoring requirements. All information shall be sent to address as shown above.
- b. The Sponsor shall retain sufficient records demonstrating its compliance with the terms of this Agreement for a period of **five (5)** years from the date the audit report is issued, and shall allow the County or its designee, the Comptroller, or the Funding Agency access to such records upon request. However, if litigation or an audit has been initiated prior to the expiration of the five-year period, the records shall be retained until the litigation or audit findings have been resolved. The agency shall ensure that audit working papers are made available to the County, or its designee, the Comptroller, or Funding Agency upon request for a period of three years from the date the audit report is issued, unless extended in writing by the County.

- c. In the event the audit shows that the entire funds disbursed hereunder, or any portion thereof, were not spent in accordance with the conditions of this Agreement, the Sponsor shall be held liable for reimbursement to the County of all funds not spent in accordance with these applicable regulations and Agreement provisions within thirty (30) days after the County has notified the Sponsor of such noncompliance.

The Sponsor shall monitor client files, within thirty days after the end of each year, to ensure the client is continuing to reside in the home. The Sponsor will monitor all client files. Certified letters will be sent to those applicants requesting proof of residency (i.e. utility bill in their name). The Sponsor will also check the local property appraiser's site to ensure that the client is listed as owner. If the applicant fails to return the requested information, or the property appraiser's site does not list the client as owner, the Sponsor shall notify the County in writing within 60 days after the end of each year.

- XV. **UNAUTHORIZED ALIEN WORKERS:** Brevard County will not intentionally award publicly-funded contracts to any Sponsor who knowingly employs unauthorized alien workers, constituting a violation of the employment provisions contained in 8 U.S.C. Section 1324a(e)(Section 274A(e) of the Immigration and Nationality Act "INA"). The County shall consider a Sponsor's intentional employment of unauthorized aliens as grounds for immediate termination of this Agreement.
- XVI. **FEDERAL TAX ID NUMBER:** The Sponsor shall provide to the County the Sponsor's Federal Tax ID Number or, if the Sponsor is a sole proprietor, a Social Security Number.
- XVII. **CONFLICT OF INTEREST:**
 1. The Sponsor shall not engage the services of any person or persons now employed by the County, including any department, agency, board or commission thereof, to provide services relating to this contract without written consent from the County.
 2. The Sponsor shall not accept gratuities, favors or anything of monetary value from contractors, potential contractors or parties to sub-agreements.
 3. The Sponsor shall not award a contract or subcontract under this Agreement to any company who the Sponsor has a financial or any other interest in, including but not limited to employing an employee of the Contactor or any member of an employee's, agents, or officer's immediate family.
 4. No Sponsor, including officers, employees, agents, consultants or elected or appointed officials, may occupy a unit unless approved by the County.
- XVIII. **PUBLIC ENTITY CRIMES:** A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a Sponsor, supplier, subcontractor, or consultant under a contract with a public entity, and may not transact business with any public entity in excess of the threshold amount provided in s. 287.017 for CATEGORY TWO for a period of thirty six (36) months from the date of being placed on the convicted vendor list.
- XIX. **INFORMATION RELEASE/GRANTOR RECOGNITION:** News releases, publicity releases, or advertisements relating to this Agreement or the tasks or projects associated with the project, shall be submitted in writing to the County and be approved in advance of any release or publication. Any release or advertisement advertising or publicizing the lease shall be approved by the County in advance. Releases shall identify the funding entity as well as the funding source.
- XX. **DEBARMENT AND SUSPENSION:** Brevard County will not intentionally award contracts to any agency or its Sponsors and/or subcontractors that:
 1. Have been debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal, State or local Department or agency;
 2. Have, within a 3-year period preceding this proposal, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

3. Are presently indicted or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (2) above; and
4. Have, within a 3-year period preceding this application/proposal, had one or more public transactions (Federal, State, or local) terminated for cause or default.
5. The Sponsor has provided the County with a Certification Regarding Debarment and Suspension. In accordance with the Certification Regarding Debarment and Suspension, the Sponsor will provide the County with the same document completed for all lower tier covered transactions (i.e., transactions with sub-grantees and/or Sponsors and/or subcontractors) and in all solicitations for lower tier covered transactions in accordance with 45 CFR Part 76.

XXI. CONSTRUCTION OF AGREEMENT: The parties hereby acknowledge that they fully reviewed this Agreement, its attachments and had the opportunity to consult with legal counsel of their choice, and that this Agreement shall not be construed against any party as if they were the drafter of this Agreement.

XXII. SEVERABILITY: If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

XXIII. ATTACHMENTS: In the performance of this Agreement, the Sponsor shall comply with the following attachments: See Attachment A – Scope of Services, Attachment A-1– Program/Workshop Timeline, Attachment B – Brevard County Purchase Assistance Program Policy, Attachment C – Budget, Attachment D – Affirmative Marketing Policy, Attachment E–Home Requirements, Attachment F – Request for Reimbursement Form, Attachment G – Homebuyer Set Up and Completion Form, Attachment H – Data Information Sheet.

NOTICE: Notice under this Agreement shall be given by certified mail or hand delivery as follows: Ian Golden, Director, Housing and Human Services Department, 2725 Judge Fran Jamieson Way, Building B, Suite 106, Viera, FL 32940. Notice shall be given to the Sponsor by certified mail or hand delivery as follows: Community Housing Initiative, Incorporated, 3033 College Wood Drive, Melbourne, Florida 32934.

(Signatures continued on the following page)

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the day and year first above written.

REVIEWED FOR LEGAL FORM AND CONTENT:

By: Rebecca Behl-Hill
Rebecca Behl-Hill, Assistant County Attorney

Date: 6/20/14

ATTEST:

By: Scott Ellis
Scott Ellis, Clerk

Date: JUL 22 2014

BOARD OF COUNTY COMMISSIONERS OF
BREVARD COUNTY, FLORIDA

By: Mary Bolin Lewis
Mary Bolin Lewis

As approved by Board on: JUL 22 2014

WITNESS:

Signature

Name and Title, Typed or Printed

SPONSOR

By: _____
Signature

Date: _____

Name & Title, Typed or Printed

Name of Company

Mailing Address

City, State, Zip

Area Code/Telephone Number

ATTACHMENT A

SCOPE OF SERVICES

The Sponsor shall be responsible for administering the Purchase Assistance Program, Homebuyer Counseling Workshop and Annual Homebuyer Monitoring for Brevard County. The program shall provide down payment, closing costs and, in some cases, rehabilitation assistance to income eligible first time homebuyers, using funds provided by the HOME Investment Partnership Program (HOME). The administration of these programs shall consist of marketing, pre-screening, income and asset verification, loan processing and underwriting, property inspections, rehabilitation work write-up, homebuyer education/counseling, closing document review and preparation and recording secondary mortgages.

The Sponsor shall facilitate a homebuyer education seminar for prospective Homeowners. The seminar shall include but not be limited to; budgeting, housing and debt ratios, the real estate process, shopping for a home, what to expect from a lender and realtor, the closing process, mortgage default prevention, post-closing responsibilities and fair housing. The Sponsor shall conduct additional classes as needed.

The scope of work and procedures to be completed in the administration of the Purchase Assistance Program, Homebuyer Counseling Workshop and Annual Homebuyer Monitoring are as follows:

1. Marketing

The Sponsor shall take affirmative marketing steps to provide information and otherwise attract eligible persons from all racial, ethnic, and gender groups in the housing market area. A wide range of marketing strategies shall be implemented to ensure that eligible persons living County-wide have a reasonable opportunity to be informed about the Purchase Assistance Program opportunities being carried out by the Sponsor.

On an annual basis, Brevard County shall review the Sponsor's marketing efforts to assess strategy effectiveness. After reviewing the Sponsor's marketing efforts the County shall make adjustments to the Sponsor's marketing strategy as determined necessary.

2. Pre-screening

The Sponsor, along with the applicant shall complete the pre-screening questionnaire, either face to face or over the telephone. The Sponsor shall complete the pre-screening questionnaire to determine if the potential applicant fits within the eligibility guidelines. If the potential applicant preliminarily fits within the eligibility guidelines, the Sponsor provides a list of documents to collect. Once the potential applicant has collected the documents, he/she shall be instructed to contact the Sponsor to schedule an intake appointment. This is a one-on-one counseling conducted between potential applicant and the Sponsor.

3. Intake

The Sponsor shall conduct a face to face meeting to discuss in detail, the program requirements and procedures. The applicant then completes the Application for Assistance and release forms and submits the documents he/she collected prior to the appointment. The Sponsor must review all the documents, which include the applicant's credit report and the Good Faith

Estimate (GFE) /Closing Costs Worksheet (CCW). The Sponsor shall contact the loan officer directly if he/she has any questions regarding the content of the GFE/CCW.

During the intake appointment, the Sponsor shall educate the applicant on: (i) Affordability ratios, (ii) The contents of the GFE/CCW, (iii) Affordability of the proposed loan to the applicant's stated income and debts and (iv) PITI and purchase prices. The Sponsor shall also register the applicant for the next available homebuyer counseling workshop.

If there are no credit issues, the Sponsor shall assist the potential buyer with the completion of the application and other required forms. After the intake appointment, the Sponsor shall begin the third party verification process to determine the total household income and assets.

Upon receipt of the completed verifications, the Sponsor shall calculate annual gross household income from the next 12 months per applicable regulations in HUD 24 CFR Section 5.609; HUD Handbook 4350.30, Chapters 3 and 5.

4. Income and Asset Verification

If the applicant's annual gross household income fits within funding guidelines, the Sponsor shall issue a Commitment letter on behalf of Brevard County. The applicant shall execute the Income Certification Form and be provided with his/her affordability ratio calculations. The Sponsor shall ensure the applicant fully understands how the affordability ratio was determined.

5. Loan Processing and Underwriting

During the processing of the first mortgage, the Sponsor shall be available to the loan officer, processors and/or underwriters for technical assistance (if needed) regarding the Purchase Assistance Program. Additionally, the Sponsor shall be available to the homebuyer to assist them with any questions regarding the loan application or loan documents.

6. Homebuyer Education Workshop

All potential homebuyers are required to attend a Homebuyer Counseling Workshop. The Sponsor shall administer the workshop at a minimum of once per month. If the need arises, the Sponsor shall conduct additional classes.

The cost for the workshop shall be \$50 per person or \$75 per household. However, for applicants going through the Purchase Assistance Program, this shall be credited back to the homebuyer on the HUD-1 Settlement Statement, at closing. The Sponsor shall bring a check (made payable to the title company) for the cost of the workshop. It shall show on the HUD-1, as a credit to the homebuyer.

The workshop shall provide potential homebuyers information on: repairing credit; budgeting; hurricane prep; income and debt ratios; pros and cons to homeownership; realistic purchase price and monthly payments, fair housing issues, negotiating the sales offer; home inspections; property maintenance; property insurance; various types of financing options; how to apply for down payment assistance programs and foreclosure prevention.

The workshop shall educate potential buyers on: how to search for a home; how to complete a sales contract; what price should be offered; what to expect from a lender; understanding lender fees; understanding the Good Faith Estimate, the Truth in Lending Document and

mortgage documents; foreclosure prevention; hurricane mitigation; and the rights and responsibilities of the new homeowner.

7. Property Inspection

During intake, the potential homebuyer is required to submit a payment for the home inspection in the amount of \$285.00. If the buyer does not find a home or decides against purchasing, the entire inspection payment is refunded to the potential buyer.

Once a property is identified and a fully executed contract is provided to the sponsor, a home inspection shall be requested. The inspection shall include a wind-mitigation report and a 4-point inspection, in addition to, the full property inspection.

The home inspector shall provide the buyer and the Sponsor with copies of the full report, the wind mitigation and the 4-point inspections. The Sponsor shall review, report, and specify repairs that must be completed in order to meet Brevard County's eligibility requirements. The Sponsor and the homebuyer shall discuss the deficiencies. The Sponsor shall be available to the buyer's real estate agent and the listing agent for any questions or concerns. Prior to reimbursement from Brevard County, a final inspection shall be completed to verify and confirm the specified repairs that were completed.

8. Closing

Once the final inspection is complete, the Sponsor shall send closing instructions to the identified closing company, instructing the company on how to prepare the HUD-1 Settlement Statement as it pertains to the assistance program. The Sponsor shall be available to the title agent and the closing department of the first mortgage lender, for questions regarding the second mortgage.

The Sponsor shall review the preliminary HUD-1 Settlement Statement for accuracy. The Sponsor shall review, verify and confirm: (i) the fees charged on the HUD-1 are in line with what are disclosed on the GFE/CCW; (ii) when the buyer is getting credit for an item (s) paid prior to closing; (iii) the buyer has satisfied the minimum contribution requirement; (iv) the assistance amount is correct; and, (v) recording fees for the second mortgage are included and correct.

The Sponsor shall be available to the buyer during all HUD-1 revisions for questions and/or concerns.

Once the HUD-1 Settlement Statement is approved by the first and second mortgage representatives, the Sponsor shall prepare the closing documents, to include the Note and Mortgage. The Sponsor shall attend the closing with the buyer and shall have the buyer execute all required documents. The Sponsor shall leave the Note and Mortgage with the title company for recording purposes. The Sponsor shall maintain all other second mortgage closing documentation in each homebuyer's file.

9. Monitoring/Follow-Up

The Sponsor shall monitor client files, within thirty days after the end of each year, to ensure the client is continuing to reside in the home. The Sponsor will monitor all client files. Certified letters will be sent to those applicants requesting proof of residency (i.e. utility bill in their

name). The Sponsor will also check the local property appraiser's site to ensure that the client is listed as owner. If the applicant fails to return the requested information, or the property appraiser's site does not list the client as owner, the Sponsor shall notify the County in writing within 60 days after the end of each year.

ATTACHMENT A-1

PROGRAM/WORKSHOP TIMELINE

ACTIVITIES	ESTIMATED TIME OF COMPLETION
1. Application Intake/Assessment	7-10 business days from latest point of contact
2. Housing Counseling	On-going from intake to closing
3. Home Buyer Workshop	1 day (actually 5 hours)
4. Selection of House	14-30 days
5. Inspection	1-3 days (after selection of home)
7. Settlement/Closing	1 day
8. Monitoring	Annually

HOUSING & HUMAN SERVICES DEPARTMENTAL POLICY

	NUMBER: HS-007
TITLE: Brevard County Purchase Assistance Program Policy	CANCELS: April 10, 2007
	APPROVED: <i>Jan. 11, 2011</i>
	ORIGINATOR: Housing & Human Services Department
	REVIEW: As needed

I. OBJECTIVE

This policy is designed to be utilized by the Housing & Human Services Department to implement the Purchasing Assistance Program as approved by SHIP (State Housing Initiatives Partnership Program) administered by FHFC (Florida Housing Finance Corporation) and HOME Investment Partnership Program administered by HUD (U. S. Department of Housing and Urban Development).

These funds are to provide down payment and closing cost assistance to eligible applicants. The income of the eligible applicants must be below 120% of the median income in Brevard County. Assistance provided is in the form of a deferred loan whereby a lien is attached to the property for 10 to 30 years depending upon the amount of assistance at zero percent interest. The policy identifies authority levels for approval and eligibility restrictions, which may exceed federal and state requirements.

II. DEFINITIONS AND REFERENCES

- A. Section 420.907 et seq. Florida Statutes, State Housing Initiatives Partnership Act.
- B. Administrative Rule or Emergency Rule (as determined by state, county or federal declaration) of the Florida Housing Finance Corporation, 67-37 et seq, State Housing Initiatives Partnership Program.
- C. Titles I and II of the Cranston-Gonzales National Affordable Housing Act, Public Law 101-625, HOME Investment Partnership Program.
- D. 24 CFR Part 92, regulations, HOME Investment Partnerships Program.

- E. Procurement Policy, BCC-25 – Policy approved by the Board of County Commissioners establishing a procurement policy in accordance with Florida Statute.
- F. Appeal Procedure – Established procedure and Departmental Policy by which an applicant may make a complaint or appeal a decision made by the Housing and Human Services Department.
- G. Applicant – A person or household who submits a signed and completed Housing and Human Services Department application for assistance.
- H. AMI – Area Median Income – Means the median family income in Brevard County, Florida, adjusted for family size, as published annually by the U.S. Department of Housing and Urban Development
- I. Assets – Assets are defined by Section 8 regulations 24 CFR Part 5 Subpart F 5.603(b). Actual or “imputed” income from assets is included in projected annual income.
- J. CDBG – Community Development Block Grant – A federal program administered by the U.S. Department of Housing and Urban Development which provides grant funds to local and state governments to develop viable urban communities by providing decent housing, human services, infrastructure improvements, activities to eliminate slum and blighted conditions and public facilities for low to moderate income residents and their communities.
- K. Debt – Any obligation that will hinder the Household’s monthly mortgage payment, to include but not be limited to child care, car payments, loans, and child support.
- L. Default - A default shall be the occurrence of any of the following events, and upon that occurrence the Lender may, at the Lender's option, declare all sums secured by the Mortgage to be immediately due and payable.
 - a. Nonperformance by the Borrower of any covenant, agreement, term or condition of the Mortgage, or of the Note, or of any other agreement made by the Borrower with the Lender in connection with such indebtedness, after the Borrower has been given due notice, as described hereafter, by the Lender of such nonperformance;
 - b. Failure of the Borrower to perform any covenant, agreement, term or condition in any instrument creating a lien upon the mortgaged property, or any part thereof, which shall have priority over the lien of the Mortgage;
 - c. The Lender's discovery of the Borrower's failure in any application of the Borrower to the Lender to disclose any fact deemed by the Lender to be material, or the making therein, or in any of the agreements entered into by the Borrower with the Lender (including, but not limited to, the Note

and Mortgage) of any misrepresentation by, on behalf of, or for the benefit of the Borrower; and

- d. If property does not remain the principal residence of the Borrower, or if all or any part of the property or an interest therein is rented, leased, sold or transferred by the Borrower.
- M. Deferred Loan – A no-interest loan to an eligible Household that is forgiven without repayment upon satisfaction of all requirements of the Household's agreement with Brevard County. The Household has an option to repay the loan at any time within the 10 to 30 year lien period without penalties and interest accrual, assuming the loan is not in default at any time. Defaulted loans may be subject to interest penalties.
- N. Department – Housing and Human Services Department.
- O. Eligible Sponsor – A for-profit or non-profit organization meeting the selection criteria set forth by the Brevard County Housing and Human Services Department who executes a contract to provide services to the Purchase Assistance Program.
- P. Fair Housing – Requirements for non-discrimination based on race, color, sex, disability, religion, familial status, or national origin in accordance with Federal Regulations found at 24 CFR 100-146 and State Law FS760.
- Q. First Time Homebuyer – A household that has not owned a home during the last three year period immediately prior to purchase with Purchase Assistance funds, with exception of a person determined to be a displaced homemaker, single parent, or currently owns a substandard unit that cannot be reconstructed on site. (For the purpose of the program a "Home" is considered a conventional home, condominium, or townhouse, or modular home.
- R. General Property Improvements – These improvements include rehabilitation items that are not corrections of health and safety violations, but are improvements that place the unit in a readily maintainable condition.
- S. HOME – Home Investment Partnership Program administered by the U. S. Department of Housing and Urban Development.
- T. Household - "Household" includes all dwelling occupants to include, friends, legal spouse, children and relatives. Occupants not claiming the applicant dwelling as their primary residence should not be included in determination of eligibility if primary residency can be verified outside of the applicant's household for a period of six months or greater prior to the application and the occupant is not a signatory on any deed or mortgage associated with the applicant dwelling.

- If the co-signor is not a spouse, and can document his/her residence at another location, then his/her income is not calculated, however, he/she must sign the security instrument with the County.

- U. HUD – U. S. Department of Housing and Urban Development.
- V. Income – Projected annual income established in compliance with HOME and SHIP regulations, specifically established at 24 CFR Part 5.609.
- W. Ineligible Applicant – Any person currently incarcerated or on probation for an offense which would require them to register; or who must register with the Brevard County Sheriff's Office or the Florida Department of Law Enforcement under Florida Statute 775.13 as a person convicted of a felony in any court of this state or any person who has been convicted in a federal court or any court of a state other than Florida or in any foreign state or country, which crime, if committed in Florida, would be a felony; or any person listed by the Florida Department of Law Enforcement as a sexual predator or a sexual offender as provided for under Florida Statutes 944.606, 944.607, or 944.608. Any household member that is a convicted felon must have his or her Civil Rights restored or must have been pardoned in order to receive assistance.

Those applicants pending disposition will retain their place in the queue and eligibility determination will not be made until final disposition of their case.

- X. Liquid Assets – Liquid assets are those in the possession of the household seeking assistance, which can readily and promptly be turned into cash. Examples include, but are not limited to: Checking Accounts, Savings Accounts, Certificates of Deposit, Treasury Bonds, Money Market Funds, or Savings Bonds. Not included in the liquid asset calculation are funds not readily accessible or specifically resulting from lump sum pension distributions, or other 401K/IRA-type retirement fund accounts designed to enhance social security benefits. Applicant must provide documentation from fund management institution of identification of these assets as intended retirement enhancement funding.
- Y. Minimum Property Standards – Minimum Property Standards establish certain minimum standards for buildings constructed under various HUD programs. The Standards include specific requirements for the durability of such items as doors, windows, painting and wall coverings, kitchen cabinets, and carpeting. The standards ensure that the value of the home is not reduced by the deterioration of these components. (HUD Handbook 4910.1)
- Z. Modular home - Defined as a dwelling which meets the certification process specified in Section 553, Part IV, Florida Statutes and meets the local Building Department code for modular housing. The modular home must have an approved device or seal issued by the Department of Community Affairs.

- AA. Principal Residence – The Household must utilize the property as their primary residence, as established by eligibility for the State Department of Revenue Property Tax Homestead Exemption. The household may not vacate the unit for more than 120 consecutive days in any one calendar year for any reason, other than a hospital or nursing home stay.
- BB. Rehabilitation – All HOME assisted units must meet, at a minimum, the Standard Housing Code approved by Brevard County and the Program’s written rehabilitation standards. Properties must meet local codes, including zoning regulations. The SHIP Program further defines rehabilitation as repairs or improvements that are needed for safe for sanitary habitation, correction of substantial code violation, or the creation of additional living space.
- CC. Repayable Loan – a zero percent interest loan to an eligible Household that is repaid over a 120 month period. The Household has an option to repay the loan at any time within the 10 years lien period without prepayment penalty. Defaulted loans may be subject to interest penalties.
- DD. SHIP – State Housing Initiatives Partnership Program administered by the Florida Housing Finance Corporation.
- EE. Standard Housing Code – Minimum standards for basic equipment and facilities for all buildings intended for occupancy by owner-occupants. Adopted standards are prepared by HUD: Housing Quality Standards and the Southern Building Code Congress International, Inc. and adopted by the Board of County Commissioners. This is also the minimum standard for rehabilitation performed with HOME Program Funds.
- FF. Subordination – the process of placing, ranking, or positioning a mortgage as secondary to the primary mortgage. The Purchase Assistance Program will remain in first or second position.
- GG. Satisfaction – a document recorded with the Clerk of Court removing lien(s) from the property.

III. DIRECTIVES

A. Program Administration

The Brevard County Housing and Human Services Department shall be responsible for the administration and monitoring of the Purchase Assistance Program. At the discretion of the Department, an eligible Sponsor may be selected based upon criteria outlined in Brevard County's Board of County Commissioner approved Citizen Participation Plan and Local Housing Assistance Plans.

B. Eligibility

1. Must be a first time homebuyer as defined by Florida Statute 420.907
2. Applicants must submit a signed and dated application provided by the Housing and Human Services Department. Income eligibility must be verified based on the regulations of the applicable funding source (HOME, CDBG, SHIP, etc) and BOCC approved policies. As funds become available, applicants will be asked to confirm completion of the Purchase Assistance Program Workshop.
3. Upon confirmation of eligibility, and completion of the Income Certification and Housing Assistance Agreement, applicants will receive a Final Award Letter. This Award Letter is valid for 90 days and contingent upon continued eligibility. Applicants will have 90 days from that date to secure a contract and close on a home.
4. During the 90 day period, applicants should submit a Sales Contract and allow 30 days to close the transaction. If unsuccessful after 90 days the applicant will be removed from the list and asked to re-apply at a later date when the program begins to accept new applications.
5. The applicant must meet income of no more than 120% of the Brevard County MSA-median income as provided annually by U.S. Department of Housing & Urban Development.
6. The applicant must occupy residence as a principal residence for the affordability period of 10 to 30 years.
7. The applicant must attend the Department's First Time Homebuyer Workshop as well the Home Maintenance/Foreclosure Prevention Workshop and receive a Certification within one year prior to closing.
8. The applicant may not receive assistance from another down payment assistance program.

However, in consideration of escalating housing costs very low and low income applicants may utilize the Florida Housing Finance Corporation's Assistance Program(s) in conjunction with the Department's Program. Other assistance programs authorized by an instrument of government may be considered by the Department. In these situations, third position can be taken when approved by the BOCC. The Department's Program assistance must only be used to subsidize the remainder of the assistance needed to qualify applicants at the established affordability ratios. At no time will an applicant exceed the maximum amount of assistance determined by the Income Certification and allowed by the applicable state or federal rule(s).

9. Federal Housing Administration, Veterans Administration and Fannie Mae underwriting guidelines will be utilized when determining debt-to-income ratios. Brevard County will utilize the definition of "Affordable" provided in Chapter 420, Florida Statutes, State Housing Initiatives Partnership Program that states:

"...monthly rents or mortgage payments including taxes and insurance do not exceed 30 percent of that amount which represents the percentage of the median annual gross income for the households... However, it is not the intent to limit an individual household's ability to devote more than 30 percent of its income for housing, and housing for which a household devotes more than 30 percent of its income shall be deemed affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30 percent benchmark."

10. If Household is disqualified due to being over-income, the disqualification period will be 6 months from day of notice. At that time, the applicant/household may re-apply when the Program is open to new applicants.
11. The Household's liquid assets may not exceed \$8,000. Liquid assets are defined as, but not limited to: savings accounts, checking accounts, certificates of deposit, treasury bonds, money market funds, savings bonds, etc.
12. Households with a tenant under a sublease agreement must include the net income from the leased in the total household income for SHIP Program assistance.
13. Ineligible Applicants will be counseled on the Department approved Appeal Procedure.
14. Applicants determined to be ineligible due to falsification of application will be disqualified from the Program for two years.
15. Applicants may be assisted only one time for the Purchase Assistance Program.

C. ELIGIBLE PROPERTY

1. Property must be located within Brevard County.
2. Property must be owner occupied or vacant.

3. New or existing property to include lot not to exceed 90% of the Area Median Purchase Price, as provided by Florida Housing Finance Corporation.
4. Property can be a house, townhouse, condominium, modular home or other type of dwelling that can be conveyed by title to be separate from other attached units. Owner association fees must be added to the mortgage payment when determining the final monthly payment.
5. Property and dwelling must meet the Standard Housing Code, Housing Quality Standards and/or any Department approved standards that may exceed the above-listed standards.

D. INELIGIBLE PROPERTY

1. Manufactured homes or mobile homes are ineligible for the program.
2. Property with a resident renter will be deemed ineligible for assistance.

E. FUNDING ALLOCATION

The Purchase Assistance Program is designed to increase the level of affordable home ownership for very low (0-50% AMI), low (51-80% AMI), and moderate (81-120% AMI) income households. Funding for the program is allocated by the HOME-Investment Partnerships Program (U.S. Department of Housing and Urban Development) and State Housing Initiatives Partnership (SHIP) Program (Florida Housing Finance Corporation). The HOME and SHIP Program regulations require all agencies receiving monies use Section 8 program income definitions and guidelines. Additional HOME funding (known as the American Dream Down payment Initiative or ADDI) may follow additional rules or procedures than those outlined in this Policy. ADDI regulations are released on an annual basis from HUD and will be strictly followed by the Program. A summary of ADDI regulations will be available for review upon request.

F. MARKETING

Brevard County will take affirmative marketing steps to provide information and attract eligible persons from all racial, ethnic, and gender groups. A wide range of marketing strategies will be implemented to ensure that eligible persons living County-wide have a reasonable opportunity to be informed about the Purchase Assistance program opportunities being carried out by Brevard County.

On an annual basis, the County will review its marketing efforts to assess strategy effectiveness.

G. AVAILABLE ASSISTANCE

At no time will an applicant exceed the maximum amount of assistance determined by the Income Certification and allowed by the applicable state or federal rule(s).

INCOME LEVEL	ASSISTANCE	LIEN TERMS
0-50% Median Income	\$28,001 - \$36,000	30 Years
51-80% Median Income	\$16,001 - \$28,000	25 years
51-80% Median Income	\$0.00 - \$16,000	10 years
81-120% Median Income	\$0.00 - \$8,000	10 year repayable

H. LOAN ASSISTANCE

1. 81% to 120% Median Income Level

Assistance is in the form of a scheduled repayment loan made over a 10-year period at zero percent interest. The loan must be repaid in full in accordance with the BOCC approved recapture guidelines if the unit is sold, transferred, or is no longer the principal residence of the applicant or spouse during the affordability period. The repayment funds will be utilized to assist other first time homebuyer applicants.

2. 0% to 80% Median Income Level

Assistance provided is in the form of a deferred loan at a zero percent interest rate. The loan must be repaid in full in accordance with the BOCC approved recapture guidelines when the unit is sold, transferred, or is no longer the principal residence of the applicant or spouse during the affordability period. The repayment funds will be utilized to assist other first time homebuyer applicants.

I. APPLICANT'S CASH OBLIGATION

The assistance offered through the Purchase Assistance Program will help families who do not have enough money for down payment and closing cost expenses to purchase homes. Households who are 0% to 50% of median income must provide a minimum of \$500 of their own funds for down payment and closing costs. Households 51% to 120% of

Brevard County will take affirmative marketing steps to provide information and otherwise attract eligible persons from all racial, ethnic, and gender groups in the housing market area. A wide range of marketing strategies will be implemented to ensure that eligible persons living County-wide have a reasonable opportunity to be informed about the first-time home buyer Purchase Assistance program opportunities being carried out by Brevard County.

On an annual basis, the County will review its marketing efforts to assess strategy effectiveness. After each review of the County's marketing efforts the County shall make adjustments to its marketing strategy as determined necessary.

G. AVAILABLE ASSISTANCE

At no time will an applicant exceed the maximum amount of assistance determined by the Income Certification and allowed by the applicable state or federal rule(s).

<u>INCOME LEVEL</u>	<u>ASSISTANCE</u>	<u>LIEN TERMS</u>
0-50% Median Income	\$35,001 - \$45,000 \$28,001 - \$36,000	<u>30 Years</u>
51-80% Median Income	\$16,001 - \$28,000 \$25,001 - \$35,000	<u>25 years</u>
51-80% Median Income	\$0.00 - \$16,000 \$25,000 - \$40,000	<u>10 years</u>
81-120% Median Income	\$10,000 - \$40,000 \$40,000 - \$8,000	<u>10 year repayable</u>

H. LOAN ASSISTANCE

1. 81% to 120% Median Income Level

Assistance is in the form of a scheduled repayment loan made over a 10-year period at zero percent interest. The repayment funds will be utilized to assist other first-time homebuyer clients/applicants. The loan must be repaid in full in accordance with the BOCC approved recapture guidelines. The full amount of the amortized loan shall be immediately repaid if the unit is sold, transferred, or is no longer the principal residence of the applicant or spouse during the affordability period. The repayment funds will be utilized to assist other first time homebuyer applicants.

median income must provide a minimum of \$1,000 for down payment or closing costs.

J. INTAKE/ASSESSMENT

Applications are processed in a first ready, first served basis. Complete application packages are reviewed for initial income and asset eligibility, which may include credit report review and preliminary review of debt ratios.

K. HOUSING COUNSELING/HOME BUYER WORKSHOP

1. Attendance and completion of the designated Brevard County Homebuyer Training Workshop is mandatory. Applicants not fulfilling this requirement will not be eligible to receive funds under this Program. The course is designed to educate the applicant on the program's rules and regulations and all aspects of home ownership, fair housing, and post purchase counseling.
2. Applicants attending the Homebuyer Training Workshop who have special needs/requests must notify the Housing and Human Services Department office or designee 48 hours in advance.
3. The Housing Counseling guidelines, procedures, and policies are available upon request from the Housing and Human Services Department to all interested eligible sponsor applicants, including the process for selection.
4. Applicants are also required to complete a Home Maintenance/Foreclosure Prevention Workshop. Applicants not fulfilling this requirement will not be eligible to receive funds under this Program. The course is designed to educate the applicant on generic cleaning, interior and exterior preventative maintenance, simple home repairs, mold and mildew prevention, pest control, energy efficiency, and foreclosure prevention procedures.

L. SELECTION OF HOUSE/INSPECTION

Once the applicant has completed the Workshop, all of the pending information is verified, and the applicant has been notified of funding availability, the applicant is ready to begin the search for a house. If the applicant decides to build or purchase an existing unit, he/she can do so as long as the property is in Brevard County. The total sales price may not exceed the amount determined by the counselor, and if necessary, the seller must execute a Brevard County provided addendum to the contract. The inspection must include a determination of what repairs or improvements are needed to be in compliance with Standard Housing Code Standards. Inspection of the property will only be

performed if all utilities are turned on. The roof must have a minimum five (5) year life expectancy determined by County approved Inspection and be in working order.

1. New Construction – If the house has been constructed within the last 12 months, a copy of the certificate of occupancy (CO) is required and must be received by the Housing and Human Services office before closing and prior to assistance being provided, a County approved inspection will still be required.
2. Existing Unit – If the house is an existing unit, the home is required to be inspected by the Department or designee to determine that the house meets the Standard Housing Code Standards.
3. Inspection Process – Additional inspection(s) above the County's required inspection of the home is the responsibility of the homebuyer.

M. AGREEMENT

1. Approval of Mortgage – Upon approval of the first mortgage by the primary lending institution, the applicant shall sign an agreement that stipulates the rules and regulations governing the assistance, resale restrictions, and/or transfer of property.
2. All eligible applicants must demonstrate adequate insurance coverage including flood insurance, if so required, for the duration of the construction term and lien.
3. The requirements of the Housing Assistance Agreement will be held bound by the Eligible Property Owner by a mortgage lien placed on the property. The mortgage shall not incur interest, if no default occurs.
5. The length of the mortgage period is determined by the amount of funding used for down payment and closing cost assistance.
6. DEATH OF THE BORROWER. Upon the death of the Borrower, during the mortgage period, the mortgage balance shall become due in full, unless at the time of the borrower's death, a spouse or child qualifies to assume the Borrower's right and responsibilities under this Mortgage, as allowed by law. To exercise this option, the spouse or child shall assume all of the obligations previously assumed by the Borrower and must meet the current income and assets qualifications of Brevard County guidelines. Spouse as used herein shall mean the surviving spouse of the Borrower. Otherwise Brevard County will require repayment of the mortgage balance at the time *the property* is refinanced, sold, or transferred. After 90 days, if no refinance, sale, or transfer of the property occurs, the mortgage balance shall cease to depreciate at the annual

rate and will be frozen at the balance in place on the date of death. If the lien is not paid in full, interest shall accrue at 5% per annum. The lien will continue against the property until repayment plus interest is satisfied.

7. **DEFAULT OF THE BORROWER.** Upon default of the Borrower, the County may, at its option, declare all sums secured by the Mortgage to be immediately due and payable. Otherwise Brevard County will require repayment of the mortgage balance at the time *the property* is refinanced, sold, or transferred. If no refinance, sale or transfer of the property occurs at the time of default of the Owner, the mortgage balance shall cease to depreciate at the annual rate and will be frozen at the balance in place at the date of default. After 90 days, if the lien is not paid in full, interest shall accrue at 5% per annum. The lien will continue against the property until repayment plus interest is satisfied.
8. **No mortgage is considered satisfied until a Satisfaction of Mortgage is recorded with the Clerk of Courts by the Housing and Human Services Department.**

N. TYPES OF MORTGAGES

1. FHA, VA, Conventional, Habitat for Humanity or other, fixed rate, 20, 25, or 30-year mortgages are eligible for assistance in the Purchase Assistance Program.
2. Lease-Purchase, Owner-Financed, or Adjustable Rate Mortgages are not allowed for use by a Purchase Assistance participating in this Program.
3. Mortgages will be evaluated by the Eligible Sponsor and/or Department staff for affordability. A maximum of two points in Origination Fees and Discount Fees are allowable. Interest rates in excess of one (1) percentage point above the average mortgage rate will be returned to the originating mortgage lender for re-negotiation of rate and may be subject to rejection of assistance to the applicant.
4. Total closing costs (excluding pre-paid charges) charged to the buyer may not exceed 5% of the loan amount.

O. SETTLEMENT OR CLOSING

1. Once the loan for the first mortgage is approved and all pre-closing repairs have been completed, the closing agent must provide a Settlement Statement (HUD-1) fourteen (14) working days prior to the closing date (copy of the appraisal report and notification of Brevard County named as Loss Payee on hazard insurance and/or flood insurance must be received before check can be issued). Sponsor or

Program staff will then determine the final loan amount for down payment, closing costs and cash from borrower (if any) and prepare all documents for Brevard County Finance to issue a check.

2. The Eligible Sponsor or Department Staff will prepare the second mortgage and provide it to the closing agent on the settlement date. The second mortgage will contain the total amount for down payment and closing costs.
3. Copies of all documents signed at the closing must be forwarded to the Brevard County Housing & Human Services Department within 21 days.
4. The documents are to be recorded and certified by the closing agent through the Clerk to the Circuit Court.

P. SUBORDINATION OF COUNTY LIENS

1. A borrower requesting a subordination of the County's lien must make this request in writing, indicating the reason for the request. The County Manager or Designee must authorize any subordination requested. Staff will identify for the County Manager or Designee, the current status of the County's equity position, and the equity position if the subordination request is approved.
2. Requests, which include the receipt of cash from the refinancing transaction, will not be considered.
3. Requests that increase the affordability of the housing unit or assist a household with catastrophic medical expenses (for the lien holder or relative of the lien holder) not associated with consumer debt, shall be considered.
4. Applicants must not be in default of the County mortgage.
5. The Homeowner may be charged any recording fees necessary for the subordination.
6. Homeowners assisted under previous versions of this policy with amounts less than \$11,000 and lien terms exceeding 15 years may be satisfied if subordination requests are received that increase the affordability of the home and no cash out is requested.

Q. SATISFACTION OF MORTGAGE

Upon satisfactory completion of the lien terms, a Satisfaction of Mortgage will be completed by the Department on behalf of the Board of County

Commissioners. The original Satisfaction of Mortgage will be mailed to the borrower.

R. FOLLOW-UP

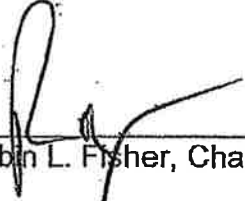
Periodic follow-up contacts with a random sampling of homeowner(s) at 12-month intervals are scheduled by Department Staff to ensure compliance with program guidelines and ascertain additional counseling needs.

S. REQUEST FOR DETERMINATION

When a request is received concerning the status of an existing mortgage lien, whether for purposes of subordination, satisfaction, bankruptcy, or other similar purpose, the Housing and Human Services Department will evaluate the mortgage lien and adopt the current, approved policy. This action may result in amortization of mortgage balance, reduction of lien term, or satisfaction of mortgage.

IV. RESERVATION OF AUTHORITY

The authority to issue or revise this Policy is reserved by the Chairman of the Brevard County Board of County Commissioners.



Robin L. Fisher, Chairman

Brevard County Board of County
Commissioners

As approved by the Board on 1-11-11,
2010

ATTEST:



M. A. Needelman, Clerk

ATTACHMENT C

BUDGET

PURCHASE ASSISTANCE PROGRAM

SOURCE OF FUNDS: BREVARD COUNTY HOME FUNDS

\$300,000.00

USE OF FUNDS: Down Payment & Closing Costs Assistance

% OF MEDIAN	MAXIMUM DOWN PAYMENT	PROJECT DELIVERY FEE	MAXIMUM SUBSIDY TO THE HOMEBUYER	NUMBER ESTIMATED TO CLOSE	TOTAL AMOUNT SPENT, PER INCOME CATEGORY	BALANCE
0-50%	\$ 36,000.00	\$ 2,600.00	\$ 33,400.00	2	\$ 72,000.00	\$ 228,000.00
51-80%	\$ 28,000.00	\$ 2,600.00	\$ 25,400.00	7	\$ 196,000.00	\$ 32,000.00
51-80%	\$ 12,000.00	\$ 2,600.00	\$ 9,400.00	1	\$ 12,000.00	\$ 20,000.00
Total Assisted:				10		

WORKSHOP

SOURCE OF FUNDS: BREVARD COUNTY HOME FUNDS

\$20,000.00

USE OF FUNDS: Purchase Assistance Program Workshop

	COST	BALANCE
Home Buyer Education Seminars; includes: 24 classes (minimum of 1 per month) at 5.5 hours each class Generating copies for each person to receive Advertising the dates and times of classes via flyers Office supplies to furnish the above	\$ 11,580.00	\$ 8,420.00
Staff Time to accomplish the above	\$ 7,220.00	\$ 1,200.00
Fair Housing Component of HBE; includes: Staff from the Fair Housing Continuum to speak at each class, 24	\$ 1,200.00	\$ 0

ATTACHMENT D

AFFIRMATIVE MARKETING POLICY

Rental and homebuyer projects containing 5 or more HOME assisted units must comply with the Affirmative Marketing Policy described below, or an affirmative marketing policy approved by HUD or adopted by a local government if such policy is more restrictive than that which is set forth below or approved by HUD. If a HOME assisted unit is advertised for rental, it will be done in a manner to inform persons who would otherwise not be likely to apply for a unit.

DISSEMINATION OF INFORMATION

The following methods shall be used to inform the public, owners and potential tenants about Federal Fair Housing Laws and the marketing policy of the Brevard County Housing and Community Development Program.

From time to time, developer or owner /sponsor will canvass the eligible areas disseminating program and fair housing information flyers to tenant associations, civic associations, public service agencies, tenant groups, civic and fraternal organizations, churches, housing counseling, consumer affairs, business and non-profit groups.

Public service announcements will be made on radio and television stations. Press releases will be placed in newspapers and other publications circulated widely in target areas.

The Equal Housing Opportunity logo will be used on all printed materials.

OWNER/SPONSOR PRACTICES AND PROCEDURES

Each owner/ sponsor must adhere to the following requirements and practices in order to carry out the affirmative marketing policies of the Brevard County Housing and Community Development Program.

Advertise in circulars and periodicals having wide distribution in target areas. Display leaflets, brochures and other printed materials containing the equal housing logo in conspicuous locations at places frequented by potential tenants and persons least likely to apply for services.

ATTACHMENT E

HOME REQUIREMENTS

- **24 CFR Part 85 ADMINISTRATIVE REQUIREMENTS FOR GRANTS AND COOPERATIVE AGREEMENTS; 24 CFR 85.31 REAL PROPERTY:**
 - (a) Title. Subject to the obligations and conditions set forth in this section, title to real property acquired under a grant or subgrant will vest upon acquisition in the grantee or subgrantee respectively.
 - (b) Use. Except as otherwise provided by Federal statutes, real property will be used for the originally authorized purposes as long as needed for that purposes, and the grantee or subgrantee shall not dispose of or encumber its title or other interests.
 - (c) Disposition. When real property is no longer needed for the originally authorized purpose, the grantee or subgrantee will request disposition instructions from the awarding agency. The instructions will provide for one of the following alternatives:
 - (1) Retention of title. Retain title after compensating the awarding agency. The amount paid to the awarding agency will be computed by applying the awarding agency's percentage of participation in the cost of the original purchase to the fair market value of the property. However, in those situations where a grantee or subgrantee is disposing of real property acquired with grant funds and acquiring replacement real property under the same program, the net proceeds from the disposition may be used as an offset to the cost of the replacement property.
 - (2) Sale of property. Sell the property and compensate the awarding agency. The amount due to the awarding agency will be calculated by applying the awarding agency's percentage of participation in the cost of the original purchase to the proceeds of the sale after deduction of any actual and reasonable selling and fixing-up expenses. If the grant is still active, the net proceeds from sale may be offset against the original cost of the property. When a grantee or subgrantee is directed to sell property, sales procedures shall be followed that provide for competition to the extent practicable and result in the highest possible return.
 - (3) Transfer of title. Transfer title to the awarding agency or to a third-party designated/approved by the awarding agency. The grantee or subgrantee shall be paid an amount calculated by applying the grantee or subgrantee's percentage of participation in the purchase of the real property to the current fair market value of the property.

- **24 CFR PART 87 ANTI-LOBBYING:** No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendments, or modification of any Federal contract, grant, loan, or cooperative agreement.

If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall

complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

- **24 CFR 92.203 INCOME DETERMINATIONS:** The HOME program has income targeting requirements for the HOME program and the HOME projects. Each family must meet the established annual income requirements to participate as a beneficiary in any HOME program or HOME funded project.
 - For families who are tenants in HOME-assisted housing and not receiving HOME tenant-based rental assistance, the participating jurisdiction must initially determine annual income using the method in paragraph (a)(1)(i) of this section. For subsequent income determinations during the period of affordability, the participating jurisdiction may use any one of the following methods in accordance with § 92.252(h):
 1. Examine the source documents evidencing annual income (e.g., wage statement, interest statement, unemployment compensation statement) for the family.
 2. Obtain from the family a written statement of the amount of the family's annual income and family size, along with a certification that the information is complete and accurate. The certification must state that the family will provide source documents upon request.
 3. Obtain a written statement from the administrator of a government program under which the family receives benefits and which examines each year the annual income of the family. The statement must indicate the tenant's family size and state the amount of the family's annual income; or alternatively, the statement must indicate the current dollar limit for very low- or low-income families for the family size of the tenant and state that the tenant's annual income does not exceed this limit.
 - For all other families, the participating jurisdiction must determine annual income by examining the source documents evidencing annual income (e.g., wage statement, interest statement, unemployment compensation statement) for the family.
 - When determining whether a family is income eligible, the participating jurisdiction must use one of the following three definitions of "annual income":
 1. Annual income" as defined at 24 CFR 5.609 (except when determining the income of a homeowner for an owner-occupied rehabilitation project, the value of the homeowner's principal residence may be excluded from the calculation of Net Family Assets); or
 2. Annual Income as reported under the Census long-form for the most recent available decennial Census. This definition includes:
 - Wages, salaries, tips, commissions, etc.;
 - Self-employment income from owned non-farm business, including proprietorships and partnerships;
 - Farm self-employment income;
 - Interest, dividends, net rental income, or income from estates or trusts;
 - Social Security or railroad retirement;

- Supplemental Security Income, Aid to Families with Dependent Children, or other public assistance or public welfare programs;
- Retirement, survivor, or disability pensions; and
- Any other sources of income received regularly, including Veterans' (VA) payments, unemployment compensation, and alimony; or

3. Adjusted gross income as defined for purposes of reporting under Internal Revenue Service (IRS) Form 1040 series for individual Federal annual income tax purposes.

• **24 CFR 92.251 PROPERTY STANDARDS:**

- Housing that is constructed or rehabilitated with HOME funds must meet all applicable local codes, rehabilitation standards, ordinances, and zoning ordinance at the time of project completion. The housing must meet accessibility requirements at 24 CFR part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and covered multifamily dwellings, as defined at 24 CFR 100.201, must also meet the design and construction requirements at 24 CFR 100.205, which implement the Fair Housing Act (42 U.S.C. 3601-3619).
- An owner of rental housing assisted with HOME funds must maintain the housing in compliance with all applicable State and local housing quality standards and code requirements and if there are no such standards or code requirements, the housing must meet the housing quality standards in 24 CFR 982.401.

• **24 CFR 92.252 QUALIFICATION AS AFFORDABLE HOUSING, RENTAL HOUSING:** The HOME-assisted units in a rental housing project must be occupied only by households that are eligible as low-income families and must meet the following requirements to qualify as affordable housing. The affordability requirements also apply to the HOME-assisted non-owner-occupied units in single-family housing purchased with HOME funds in accordance with § 92.254.

a. *Rent limitation.* HUD provides the following maximum HOME rent limits. The maximum HOME rents are the lesser of:

1. The fair market rent for existing housing for comparable units in the area as established by HUD under 24 CFR 888.111; or
2. A rent that does not exceed 30 percent of the adjusted income of a family whose annual income equals 65 percent of the median income for the area, as determined by HUD, with adjustments for number of bedrooms in the unit. The HOME rent limits provided by HUD will include average occupancy per unit and adjusted income assumptions.

b. *Additional Rent limitations.* In rental projects with five or more HOME-assisted rental units, twenty (20) percent of the HOME-assisted units must be occupied by very low-income families and meet one of following rent requirements:

1. The rent does not exceed 30 percent of the annual income of a family whose income equals 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD provides the HOME rent limits which

include average occupancy per unit and adjusted income assumptions. However, if the rent determined under this paragraph is higher than the applicable rent under (a) of this section, then the maximum rent for units under this paragraph is that calculated under paragraph (a).

2. The rent does not exceed 30 percent of the family's adjusted income. If the unit receives Federal or State project-based rental subsidy and the very low-income family pays as a contribution toward rent not more than 30 percent of the family's adjusted income, then the maximum rent (i.e., tenant contribution plus project-based rental subsidy) is the rent allowable under the Federal or State project-based rental subsidy program.
- c. *Initial rent schedule and utility allowances.* The participating jurisdiction must establish maximum monthly allowances for utilities and services (excluding telephone). The participating jurisdiction must review and approve rents proposed by the owner for units subject to the maximum rent limitations in paragraphs (a) or (b) of this section. For all units subject to the maximum rent limitations in paragraphs (a) or (b) of this section for which the tenant is paying utilities and services, the participating jurisdiction must ensure that the rents do not exceed the maximum rent minus the monthly allowances for utilities and services.
 - d. *Nondiscrimination against rental assistance subsidy holders.* The owner cannot refuse to lease HOME-assisted units to a certificate or voucher holder under 24 CFR part 982— Section 8 Tenant-Based Assistance: Unified Rule for Tenant-Based Assistance under the Section 8 Rental Certificate Program and the Section 8 Rental Voucher Program or to the holder of a comparable document evidencing participation in a HOME tenant-based rental assistance program because of the status of the prospective tenant as a holder of such certificate, voucher, or comparable HOME tenant-based assistance document.
 - e. *Periods of Affordability.* The HOME-assisted units must meet the affordability requirements for not less than the applicable period specified in the following table, beginning after project completion. The affordability requirements apply without regard to the term of any loan or mortgage or the transfer of ownership. They must be imposed by deed restrictions, covenants running with the land, or other mechanisms approved by HUD, except that the affordability restrictions may terminate upon foreclosure or transfer in lieu of foreclosure. The participating jurisdiction may use purchase options, rights of first refusal or other preemptive rights to purchase the housing before foreclosure or deed in lieu of foreclosure to preserve affordability. The affordability restrictions shall be revived according to the original terms if, during the original affordability period, the owner of record before the foreclosure, or deed in lieu of foreclosure, or any entity that includes the former owner or those with whom the former owner has or had family or business ties, obtains an ownership interest in the project or property.

. Rental Housing Activity	Minimum period of affordability in years
Rehabilitation or acquisition of existing housing per unit amount of HOME funds: Under \$15,000	5

\$15,000 to \$40,000	10
Over \$40,000 or rehabilitation involving refinancing	15
New Construction or acquisition of newly constructed housing	20

Subsequent rents during the affordability period.

1. The maximum HOME rent limits are recalculated on a periodic basis after HUD determines fair market rents and median incomes. HUD then provides the new maximum HOME rent limits to participating jurisdictions. Regardless of changes in fair market rents and in median income over time, the HOME rents for a project are not required to be lower than the HOME rent limits for the project in effect at the time of project commitment.
2. The participating jurisdiction must provide project owners with information on updated HOME rent limits so that rents may be adjusted (not to exceed the maximum HOME rent limits in paragraph (f)(1) of this section) in accordance with the written agreement between the participating jurisdiction and the owner. Owners must annually provide the participating jurisdiction with information on rents and occupancy of HOME-assisted units to demonstrate compliance with this section.
3. Any increase in rents for HOME-assisted units is subject to the provisions of outstanding leases, and in any event, the owner must provide tenants of those units not less than 30 days prior written notice before implementing any increase in rents.

g. Adjustment of HOME rent limits for a particular project.

1. Changes in fair market rents and in median income over time should be sufficient to maintain the financial viability of a project within the HOME rent limits in this section.
2. HUD may adjust the HOME rent limits for a project, only if HUD finds that an adjustment is necessary to support the continued financial viability of the project and only by an amount that HUD determines is necessary to maintain continued financial viability of the project. HUD expects that this authority will be used sparingly.

h. Tenant income. The income of each tenant must be determined initially in accordance with § 92.203(a)(1)(i). In addition, each year during the period of affordability the project owner must re-examine each tenant's annual income in accordance with one of the options in § 92.203 selected by the participating jurisdiction. An owner of a multifamily project with an affordability period of 10 years or more who re-examines tenant's annual income through a statement and certification in accordance with § 92.203(a)(1)(ii), must examine the income of each tenant, in accordance with § 92.203(a)(1)(i), every sixth year of the affordability period. Otherwise, an owner who accepts the tenant's statement and certification in accordance with § 92.203(a)(1)(ii) is not required to examine the income of tenants in multifamily or single-family projects unless there is evidence that the tenant's written statement failed to completely and accurately state information about the family's size or income.

i. *Over-income tenants.*

1. HOME-assisted units continue to qualify as affordable housing despite a temporary noncompliance caused by increases in the incomes of existing tenants if actions satisfactory to HUD are being taken to ensure that all vacancies are filled in accordance with this section until the noncompliance is corrected.
2. Tenants who no longer qualify as low-income families must pay as rent the lesser of the amount payable by the tenant under State or local law or 30 percent of the family's adjusted income, except that tenants of HOME-assisted units that have been allocated low-income housing tax credits by a housing credit agency pursuant to section 42 of the Internal Revenue Code of 1986 (26 U.S.C. 42) must pay rent governed by section 42. In addition, in projects in which the HOME units are designated as floating pursuant to paragraph (j), tenants who no longer qualify as low-income are not required to pay as rent an amount that exceeds the market rent for comparable, unassisted units in the neighborhood.

j. *Fixed and floating HOME units.* In a project containing HOME-assisted and other units, the participating jurisdiction may designate fixed or floating HOME units. This designation must be made at the time of project commitment. Fixed units remain the same throughout the period of affordability. Floating units are changed to maintain conformity with the requirements of this section during the period of affordability so that the total number of housing units meeting the requirements of this section remains the same, and each substituted unit is comparable in terms of size, features, and number of bedrooms to the originally designated HOME-assisted unit.

• **24 CFR 92.253 TENANT AND PARTICIPANT PROTECTIONS**

- a. Lease. The lease between a tenant and an owner of rental housing assisted with HOME funds must be for not less than one year, unless by mutual agreement between the tenant and the owner.
- b. Prohibited lease terms. The lease may not contain any of the following provisions:
 1. Agreement to be sued. Agreement by the tenant to be sued, to admit guilt, or to a judgment in favor of the owner in a lawsuit brought in connection with the lease;
 2. Treatment of property. Agreement by the tenant that the owner may take, hold, or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties. This prohibition, however, does not apply to an agreement by the tenant concerning disposition of personal property remaining in the housing unit after the tenant has moved out of the unit. The owner may dispose of this personal property in accordance with State law;
 3. Excusing owner from responsibility. Agreement by the tenant not to hold the owner or the owner's agents legally responsible for any action or failure to act, whether intentional or negligent;
 4. Waiver of notice. Agreement of the tenant that the owner may institute a lawsuit without notice to the tenant;
 5. Waiver of legal proceedings. Agreement by the tenant that the owner may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties;

6. Waiver of a jury trial. Agreement by the tenant to waive any right to a trial by jury;
 7. Waiver of right to appeal court decision. Agreement by the tenant to waive the tenant's right to appeal, or to otherwise challenge in court, a court decision in connection with the lease; and
 8. Tenant chargeable with cost of legal actions regardless of outcome.
- **24 CFR 92.254(a)(2)(i) AFFORDABLE HOUSING:** For single family homes that are newly constructed and/or acquired in standard condition (that is, the property meets local codes and standards without additional rehabilitation), the low income buyer's purchase price cannot exceed 95 percent of the median purchase price for the area (24 CFR 92.254(a)(2)(i)).
 - **24 CFR 92.257 FAITH-BASED ORGANIZATIONS:** Faith-based organizations and churches are eligible to participate in the HOME program. The following conditions must be followed:
 - Religious activities must be voluntary. The Developer cannot require a beneficiary to participate in inherently religious activities such as worship or religious instruction.
 - Faith-based organizations are permitted to retain its independence from Federal, state, and local governments to carry out its mission, including the definition, practice, and expression of its religious beliefs, provided that HOME funds do not financially support inherently religious activities. It is acceptable for an organization's Board of Directors to be selected based on religious practice and that religious references in its mission statement and other governing documents are acceptable.
 - Discrimination based on religious affiliation is prohibited. The Developer and his/her agent(s), as applicable) must serve all eligible beneficiaries without regard to religion and may not restrict HOME-assisted housing to people of a particular religion or religious denomination. In addition, the eligibility of an applicant can not be reliant on the applicant's participation in religious activities or programs supported by the religious organization (even if funded with other non-Federal sources).
 - 24 CFR Disposition of real property after the term of the grant, is subject to government-wide regulations governing real property disposition.
 - **92.300 SET-ASIDE FOR COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS (CHDO)**
 - Within 24 months after HUD notifies the participating jurisdiction of HUD's execution of the HOME Investment Partnerships Agreement, the participating jurisdiction must reserve not less than 15 percent of the HOME allocation for investment only in housing to be developed, sponsored, or owned by community housing development organizations. For a State, the HOME allocation includes funds reallocated under § 92.451(c)(2)(i) and, for a unit of general local government, funds transferred from a State under § 92.102(b). The funds are reserved when a participating jurisdiction enters into a written agreement with the community housing development organization. The funds must be provided to a community housing development organization, its subsidiary or a partnership of which it or its subsidiary is the managing general partner. If a CHDO owns the project in partnership, it or its wholly owned for-profit or non-profit subsidiary must be the managing general partner. In acting in any of the capacities specified, the community housing development organization must have effective project control. In addition, a community housing development organization, in connection with housing it develops, sponsors or owns with HOME funds provided under this section, may provide direct

homeownership assistance (e.g. down payment assistance) and not be considered a subrecipient.

- The participating jurisdiction determines the form of assistance, e.g., grant or loan, that the community housing development organization receives and whether any proceeds must be returned to the participating jurisdiction or may be retained by the community housing development organization. While the proceeds the participating jurisdiction permits the community housing development organization to retain are not subject to the requirements of this part, the participating jurisdiction must specify in the written agreement with the community housing development organization whether they are to be used for HOME-eligible or other housing activities to benefit low-income families. However, funds recaptured because housing no longer meets the affordability requirements under § 92.254(a)(5)(ii) are subject to the requirements of this part in accordance with § 92.503.
- Each participating jurisdiction must make reasonable efforts to identify community housing development organizations that are capable, or can reasonably be expected to become capable, of carrying out elements of the jurisdiction's approved consolidated plan and to encourage such community housing development organizations to do so. If during the first 24 months of its participation in the HOME Program a participating jurisdiction cannot identify a sufficient number of capable community housing development organizations, up to 20 percent of the minimum community housing development organization set aside of 15 percent specified in paragraph (a) of this section, above, (but not more than \$150,000 during the 24 month period) may be committed to develop the capacity of community housing development organizations in the jurisdiction.
- Up to 10 percent of the HOME funds reserved under this section may be used for activities specified under § 92.301.
- HOME funds required to be reserved under this section are subject to reduction, as provided in § 92.500(d).
- If funds for operating expenses are provided under § 92.208 to a community housing development organization that is not also receiving funds under paragraph (a) of this section for housing to be developed, sponsored or owned by the community housing development organization, the participating jurisdiction must enter into a written agreement with the community housing development organization that provides that the community housing development organization is expected to receive funds under paragraph (a) of this section within 24 months of receiving the funds for operating expenses, and specifies the terms and conditions upon which this expectation is based.
- Limitation on community housing development organization operating funds. A community housing development organization may not receive HOME funding for any fiscal year in an amount that provides more than 50 percent or \$50,000, whichever is greater, of the community housing development organization's total operating expenses in that fiscal year. This also includes organizational support and housing education provided under section 233(b)(1), (2), and (6) of the Act, as well as funds for operating expenses provided under § 92.208.

- **24 CFR 92.301 PROJECT-SPECIFIC ASSISTANCE TO COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS**

- a. Project-specific technical assistance and site control loans.

1. General. Within the percentage specified in § 92.300(c), HOME funds may be used by a participating jurisdiction to provide technical assistance and site control loans to community housing development organizations in the early stages of site development for an eligible project. These loans may not exceed amounts that the participating jurisdiction determines to be customary and reasonable project preparation costs allowable under paragraph (a)(2) of this section. All costs must be related to a specific eligible project or projects.
2. Allowable costs. A loan may be provided to cover project costs necessary to determine project feasibility (including costs of an initial feasibility study), consulting fees, costs of preliminary financial applications, legal fees, architectural fees, engineering fees, engagement of a development team, option to acquire property, site control and title clearance. General operational expenses of the community housing development organization are not allowable costs.
3. Repayment. The community housing development organization must repay the loan to the participating jurisdiction from construction loan proceeds or other project income. The participating jurisdiction may waive repayment of the loan, in part or in whole, if there are impediments to project development that the participating jurisdiction determines are reasonably beyond the control of the borrower.

- b. Project-specific seed money loans.

1. General. Within the percentage specified in § 92.300(c), HOME funds may be used to provide loans to community housing development organizations to cover preconstruction project costs that the participating jurisdiction determines to be customary and reasonable, including, but not limited to the costs of obtaining firm construction loan commitments, architectural plans and specifications, zoning approvals, engineering studies, and legal fees.
2. Eligible sponsors. A loan may be provided only to a community housing development organization that has, with respect to the project concerned, site control (evidenced by a deed, a sales contract, or an option contract to acquire the property), a preliminary financial commitment, and a capable development team.
3. Repayment. The community housing development organization must repay the loan to the participating jurisdiction from construction loan proceeds or other project income. The participating jurisdiction may waive repayment of the loan, in whole or in part, if there are impediments to project development that the participating jurisdiction determines are reasonably beyond the control of the community housing development organization.

- **24 CFR 92.350 OTHER FEDERAL REQUIREMENTS AND NON DISCRIMINATION:** Non-discrimination based on the protected classes as defined by the federal government.

- **24 CFR 92.351 AFFIRMATIVE MARKETING; MINORITY OUTREACH:** Affirmative marketing procedures must include affirmative marketing steps that consist of actions to provide information and otherwise attract eligible person in the housing market as to the available housing without regard to race, color, national origin, sex, religion, familial status or disability.
- **24 CFR 92.352 ENVIRONMENTAL REVIEW:** The environmental effects of each activity carried out with HOME funds must be assessed in accordance with the provisions of the National Environmental Policy Act of 1969 (NEPA) and the related authorities listed in HUD's implementing regulations at 24 CFR parts 50 and 58.
 - The jurisdiction (e.g., the participating jurisdiction or State recipient) or insular area must assume responsibility for environmental review, decision-making, and action for each activity that it carries out with HOME funds, in accordance with the requirements imposed on a recipient under 24 CFR part 58. No funds may be committed to a HOME activity or project before the completion of the environmental review and approval of the request for release of funds and related certification, except as authorized by 24 CFR part 58.
 - A State participating jurisdiction must also assume responsibility for approval of requests for release of HOME funds submitted by State recipients.
 - HUD will perform the environmental review, in accordance with 24 CFR part 50, for a competitively awarded application for HOME funds submitted to HUD by an entity that is not a jurisdiction.
- **24 CFR 92.353 DISPLACEMENT, RELOCATION, AND ACQUISITION:**
 - a. Minimizing displacement. Consistent with the other goals and objectives of this part, the participating jurisdiction must ensure that it has taken all reasonable steps to minimize the displacement of persons (families, individuals, businesses, nonprofit organizations, and farms) as a result of a project assisted with HOME funds. To the extent feasible, residential tenants must be provided a reasonable opportunity to lease and occupy a suitable, decent, safe, sanitary, and affordable dwelling unit in the building/complex upon completion of the project.
 - b. Temporary relocation. The following policies cover residential tenants who will not be required to move permanently but who must relocate temporarily for the project. Such tenants must be provided:
 1. Reimbursement for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, including the cost of moving to and from the temporarily occupied housing and any increase in monthly rent/utility costs.
 2. Appropriate advisory services, including reasonable advance written notice of:
 - i. The date and approximate duration of the temporary relocation;
 - ii. The location of the suitable, decent, safe, and sanitary dwelling to be made available for the temporary period;
 - iii. The terms and conditions under which the tenant may lease and occupy a suitable, decent, safe, and sanitary dwelling in the building/complex upon completion of the project; and
 - iv. The provisions of paragraph (b)(1) of this section.

- Relocation assistance for displaced persons: A displaced person (defined in paragraph (c)(2) of this section) must be provided relocation assistance at the levels described in, and in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42 U.S.C. 4201-4655) and 49 CFR part 24. A "displaced person" must be advised of his or her rights under the Fair Housing Act and, if the comparable replacement dwelling used to establish the amount of the replacement housing payment to be provided to a minority person is located in an area of minority concentration, the minority person also must be given, if possible, referrals to comparable and suitable, decent, safe, and sanitary replacement dwellings not located in such areas.
- **24 CFR 92.354 LABOR**
 - a. General.
 1. Every contract for the construction (rehabilitation or new construction) of housing that includes 12 or more units assisted with HOME funds must contain a provision requiring the payment of not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act (40 U.S.C. 276a-276a-5), to all laborers and mechanics employed in the development of any part of the housing. Such contracts must also be subject to the overtime provisions, as applicable, of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-332).
 2. The contract for construction must contain these wage provisions if HOME funds are used for any project costs in § 92.206, including construction or no construction costs, of housing with 12 or more HOME-assisted units. When HOME funds are only used to assist homebuyers to acquire single-family housing, and not for any other project costs, the wage provisions apply to the construction of the housing if there is a written agreement with the owner or developer of the housing that HOME funds will be used to assist homebuyers to buy the housing and the construction contract covers 12 or more housing units to be purchased with HOME assistance. The wage provisions apply to any construction contract that includes a total of 12 or more HOME-assisted units, whether one or more than one project is covered by the construction contract. Once they are determined to be applicable, the wage provisions must be contained in the construction contract so as to cover all laborers and mechanics employed in the development of the entire project, including portions other than the assisted units. Arranging multiple construction contracts within a single project for the purpose of avoiding the wage provisions is not permitted.
 3. Participating jurisdictions, contractors, subcontractors, and other participants must comply with regulations issued under these acts and with other Federal laws and regulations pertaining to labor standards and HUD Handbook 1344.1 (Federal Labor Standards Compliance in Housing and Community Development Programs), as applicable. Participating jurisdictions must require certification as to compliance with the provisions of this section before making any payment under such contract.
 - b. Volunteers. The prevailing wage provisions of paragraph (a) of this section do not apply to an individual who receives no compensation or is paid expenses, reasonable benefits, or a nominal fee to perform the services for which the individual volunteered and who is not otherwise employed at any time in the construction work. See 24 CFR part 70.

- c. Sweat equity. The prevailing wage provisions of paragraph (a) of this section do not apply to members of an eligible family who provide labor in exchange for acquisition of a property for homeownership or provide labor in lieu of, or as a supplement to, rent payment.
- **24 CFR 92.355 LEAD BASED PAINT:** Housing assisted with HOME funds is subject to the Lead-Based Paint Poisoning Prevention Act, the Lead-Based Paint Hazard Reduction Act of 1992, and implementing regulations.
 - **24 CFR 92.356 CONFLICT OF INTEREST:** In the procurement of property and services by participating jurisdictions, State recipients, and sub recipients, the conflict of interest provisions in 24 CFR 85.36 and 24 CFR 84.42, respectively, apply. In all cases not governed by 24 CFR 85.36 and 24 CFR 84.42, the provisions of this section apply. (b) *Conflicts prohibited.* No persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to activities assisted with HOME funds or who are in a position to participate in a decision making process or gain inside information with regard to these activities, may obtain a financial interest or benefit from a HOME-assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds hereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

Persons covered. The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the participating jurisdiction, State recipient, or sub recipient which are receiving HOME funds. (d) *Exceptions: Threshold requirements.* Upon the written request of the participating jurisdiction, HUD may grant an exception to the provisions of paragraph (b) of this section on a case-by-case basis when it determines that the exception will serve to further the purposes of the HOME Investment Partnerships Program and the effective and efficient administration of the participating jurisdiction's program or project. An exception may be considered only after the participating jurisdiction has provided the following: (1) A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and (2) An opinion of the participating jurisdiction's or State recipient's attorney that the interest for which the exception is sought would not violate State or local law. (e) *Factors to be considered for exceptions.* In determining whether to grant a requested exception after the participating jurisdiction has satisfactorily met the requirements of paragraph (d) of this section, HUD will consider the cumulative effect of the following factors, where applicable: (1) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available; (2) Whether the person affected is a member of a group or class of low-income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class; (3) Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision making process with respect to the specific assisted activity in question; (4) Whether the interest or benefit was present before the affected person was in a position as described in paragraph (c) of this section; (5) Whether undue hardship will result either to the participating jurisdiction or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and (6) Any other relevant considerations. (f) *Owners and Developers.* (1) No owner, developer or sponsor of a project assisted with HOME funds (or officer, employee, agent, elected or appointed official or consultant of the owner, developer or sponsor) whether private, for-profit or non-profit (including a

community housing development organization (CHDO) when acting as an owner, developer or sponsor) may occupy a HOME-assisted affordable housing unit in a project. This provision does not apply to an individual who receives HOME funds to acquire or rehabilitate his or her principal residence or to an employee or agent of the owner or developer of a rental housing project who occupies a housing unit as the project manager or maintenance worker. (2) *Exceptions*. Upon written request of a housing owner or developer, the participating jurisdiction (or State recipient, if authorized by the State participating jurisdiction) may grant an exception to the provisions of paragraph (f) (1) of this section on a case-by-case basis when it determines that the exception will serve to further the purposes of the HOME program and the effective and efficient administration of the owner's or developer's HOME-assisted project. In determining whether to grant a requested exception, the participating jurisdiction shall consider the following factors:

(i) Whether the person receiving the benefit is a member of a group or class of low-income persons intended to be the beneficiaries of the assisted housing, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;(ii) Whether the person has withdrawn from his or her functions or responsibilities, or the decision making process with respect to the specific assisted housing in question;(iii) Whether the tenant protection requirements of § 92.253 are being observed;(iv) Whether the affirmative marketing requirements of § 92.351 are being observed and followed; and(v) Any other factor relevant to the participating jurisdiction's determination, including the timing of the requested exception.

- **24 CFR 92.503 (b) REPAYMENTS:** Repayment of any HOME funds invest in housing that does not meet the affordability requirements for the period specified or a project that is terminated before completion for whatever reason, must be repaid by the Developer back to the County.
- **24 CFR 92.504 PARTICIPATING JURISDICTION RESPONSIBILITIES; WRITTEN AGREEMENTS; ON-SITE INSPECTION:**
 - a. Responsibilities. The participating jurisdiction is responsible for managing the day to day operations of its HOME program, ensuring that HOME funds are used in accordance with all program requirements and written agreements, and taking appropriate action when performance problems arise. The use of State recipients, subrecipients, or contractors does not relieve the participating jurisdiction of this responsibility. The performance of each contractor and subrecipient must be reviewed at least annually.
 - b. Executing a written agreement. Before disbursing any HOME funds to any entity, the participating jurisdiction must enter into a written agreement with that entity. Before disbursing any HOME funds to any entity, a State recipient, subrecipient, or contractor which is administering all or a part of the HOME program on behalf of the participating jurisdiction, must also enter into a written agreement with that entity. The written agreement must ensure compliance with the requirements of this part.
 - c. Provisions in written agreements. The contents of the agreement may vary depending upon the role the entity is asked to assume or the type of project undertaken. This section details basic requirements by role and the minimum provisions that must be included in a written agreement.

1. State recipient. The provisions in the written agreement between the State and a State recipient will depend on the program functions that the State specifies the State recipient will carry out in accordance with § 92.201(b).
 - i. Use of the HOME funds. The agreement must describe the use of the HOME funds, including the tasks to be performed, a schedule for completing the tasks, and a budget. These items must be in sufficient detail to provide a sound basis for the State to effectively monitor performance under the agreement.
 - ii. Affordability. The agreement must require housing assisted with HOME funds to meet the affordability requirements of § 92.252 or § 92.254, as applicable, and must require repayment of the funds if the housing does not meet the affordability requirements for the specified time period.
 - iii. Program income. The agreement must state if program income is to be remitted to the State or to be retained by the State recipient for additional eligible activities.
 - iii. Uniform administrative requirements. The agreement must require the State recipient to comply with applicable uniform administrative requirements, as described in § 92.505.
 - iv. Project requirement. The agreement must require compliance with project requirements in subpart F of this part, as applicable in accordance with the type of project assisted.
 - v. Other program requirements. The agreement must require the State recipient to carry out each activity in compliance with all Federal laws and regulations described in subpart H of this part, except that the State recipient does not assume the State's responsibilities for release of funds under § 92.352 and the intergovernmental review process in § 92.357 does not apply to the State recipient.
 - vi. Affirmative marketing. The agreement must specify the State recipient's affirmative marketing responsibilities in accordance with § 92.351, if the HOME funds received by the State recipient will be used for housing containing five or more assisted units.
 - vii. Requests for disbursement of funds. The agreement must specify that the State recipient may not request disbursement of HOME funds under this agreement until the funds are needed for payment of eligible costs. The amount of each request must be limited to the amount needed. Program income must be disbursed before the State recipient requests funds from the State.
 - viii. Records and reports. The agreement must specify the particular records that must be maintained and the information or reports that must be submitted in order to assist the State in meeting its recordkeeping and reporting requirements.
 - ix. Enforcement of the agreement. The agreement must provide for a means of enforcement of affordable housing requirements by the State or the intended beneficiaries, if the State recipient will be the owner at project completion of the affordable housing. The means of enforcement may include liens on real property,

deed restrictions, or covenants running with the land. The affordability requirements in § 92.252 must be enforced by deed restriction. In addition, the agreement must specify remedies for breach of the HOME requirements. The agreement must specify that, in accordance with 24 CFR 85.43, suspension or termination may occur if the State recipient materially fails to comply with any term of the agreement. The State may permit the agreement to be terminated for convenience in accordance with 24 CFR 85.44.

- x. If the State recipient provides funds to for-profit owners or developers, nonprofit owners or developers, subrecipients, homeowners, homebuyers, tenants receiving tenant-based rental assistance, or contractors who are providing services to the State recipient, the State recipient must have a written agreement with such entities which meets the requirements of this section.
- xi. Duration of the agreement. The duration of the agreement will depend on which functions the State recipient performs (e.g., whether the State recipient or the State has responsibility for monitoring rental projects for the period of affordability) and which activities are funded under the agreement.
 - 1. Subrecipient. A subrecipient is a public agency or nonprofit selected by the participating jurisdiction to administer all or a portion of the participating jurisdiction's HOME Program. The agreement between the participating jurisdiction and the subrecipient must include:
 - xii. Use of the HOME funds. The agreement must describe the use of the HOME funds, including the tasks to be performed, a schedule for completing the tasks, a budget, and the period of the agreement. These items must be in sufficient detail to provide a sound basis for the participating jurisdiction effectively to monitor performance under the agreement.
 - xiii. Program income. The agreement must state if program income is to be remitted to the participating jurisdiction or to be retained by the subrecipient for additional eligible activities.
 - xiv. Uniform administrative requirements. The agreement must require the subrecipient to comply with applicable uniform administrative requirements, as described in § 92.505.
 - xv. Other program requirements. The agreement must require the subrecipient to carry out each activity in compliance with all Federal laws and regulations described in subpart H of this part, except that the subrecipient does not assume the participating jurisdiction's responsibilities for environmental review under § 92.352 and the intergovernmental review process in § 92.357 does not apply.
 - xvi. Affirmative marketing. The agreement must specify the subrecipient's affirmative marketing responsibilities in accordance with § 92.351, if the HOME funds administered by the subrecipient will be used for housing containing five or more assisted units.

- xvii. Requests for disbursement of funds. The agreement must specify that the subrecipient may not request disbursement of funds under the agreement until the funds are needed for payment of eligible costs. The amount of each request must be limited to the amount needed. Program income must be disbursed before the subrecipient requests funds from the participating jurisdiction.
 - xviii. Reversion of assets. The agreement must specify that upon expiration of the agreement, the subrecipient must transfer to the participating jurisdiction any HOME funds on hand at the time of expiration and any accounts receivable attributable to the use of HOME funds.
 - xix. Records and reports. The agreement must specify the particular records that must be maintained and the information or reports that must be submitted in order to assist the participating jurisdiction in meeting its recordkeeping and reporting requirements.
 - xx. Enforcement of the agreement. The agreement must specify remedies for breach of the provisions of the agreement. The agreement must specify that, in accordance with 24 CFR 85.43, suspension or termination may occur if the subrecipient materially fails to comply with any term of the agreement. The participating jurisdiction may permit the agreement to be terminated for convenience in accordance with 24 CFR 85.44.
 - xxi. If the subrecipient provides HOME funds to for-profit owners or developers, nonprofit owners or developers, subrecipients, homeowners, homebuyers, tenants receiving tenant-based rental assistance, or contractors, the subrecipient must have a written agreement which meets the requirements of this section.
2. For-profit or nonprofit housing owner, sponsor or developer (other than single-family owner-occupant).
- i. Use of the HOME funds. The agreement between the participating jurisdiction and a for-profit or non-profit housing owner, sponsor or developer must describe the use of the HOME funds, including the tasks to be performed, a schedule for completing the tasks, and a budget. These items must be in sufficient detail to provide a sound basis for the participating jurisdiction to effectively monitor performance under the agreement.
 - ii. Affordability. The agreement must require housing assisted with HOME funds to meet the affordability requirements of § 92.252 or § 92.254, as applicable, and must require repayment of the funds if the housing does not meet the affordability requirements for the specified time period. If the owner or developer is undertaking rental projects, the agreement must establish the initial rents and the procedures for rent increases. If the owner or developer is undertaking homeownership projects for sale to homebuyers in accordance with § 92.254(a), the agreement must set forth the resale or recapture requirements which must be imposed on the housing.
 - iii. Project requirements. The agreement must require compliance with project requirements in subpart F of this part, as applicable in accordance with the type of project assisted.

- iv. Property standards. The agreement must require the housing to meet the property standards in § 92.251 and the lead-based paint requirements in part 35, subparts A, B, J, K, M and R of this title, upon project completion. The agreement must also require owners of rental housing assisted with HOME funds to maintain the housing in compliance with § 92.251 for the duration of the affordability period.
- v. Other program requirements. The agreement must require the owner, developer or sponsor to carry out each project in compliance with the following requirements of subpart H of this part:
 - 1. If the project contains 5 or more HOME-assisted units, the agreement must specify the owner or developer's affirmative marketing responsibilities as enumerated by the participating jurisdiction in accordance with § 92.351.
 - 2. The federal requirements and nondiscrimination established in § 92.350.
 - 3. Any displacement, relocation, and acquisition requirements imposed by the participating jurisdiction consistent with § 92.353.
 - 4. The labor requirements in § 92.354.
 - 5. The conflict of interest provisions prescribed in § 92.356(f).
- vi. Records and reports. The agreement must specify the particular records that must be maintained and the information or reports that must be submitted in order to assist the participating jurisdiction in meeting its recordkeeping and reporting requirements.
- vii. Enforcement of the agreement. The agreement must provide for a means of enforcement of the affordable housing requirements by the participating jurisdiction or the intended beneficiaries. This means of enforcement may include liens on real property, deed restrictions or covenants running with the land. The affordability requirements in § 92.252 must be enforced by deed restriction. In addition, the agreement must specify remedies for breach of the provisions of the agreement.
- viii. Requests for disbursement of funds. The agreement must specify that the developer may not request disbursement of funds under the agreement until the funds are needed for payment of eligible costs. The amount of each request must be limited to the amount needed.
- ix. Duration of the agreement. The agreement must specify the duration of the agreement. If the housing assisted under this agreement is rental housing, the agreement must be in effect through the affordability period required by the participating jurisdiction under § 92.252. If the housing assisted under this agreement is homeownership housing, the agreement must be in effect at least until completion of the project and ownership by the low-income family.
- x. Community housing development organization provisions. If the nonprofit owner or developer is a community housing development organization and is using set-aside

funds under § 92.300, the agreement must include the appropriate provisions under §§ 92.300 and 92.301.

1. Contractor. The participating jurisdiction selects a contractor through applicable procurement procedures and requirements. The contractor provides goods or services in accordance with a written agreement (the contract). For contractors who are administering all or a portion of the HOME program, the contract must include at a minimum the following provisions:
 - xi. Use of the HOME funds. The agreement must describe the use of the HOME funds, including the tasks to be performed, a schedule for completing the tasks, a budget, and the length of the agreement.
 - xii. Program requirements. The agreement must provide that the contractor is subject to the requirements in Part 92 that are applicable to the participating jurisdiction, except §§ 92.505 and 92.506 do not apply, and the contractor cannot assume the participating jurisdiction responsibilities for environmental review, decision making, and action under § 92.352. Where the contractor is administering only a portion of the program, the agreement must list the requirements applicable to the activities the contractor is administering.
 - xiii. Duration of agreement. The agreement must specify the duration of the contract. Generally, the duration of a contract should not exceed two years.
 1. Homebuyer, homeowner or tenant receiving tenant-based rental or security deposit assistance. When a participating jurisdiction provides assistance to a homebuyer, homeowner or tenant the written agreement may take many forms depending upon the nature of assistance. As appropriate, it must include as a minimum:
 - a. For homebuyers, the agreement must conform to the requirements in § 92.254(a), the value of the property, principal residence, lease-purchase, if applicable, and the resale or recapture provisions. The agreement must specify the amount of HOME funds, the form of assistance, e.g., grant, amortizing loan, deferred payment loan, the use of the funds (e.g., down-payment, closing costs, rehabilitation) and the time by which the housing must be acquired.
 - b. For homeowners, the agreement must conform to the requirements in § 92.254(b) and specify the amount and form of HOME assistance, rehabilitation work to be undertaken, date for completion, and property standards to be met.
 - c. For tenants, the rental assistance contract or the security deposit contract must conform to §§ 92.209 and 92.253.
 - d. On site inspections.

3. HOME assisted rental housing. During the period of affordability, the participating jurisdiction must perform on-site inspections of HOME-assisted rental housing to determine compliance with the property standards of § 92.251 and to verify the information submitted by the owners in accordance with the requirements of § 92.252 no less than: every three years for projects containing 1 to 4 units; every two years for projects containing 5 to 25 units; and every year for projects containing 26 or more units. Inspections must be based on a sufficient sample of units.

- **24 CFR PART 100 DISCRIMINATORY CONDUCT UNDER THE FAIR HOUSING ACT:** This act states that the following practices are prohibited: It is unlawful to refuse to sell or rent, or to negotiate for sale or rent, based on the protected classes. It is unlawful to discriminate in terms, conditions and privileges, services, and facilities. It is unlawful to discriminate in advertisements, statements, and notices.
- **24 CFR 107.10:** This regulation refers to the requirements of Executive Order 11063 – that all actions necessary and appropriate be taken to prevent discrimination because of race, color, religion, sex, and national origin in the sale, rental, leasing, or other disposition of residential property and related facilities, or in the use or occupancy thereof where such property or facilities are owned or operated by Federal Government or provided with federal assistance by the Department of Housing and Urban Development, and in the lending practices with respect to residential property and related facilities of lending institutions insofar as such practices relate to loans insured, guaranteed or purchased by the Department.
- **24 CFR 983.57 (e) SITE SELECTION STANDARDS; NEW CONSTRUCTION:** a site for newly constructed housing must meet the following site and neighborhood standards:
 - (1) The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed, and adequate utilities (water, sewer, gas, and electricity) and streets must be available to service the site.
 - (2) The site must not be located in an area of minority concentration, except as permitted under paragraph (e)(3) of this section, and must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
 - (3) A project may be located in an area of minority concentration only if:
 - (i) Sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration (see paragraph (e)(3)(iii), (iv), and (v) of this section for further guidance on this criterion); or
 - (ii) The project is necessary to meet overriding housing needs that cannot be met in that housing market area (see paragraph (e) (3)(vi)) of this section for further guidance on this criterion).
 - (iii) As used in paragraph (e)(3)(i) of this section, sufficient does not require that in every locality there be an equal number of assisted units within and outside of areas of minority concentration. Rather, application of this standard should produce a reasonable distribution of assisted units each year that, over a period of several years, will approach an appropriate balance of housing choices within and outside areas of minority concentration. An appropriate balance in any jurisdiction must be determined in light of local conditions affecting the range of housing choices available for low-income minority families and in relation to the racial mix of the locality's population.
 - (iv) Units may be considered comparable opportunities, as used in paragraph (e)(3)(i) of this section, if they have the same household type (elderly, disabled, family, large family) and tenure

type (owner/renter); require approximately the same tenant contribution towards rent; serve the same income group; are located in the same housing market; and are in standard condition.

(v) Application of this sufficient, comparable opportunities standard involves assessing the overall impact of HUD-assisted housing on the availability of housing choices for low-income minority families in and outside areas of minority concentration, and must take into account the extent to which the following factors are present, along with other factors relevant to housing choice:

(A) A significant number of assisted housing units are available outside areas of minority concentration.

(B) There is significant integration of assisted housing projects constructed or rehabilitated in the past 10 years, relative to the racial mix of the eligible population.

(C) There are racially integrated neighborhoods in the locality.

(D) Programs are operated by the locality to assist minority families that wish to find housing outside areas of minority concentration.

(E) Minority families have benefited from local activities (e.g., acquisition and write-down of sites, tax relief programs for homeowners, acquisitions of units for use as assisted housing units) undertaken to expand choice for minority families outside of areas of minority concentration.

(F) A significant proportion of minority households have been successful in finding units in non-minority areas under the tenant-based assistance programs.

(G) Comparable housing opportunities have been made available outside areas of minority concentration through other programs.

(vi) Application of the overriding housing needs criterion, for example, permits approval of sites that are an integral part of an overall local strategy for the preservation or restoration of the immediate neighborhood and of sites in a neighborhood experiencing significant private investment that is demonstrably improving the economic character of the area (a revitalizing area). An overriding housing need, however, may not serve as the basis for determining that a site is acceptable, if the only reason the need cannot otherwise be feasibly met is that discrimination on the basis of race, color, religion, sex, national origin, age, familial status, or disability renders sites outside areas of minority concentration unavailable or if the use of this standard in recent years has had the effect of circumventing the obligation to provide housing choice.

(4) The site must promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.

(5) The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate, unless there is actively in progress a concerted program to remedy the undesirable conditions.

(6) The housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents.

(7) Except for new construction, housing designed for elderly persons, travel time, and cost via public transportation or private automobile from the neighborhood to places of employment providing a range of jobs for lower-income workers, must not be excessive.

- **AFFIRMATIVE MARKETING:** The Developer will actively market the units to segments of the population that might otherwise not apply for the available housing. For any homeownership or rental projects that have five (5) or more HOME-assisted units, the Developer must comply with applicable provisions of 24 CFR 92.351(a)(1). Affirmative marketing of the units must continue throughout the affordability period.

- **AMERICANS WITH DISABILITIES ACT (ADA) TITLE II:** ADA prohibits discrimination against persons with disabilities in all programs, activities, and services of a public entity.
- **AGE DISCRIMINATION:** The Age Discrimination in Employment Act of 1967 (ADEA) protects individuals who are forty (40) years of age or older from employment discrimination based on age.
- **CONFLICT OF INTEREST:** No owner, developer, or sponsor of a project assisted with HOME funds. Whether private, for-profit, or non-profit (including CHDOs) may occupy a HOME assisted affordable housing unit in a project without the express written permission of the County. In addition, no officer, employee, agent, or consultant of the owner, developer, or sponsor may occupy a HOME assisted unit.
- **CONTRACT WORK HOURS AND SAFETY STANDARDS ACT:** This Act, as amended, must be followed by the Developer. Mechanics and laborers employed on federally assisted construction projects are paid time and one-half for work in excess of forty (40) hours per week and provides for the payment of liquidated damages where violations occur. All required safe and healthy working conditions identified in the Act must be followed.
- **COPELAND (ANTI-KICKBACK) ACT (40 USC 276c):** This act governs the deductions from the paychecks that are allowable. Under this law, it is a criminal offense to induce anyone employed on a federally assisted project to relinquish any compensation to which the employee is entitled and requires all contractors to submit weekly payrolls and statements of compliance.
- **DAVIS BACON:** In accordance with 24 CFR 92.354 (a), for construction or rehabilitation projects with twelve (12) or more HOME-assisted units, the requirements of the Davis-Bacon Federal Labor Act (40 USC 276a-276a-5) must be followed. The Developer must agree to the payment of not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor under the Davis-Bacon Act. The Developer must also agree to contain these wage provisions in all contracts for construction for the project.
- **EXECUTIVE ORDER 11063 AND 12259:** Addresses equal opportunity in housing, and implementing regulations at 24 CFR Part 107. These Executive Orders prohibit discrimination against individuals on the basis of race, color, religion, sex, and national origin in the sale, rental, leasing or other disposition of residential property, or in the use or occupancy of housing assisted with Federal funds.
- **EXECUTIVE ORDER 11246:** The Developer will not discriminate against any employee or applicant for employment because of race, color, religion, gender, or national origin.
- **FAIR LABOR STANDARDS ACT of 1938:** This Act, as amended, establishes the basic minimum wage for all work and requires the payment of overtime at the rate of at least time and one-half. Developers are also required to make the payment of wages for the entire time that an employee is required or permitted to work and established child labor standards.
- **NONDISCRIMINATION IN FEDERALLY ASSISTED PROGRAMS OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT-EFFECTUATION IF TITLE VI OF THE CIVIL RIGHTS**

ACTS OF 1964 PART 1: The purpose of this Part 1 effectuate the provisions of Title VI of the Civil Rights Act of 1964 to that end no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination under any program or activity receiving Federal financial assistance from the Department of Housing and Urban Development (HUD).

- **OMB CIRCULAR A-22 – COST PRINCIPLES FOR NON-PROFIT ORGANIZATIONS:** Refers to “Cost Principles for Non-Profit Organizations” as stated in the Federal Register regarding allowable costs.
- **SECTION 3:** Created by Housing and Urban Development Act of 1968, Section 3 applies to public and Indian housing program, housing and community development programs, and other Federal and HUD assistance. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD financial assistance shall, to the greatest extent feasible, be directed to low-and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low and very low income person.
- **SECTION 504 OF THE REHABILITATION ACT AND IMPLEMENTING REGULATIONS AT 24 CFR PART 8:** Prohibits discrimination based on disability in all programs or activities operated by recipients of Federal financial assistance.
- **Subpart A, Section 92.2 of the HOME Final Rule:** The Developer, if designated as a Community Development Organization (CHDO), shall meet the definition and requirements set forth by HUD.
- **TITLE II OF THE CIVIL RIGHTS ACT OF 1964:** Title VII prohibits employment discrimination based on race, color, religion, sex, and national origin.

- **24 CFR 91.225: CERTIFICATIONS:**

(a) General. The following certifications, satisfactory to HUD, must be included in the annual submission to HUD. (See definition of certification in 91.5.)

(1) Affirmatively furthering fair housing. Each jurisdiction is required to submit a certification that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.

(2) Anti-displacement and relocation plan. Each jurisdiction is required to submit a certification that it has in effect and is following a residential antidisplacement and relocation assistance plan in connection with any activity assisted with funding under the CDBG or HOME programs.

(3) Anti-lobbying. The jurisdiction must submit a certification with regard to compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.

(4) Authority of jurisdiction. The jurisdiction must submit a certification that the consolidated plan is authorized under State and local law (as applicable) and that the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

(5) Consistency with plan. The jurisdiction must submit a certification that the housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan. Where the HOPWA funds are to be received by a city that is the most populous unit of general local government in an EMSA, it must obtain and keep on file certifications of consistency from the authorized public officials for each other locality in the EMSA in which housing assistance is provided.

(6) Acquisition and relocation. The jurisdiction must submit a certification that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24.

(7) Section 3. The jurisdiction must submit a certification that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.

(b) Community Development Block Grant program. For jurisdictions that seek funding under CDBG, the following certifications are required:

(1) Citizen participation. Each jurisdiction must certify that it is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 91.105.

(2) Community development plan. A certification that this consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objective of the statute authorizing the CDBG program, as described in 24 CFR 570.2, and requirements of this part and 24 CFR part 570.

(3) Following a plan. A certification that the jurisdiction is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.

(4) Use of funds. A certification that the jurisdiction has complied with the following criteria:

(i) With respect to activities expected to be assisted with CDBG funds, the Action Plan has been developed so as to give the maximum feasible priority to activities that will benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight. The plan may also include CDBG-assisted activities that are certified to be designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs;

(ii) The aggregate use of CDBG funds, including section 108 guaranteed loans, during a period specified by the jurisdiction, consisting of one, two, or three specific consecutive program years, shall principally benefit low- and moderate-income families in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period (see 24 CFR 570.3 for definition of CDBG funds); and

(iii) The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if CDBG funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

(5) Excessive force. A certification that the jurisdiction has adopted and is enforcing:

(i) A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and

(ii) A policy of enforcing applicable State and local laws against physically barring entrance to or exit from, a facility or location that is the subject of such non-violent civil rights demonstrations within its jurisdiction.

(6) Compliance with anti-discrimination laws. The jurisdiction must submit a certification that the grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.

(7) Compliance with lead-based paint procedures. The jurisdiction must submit a certification that its activities concerning lead-based paint will comply with the requirements of part 35, subparts A, B, J, K, and R of this title.

(8) Compliance with laws. A certification that the jurisdiction will comply with applicable laws.

(c) Emergency Shelter Grant program. For jurisdictions that seek funding under the Emergency Shelter Grant program, the following certifications are required:

(1) In the case of assistance involving major rehabilitation or conversion, the applicant will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for not less than a 10-year period;

(2) In the case of assistance involving rehabilitation less than that covered under paragraph (d)(1) of this section, the applicant will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for not less than a three-year period;

(3) In the case of assistance involving essential services (including but not limited to employment, health, drug abuse, or education) or maintenance, operation, insurance, utilities and furnishings, the applicant will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure as long as the same general population is served;

(4) Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary;

(5) It will assist homeless individuals in obtaining appropriate supportive services, including permanent housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living, and other Federal, State, local, and private assistance available for such individuals;

(6) It will obtain matching amounts required under 576.71 of this title;

(7) It will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project except with the written authorization of the person responsible for the operation of that shelter;

(8) To the maximum extent practicable, it will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under this program, in providing services assisted under the program, and in providing services for occupants of facilities assisted under the program; and

(9) It is following a current HUD-approved consolidated plan (or CHAS).

(10) A certification that the jurisdiction has established a policy for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons.

(d) HOME program. Each participating jurisdiction must provide the following certifications:

(1) If it plans to use HOME funds for tenant-based rental assistance, a certification that rental-based assistance is an essential element of its consolidated plan;

(2) A certification that it is using and will use HOME funds for eligible activities and costs, as described in 92.205 through 92.209 of this subtitle and that it is not using and will not use HOME funds for prohibited activities, as described in 92.214 of this subtitle; and

(3) A certification that before committing funds to a project, the participating jurisdiction will evaluate the project in accordance with guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other federal assistance than is necessary to provide affordable housing.

(e) Housing Opportunities for Persons With AIDS. For jurisdictions that seek funding under the Housing Opportunities for Persons With AIDS program, a certification is required by the jurisdiction that:

(1) Activities funded under the program will meet urgent needs that are not being met by available public and private sources; and

(2) Any building or structure assisted under that program shall be operated for the purpose specified in the plan:

(i) For a period of not less than 10 years in the case of assistance involving new construction, substantial rehabilitation, or acquisition of a facility; or

(ii) For a period of not less than three years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.

- **24 CFR 91.325: CERTIFICATIONS**

(a) General (1) Affirmatively furthering fair housing. Each State is required to submit a certification that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the State, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard. (See 570.487(b)(2)(ii) of this title.)

(2) Anti-displacement and relocation plan. The State is required to submit a certification that it has in effect and is following a residential anti-displacement and relocation assistance plan in connection with any activity assisted with funding under the CDBG or HOME programs.

(3) Anti-lobbying. The State must submit a certification with regard to compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.

(4) Authority of State. The State must submit a certification that the consolidated plan is authorized under State law and that the State possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

(5) Consistency with plan. The State must submit a certification that the housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

(6) Acquisition and relocation. The State must submit a certification that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR part 24.

(7) Section 3. The State must submit a certification that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.

(b) Community Development Block Grant program. For States that seek funding under CDBG, the following certifications are required:

(1) Citizen participation. A certification that the State is following a detailed citizen participation plan that satisfies the requirements of 91.115, and that each unit of general local government that is receiving assistance from the State is following a detailed citizen participation plan that satisfies the requirements of 570.486 of this title.

(2) Consultation with local governments. A certification that:

(i) It has consulted with affected units of local government in the nonentitlement area of the State in determining the method of distribution of funding;

(ii) It engages or will engage in planning for community development activities;

(iii) It provides or will provide technical assistance to units of general local government in connection with community development programs;

(iv) It will not refuse to distribute funds to any unit of general local government on the basis of the particular eligible activity selected by the unit of general local government to meet its community development needs, except that a State is not prevented from establishing priorities in distributing funding on the basis of the activities selected; and

(v) Each unit of general local government to be distributed funds will be required to identify its community development and housing needs, including the needs of the low-income and moderate-income families, and the activities to be undertaken to meet these needs.

(3) Community development plan. A certification that this consolidated plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objective of the statute authorizing the CDBG program, as described in 24 CFR 570.2, and requirements of this part and 24 CFR part 570.

(4) Use of funds. A certification that the State has complied with the following criteria:

(i) With respect to activities expected to be assisted with CDBG funds, the action plan has been developed so as to give the maximum feasible priority to activities that will benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight. The plan may also include CDBG-assisted activities that are certified to be designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs;

(ii) The aggregate use of CDBG funds, including section 108 guaranteed loans, during a period specified by the State, consisting of one, two, or three specific consecutive program years, shall principally benefit low- and moderate-income families in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period (see 24 CFR 570.481 for definition of CDBG funds); and

(iii) The State will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if CDBG funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than with CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds if the State certifies that it lacks CDBG funds to cover the assessment.

(5) Compliance with anti-discrimination laws. A certification that the grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.

(6) Excessive force. A certification that the State will require units of general local government that receive CDBG funds to certify that they have adopted and are enforcing:

(i) A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and

(ii) A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location that is the subject of such non-violent civil rights demonstrations within its jurisdiction.

(7) Compliance with laws. A certification that the State will comply with applicable laws.

(c) Emergency Shelter Grant program. For States that seek funding under the Emergency Shelter Grant program, a certification is required by the State that it will ensure that its State recipients comply with the following criteria:

(1) In the case of assistance involving major rehabilitation or conversion, it will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for not less than a 10-year period;

(2) In the case of assistance involving rehabilitation less than that covered under paragraph (d)(1) of this section, it will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for not less than a three-year period;

(3) In the case of assistance involving essential services (including but not limited to employment, health, drug abuse, or education) or maintenance, operation, insurance, utilities and furnishings, it will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure as long as the same general population is served;

(4) Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary;

(5) It will assist homeless individuals in obtaining appropriate supportive services, including permanent housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living, and other Federal, State, local, and private assistance available for such individuals;

(6) It will obtain matching amounts required under 576.71 of this title;

(7) It will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project except with the written authorization of the person responsible for the operation of that shelter;

(8) To the maximum extent practicable, it will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under this program, in providing services assisted under the program, and in providing services for occupants of facilities assisted under the program; and

(9) It is following a current HUD-approved consolidated plan.

(10) A certification that the state has established a policy for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care, or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons.

(d) HOME program. Each State must provide the following certifications:

(1) If it plans to use program funds for tenant-based rental assistance, a certification that rental-based assistance is an essential element of its consolidated plan;

(2) A certification that it is using and will use HOME funds for eligible activities and costs, as described in 92.205 through 92.209 of this subtitle and that it is not using and will not use HOME funds for prohibited activities, as described in 92.214 of this subtitle; and

(3) A certification that before committing funds to a project, the State or its recipients will evaluate the project in accordance with guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other federal assistance than is necessary to provide affordable housing.

(e) Housing Opportunities for Persons With AIDS. For States that seek funding under the Housing Opportunities for Persons With AIDS program, a certification is required by the State that:

(1) Activities funded under the program will meet urgent needs that are not being met by available public and private sources; and

(2) Any building or structure purchased, leased, rehabilitated, renovated, or converted with assistance under that program shall be operated for not less than 10 years specified in the plan, or for a period of not less than three years in cases involving non-substantial rehabilitation or repair of a building or structure.

- **24 CFR 91.425: CERTIFICATIONS**

(a) Consortium certifications (1) General (i) Affirmatively furthering fair housing. Each consortium must certify that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within the area, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard.

(ii) Anti-displacement and relocation plan. Each consortium must certify that it has in effect and is following a residential anti-displacement and relocation assistance plan in connection with any activity assisted with funding under the HOME or CDBG program.

(iii) Anti-lobbying. The consortium must submit a certification with regard to compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by that part.

(iv) Authority of consortium. The consortium must submit a certification that the consolidated plan is authorized under State and local law (as applicable) and that the consortium possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

(v) Consistency with plan. The consortium must certify that the housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

(vi) Acquisition and relocation. The consortium must certify that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR part 24.

(vii) Section 3. The consortium must certify that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.

(2) HOME program. The consortium must provide the following certifications:

(i) If it plans to use HOME funds for tenant-based rental assistance, a certification that rental-based assistance is an essential element of its consolidated plan;

(ii) That it is using and will use HOME funds for eligible activities and costs, as described in 92.205 through 92.209 of this subtitle and that it is not using and will not use HOME funds for prohibited activities, as described in 92.214 of this subtitle; and

(iii) That before committing funds to a project, the consortium will evaluate the project in accordance with guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other federal assistance than is necessary to provide affordable housing.

(b) CDBG entitlement community certifications. A CDBG entitlement community that is a member of a consortium must submit the certifications required by 91.225 (a) and (b), and, if applicable, of 91.225 (c) and (d).

I, the undersigned, have read and fully agree to abide by all applicable HOME Requirements as referenced above.

Sponsor Name

Name of Authorized Signer

Signature and Title of Authorized Signer

Date

ATTACHMENT F
 COMMUNITY HOUSING INITIATIVE, INC.
HOUSING AND HUMAN SERVICES DEPARTMENT
REQUEST FOR REIMBURSEMENT FORM

REVIEWED BY: _____	
AGREEMENT MONITOR: _____	
FINANCIAL APPROVAL: _____	
BUSINESS AREA: _____	COST CENTER: _____ G.L. ACCOUNT: _____
VENDOR# _____	P.O.#: _____ DOC.#: _____
AMOUNT: \$ _____	
APPROVED FOR PAYMENT BY: _____	
AUTHORIZED SIGNATURE: _____	DATE: _____
FUNDING SOURCE:	
NAME OF AGENCY:	
CONTACT PERSON:	
PROGRAM ADDRESS:	
MAILING ADDRESS: <i>(if different from program address)</i>	
E-MAIL ADDRESS:	
TELEPHONE NUMBER:	
REQUEST DATE:	
REQUEST NUMBER:	
FINAL PAYMENT REQUEST:	
FUNDS ARE HEREBY REQUESTED FOR THE FOLLOWING:	
▪ Purchase Assistance Program	\$
▪ Homebuyer Counseling Workshop	\$
▪ Staff Time	\$
▪ Fair housing	\$
TOTAL AMOUNT OF FUNDS REQUESTED (THIS REQUEST):	\$
AUTHORIZED SIGNATURE:	

ATTACHMENT F

Payment Request

\$300,000.00

#	Date of Request	Amount Of Request	Expended YTD	% YTD	Available Balance
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					

U.S. Department of Housing and Urban Development
Office of Community Planning and Development

Homebuyer Set Up and Completion Form

HOME Program (For single and multi-address activities)

Check the appropriate box: <input type="checkbox"/> Original Submission <input type="checkbox"/> Change Owner's Address <input type="checkbox"/> Ownership Transfer <input type="checkbox"/> Revision	Name and Phone Number of Person Completing Form:
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Set Up Activity:**A. General Information.**

1. Name of Participant:	2. IDIS Activity ID Number:	3. Activity Name:
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B. CHDO Questions. (Only if applicable)

1. Is funding limited to CHDO Operating (CO) or CHDO Capacity Building (CC) (Y/N)? (If Yes, STOP. DO NOT FILL OUT THIS FORM.)	2. Will activity be funded with CR (Y/N) If yes, CHCO Acting as (enter code) _____ (1) Owner (2) Sponsor (3) Developer
3. Will initial funding be a CHDO Site Control and/or Seed Money Loan (Y/N)? (Y/N) _____ (If "Y", answer Item 4.)	4. Is the activity going forward? (Y/N): (If "Y", fill out the rest of the form. If "N", only the cost information is needed.)

C. Objective and Outcome.

1. Objective (enter code): _____ (1) Create suitable living environment (2) Provide decent affordable housing (3) Create economic opportunities	2. Outcome (enter code): _____ (1) Availability/accessibility (2) Affordability (3) Sustainability
--	---

D. Special Characteristics.

1. Activity Location Type "Y" next to any that apply (1) ___ CDBG Strategy Area (5) ___ Brownfield redevelopment area (2) ___ Local target area (6) ___ Conversion of nonresidential to residential use (3) ___ Presidentially declared major disaster area (7) ___ Colonia (For AZ, CA, NM, TX) (4) ___ Historic preservation area	2. Will this activity be carried out by a faith-based organization (Y/N)?
---	---

E. Activity Information.

1. Activity Type (enter code): (2) New Construction Only (4) Acquisition & Rehab (3) Acquisition Only (5) Acquisition & New Construction					
2. Homebuyer's Name (optional):	3. Street:				
4. City:	5. State:	6. Zip Code:	7. County code:	Activity Estimates: 8. HOME Units:	9. HOME Cost:
10. Multi-Address (Y/N)?	11. Loan Guarantee (Y/N)?				

F. Developer. (For multi-address activities only)

1. Developer Type (Enter code): (1) Individual (4) Not-for-Profit (2) Partnership (5) Publicly Owned (3) Corporation (6) Other	2. Developer's Name:	
	3. Developer's Street Address:	
4. City:	5. State:	6. Zip Code:

Complete Homebuyer Activity:

G. Activity Information. If this is a multi-address activity, make copies of this form so that cost and beneficiary information is reported for each address - Sections I, J, and K.

1. Activity Type (enter code): (2) New Construction Only (3) Acquisition Only (4) Acquisition & Rehab (5) Acquisition & New Construction	2. Property Type (enter code): (1) 1-4 Single Family (2) Condominium (3) Cooperative (4) Manufactured Home	3. FHA Insured (Y/N)? (For single address activities.)
4. Lease Purchase? If yes, date of agreement (For single address activities.)		(5) Completed Units: Total number: _____ HOME-assisted : _____

H. Units.

1. Of the Completed Units, the number:	<u>Total</u>	<u>HOME-assisted</u>
Meeting Energy Star standards:	_____	_____
504-accessible:	_____	_____
2. Period of Affordability: If you are imposing a period of affordability that is longer than the regulatory minimum, enter the total years (HOME minimum + additional) of affordability. PJ-imposed period of affordability: _____ years.		

I. Property Address. (For multi-address activities.)

1. Homebuyer's Name (optional):		2. Homebuyer's Street Address:	
3. City:	4. State:	5. Zip Code:	6. County:

J. Costs.

Purchase Price: _____

Value After Rehab (for Acquisition/Rehab activities only): _____

1. HOME Funds (Including Program Income)

a. Property Costs

		Totals
(1) Amortized Loan	\$	
(2) Grant	\$	
(3) Deferred Payment Loan (DPL)	\$	
(4) Other	\$	

b. Downpayment Assistance

(1) Amortized Loan	\$	
(2) Grant	\$	
(3) Deferred Payment Loan (DPL)	\$	
(4) Other	\$	

c. CHDO Loan

HOME Total this address [a + b + c]		\$
--	--	----

2. Public Funds

(1) Other Federal Funds	\$	
(2) State/Local Funds	\$	
(3) Tax Exempt Bond Proceeds	\$	
Total Public Funds [(1) + (2) + (3)]		\$

3. Private Funds

(1) Private Loans	\$	
(2) Owner Cash Contribution	\$	
(3) Private Grants	\$	
Total Private Funds [(1) + (2) + (3)]		\$
4. Activity Total (or Total this address)		\$

K. Household Characteristics. (Refer to code below where applicable)

Household									
Unit #	# of Bdrms	Occupant	% Med	Hispanic? Y/N	Race	Size	Type	Assistance Type	Total Monthly Rent
		2							N/A

1. Homebuyer Counseling Homebuyer received (enter code): _____ (1) No Counseling (3) Post-counseling (2) Pre-counseling (4) Both	2. FHA Insured Y/N? (For multi address activities.)	3. First-time homebuyer Y/N?
4. Coming from subsidized housing Y/N?	5. Lease Purchase Y/N? (For multi address activities.)	If yes, date of agreement:

of Bdrms
 0 - SRO/Efficiency
 1 - 1 bedroom
 2 - 2 bedrooms
 3 - 3 bedrooms
 4 - 4 bedrooms
 5 - 5 or more bedrooms

Occupant
 1 - Tenant
 2 - Owner
 9 - Vacant Unit

Household % of Med
 1 - 0 to 30%
 2 - 30+ to 50%
 3 - 50+ to 60%
 4 - 60+ to 80%

Household Race
 11 - White
 12 - Black or African American
 13 - Asian
 14 - American Indian or Alaska Native
 15 - Native Hawaiian or Other Pacific Islander
 16 - American Indian or Alaska Native & White
 17 - Asian & White
 18 - Black or African American & White
 19 - American Indian or Alaska Native & Black or African American
 20 - Other Multi Racial

Assistance Type
 1 - Section 8
 2 - HOME TBRA
 3 - Other federal, state or local assistance
 4 - No assistance

Household Size
 1 - 1 person
 2 - 2 persons
 3 - 3 persons
 4 - 4 persons
 5 - 5 persons
 6 - 6 persons
 7 - 7 persons
 8 - 8 or more persons

Household Type
 1 - Single, non-elderly
 2 - Elderly
 3 - Single parent
 4 - Two parents
 5 - Other

Instructions for Completing the Homebuyer Set-up and Completion Report

HOME Program

Read the instructions for each item carefully before completing the form. The purpose of this report is to assist with the collection of information to be entered into IDIS.

Applicability. This report is to be completed for each homebuyer activity assisted with HOME funds.

Timing. This report form is used to setup an activity in IDIS so that funds may be drawn down and to complete the activity so that the HOME Program reporting requirements are met.

Set Up Activity

A. General Information. (Only applicable if the activity is being carried out by a CHDO.)

1. **Name of Participant.** Enter the name of the participating jurisdiction or the agency administering the homebuyer activity.
2. **IDIS Activity ID Number.** Enter the activity number assigned by IDIS.
3. **Activity Name.** Enter the name that the grantee or sub-grantee has designated to the activity.

B. CHDO Questions. (Only applicable if the activity is being carried out by a CHDO.)

1. **Is funding limited to CHDO Operating (CO) or CHDO capacity Building (CC)?** This report does not apply to CO or CC activities. In IDIS, fund and draw after selecting CO/CC on the HOME menu.
2. **Will the activity be funded with CR (Y/N)?** ____ If yes, **CHDO Acting as:** (Enter code) ____
(1) Owner
(2) Sponsor
(3) Developer
3. **Will initial funding be a CHDO Site Control and/or Seed Money Loan (Y/N)?** ____ (If Y, answer 4)
4. **Is the activity going forward?** After funding and drawing CL, answer "Y" to proceed to set up a Homebuyer activity or "N" to report costs and complete the activity.

C. Objective and Outcome

Objective. Enter the code of the objective that best describes the purpose of the activity. If a code is not entered in IDIS, the system will default the answer to "2" – Decent affordable housing.

1. **Suitable living environments.** Applies to activities that benefit communities, families, or individuals by addressing issues in their living environment.
2. **Decent affordable housing.** Applies to housing activities that meet individual family or community needs. This objective should not be used for activities where housing is an element of a larger effort.
3. **Creating economic opportunities.** Applies to activities related to economic development, commercial revitalization, and job creation.

Outcome. Enter code of the outcome that best describes the benefits resulting from the activity. If a code is not entered in IDIS, the system will default the answer to "2" – Affordability.

1. **Availability/accessibility.** Applies to activities that make services, infrastructure, housing, and shelter available and accessible. Note that accessibility does not refer only to physical barriers.
2. **Affordability.** Applies to activities that provide affordability in a variety of ways. It can include the creation or maintenance of affordable housing, basic infrastructure hookups, or services such as transportation or day care.
3. **Sustainability.** Applies to activities that promote livable or viable communities and neighborhoods by providing services or by removing slums or blighted areas.

D. Special Characteristics

1. **Activity Location.** Type "Y" next to any that apply. IDIS will default the answer to "N" if an answer is not typed in the field.

- (1) CDBG strategy area is defined as HUD-approved neighborhood or Community Revitalization strategy Area (NRSA or CRSA), identified in the grantee's Consolidated/Annual Action Plan under Section 91.215(e) or Section 91.315(e)(2).
 - (2) Local target area is defined as a locally designated non-CDBG strategy area targeted for assistance.
 - (3) Presidentially declared major strategy area is defined as an area declared a major disaster under subchapter IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act.
 - (4) Historic Preservation Area is defined as an area designated for historic preservation by local, state, or federal officials.
 - (5) Brownfield redevelopment area is defined as an abandoned, idle, or underused property where expansion or redevelopment is complicated by real or potential environmental contamination.
 - (6) Conversion from non-residential or residential use is self explanatory. An example is converting an old warehouse into rental units or condominiums.
 - (7) Colonia is defined as a rural community or neighborhood located within 150 miles of the U.S.-Mexican border that lacks adequate infrastructure and frequently also lacks other basic services. This field only applies to activities located in the states of Arizona, California, New Mexico, and Texas.
2. **Faith-Based Organization.** Will this activity be carried out by a faith-based organization (Y/N)? Enter "Y" if it is known or if the organization declares itself to be a faith-based organization. If not, enter "N". Note: IDIS will enter the default answer of "N" if an answer is not typed in the field.

E. Activity Information

1. **Activity Type.** (Enter code): to indicate the type of activity.
 - (1) **New Construction Only.**
Any activity that involved: (a) the addition of units outside the existing walls of the structure and (b) the construction of a new residential unit(s).
 - (2) **Acquisition Only.**
Acquisition of a structure that received certificate of occupancy at least 13 months before acquisition, which did not require rehabilitation and which is being used to provide affordable housing.
 - (3) **Acquisition & Rehab.**
A HOME-assisted rehabilitation activity, which included the acquisition of real property.
 - (4) **Acquisition & New Construction.**
A HOME-assisted new construction activity, which included the acquisition of real property. This includes acquisition of a structure that has received an initial certificate of occupancy within a one-year period prior to acquisition.
2. **Homebuyer's Name** (optional). Enter the name of homeowner. For multi address activities the name of the development can be entered.
3. **Street.** Self explanatory. For multi address activities enter a general description of the project location.
4. **City.** Self explanatory.
5. **State.** Self explanatory.
6. **Zip code.** Self explanatory.
7. **County code.** Enter the county name or code.
8. **Activity Estimates. HOME Units.** Enter the estimated total number of units (upon completion) that will receive HOME assistance.
9. **Activity Estimated HOME Cost.** Enter the total amount of HOME funds requested for the activity.
10. **Multi-Address (Y/N)?** If the activity consists of more than one home, enter "Y" so that costs and beneficiary information can be reported for each address at completion.
11. **Loan Guarantee? Y/N.** Enter Yes or No to indicate whether this activity is supported by a loan guarantee.

F. Developer Information. (For multi-address activities only.)

1. **Developer Type.** (Enter code.)
 - (1) Individual
 - (2) Partnership

- (3) Corporation
 - (4) Not-for-Profit
 - (5) Publicly Owned
 - (6) Other
2. **Developer's Name.** Enter the name of the developer.
 3. - 6. **Developer's Street Address, City, State, and Zip Code.** Self-explanatory.

Complete Homebuyer Activity

G. Activity Information

1. **Activity Type.** Only if the activity type has changed from set up in E. 1, enter the revised completion activity type in the box.
2. **Property Type.** Enter code to indicate the type of property assisted:
 - (1) 1-4 Single Family
 - (2) Condominium
 - (3) Cooperative
 - (4) Manufactured Home
3. **FHA Insured (Y/N) ?** (For single address activities.) Enter "Y" for yes or "N" for no to indicate whether the property's mortgage is insured by FHA.
4. **Lease Purchase?** (For single address activities.) If there is a lease purchase agreement, enter the date of the agreement.
5. **Completed Units: Total Number: HOME Assisted:** Enter the total number of completed units and the total number of HOME Assisted units.

H. Units

1. **Of the units completed, the number: Total and Home-Assisted Meeting Energy Star Standards.** Enter the total number of completed units that meet Energy Star standards and the number of completed HOME-Assisted units that meet Energy Star standards.

Energy Star applies to substantial rehabilitation. It is a system for achieving and verifying a level of building performance with respect to energy efficiency. The performance level is certified by third party contractors. See www.energystar.gov for more information.

Total and HOME Assisted 504 accessible. Enter the total number of completed units and completed HOME assisted units that are 504 accessible. Note: IDIS will default the answers to zero if units are not entered in these fields.

2. **Period of Affordability.** If you are imposing a period of affordability that is longer than the regulatory minimum, enter the total years (HOME minimum + additional) of affordability. PJ-imposed period of affordability: _____ years. The period of affordability for Homebuyer activities is based on the amount of HOME funds invested in the housing:

Per Unit HOME Amount	Minimum Period of Affordability
Under \$15,000	5 years
\$15,000 to \$40,000	10 years
Over \$40,000	15 years

To indicate that the housing is to be affordable in perpetuity, enter "99" in the PJ-Imposed Period of Affordability field.

I. Property Address (For multi-address activities.)

1. **Homebuyer's Name.** (Optional.)
2. - 6. **Hombuyer's Street Address, City, State, Zip Code, and County Code.** Self-explanatory.

J. Costs

Purchase Price. Enter the price paid by the homebuyer for the property as evidenced on the deed.

Value After Rehab. Enter the dollar value of the property. The dollar value is the appraised value of the property before rehabilitation plus the total rehabilitation cost (i.e. all materials, supplies and labor costs directly related to the rehabilitation of the property).

Costs. Include all HOME funds used for the activity and all other funds (public and private). **Do not double count.** If private funds are used for construction financing and those funds are later replaced by

permanent financing, **do not report both.** Report all HOME funds expended on the activity. (**Note: Federal regulations specifically prohibit paying back HOME funds with HOME funds.**) For funds other than HOME, to the extent a choice must be made to avoid double counting, report permanent financing rather than construction financing. The total amount of HOME funds reported in the block titled "Total HOME funds (Total Item (1) for all addresses must equal the total amount disbursed through IDIS for this activity.

1. **HOME Funds.** (Including Program Income.) Enter funds provided for **a. Property Costs** and for **b. Downpayment Assistance.** Note: For this activity to be reported as an ADDI activity, an amount must be entered in the Downpayment Assistance Section b. for each property address that is to be counted as assisted with ADDI funds.
 - a. Property Costs - b. Downpayment Assistance**
 - (1) **Amortized Loan.** Enter the amount of HOME funds provided for this activity in the form of an amortized loan. If there are multiple loans, enter the interest rate and term of the largest loan.
 - (2) **Grant.** Enter the amount of HOME funds provided without any repayment requirements. (**Note:** A grant may be used to reduce the principal amount borrowed, a principal reduction payment, or the effective interest rate, an interest subsidy payment, on a privately originated loan.)
 - (3) **Deferred Payment Loan (DPL).** Enter the amount of HOME funds provided through loans where payment of principal and interest is deferred until a future time and enter the interest rate and amortization period, if any. A DPL is sometimes called a conditional grant (e.g., repayment is required when the property is sold, or is forgiven if the owner does not sell the property for a specified number of years or repayment of principal and interest starts after the bank loan is repaid.)
 - (4) **Other.** Enter the total amount of HOME funds provided for subsidy funding that is other than the type of loan/grant assistance identified in the above items listed in (1) through (3).
 - c. CHDO Loan.** Enter the amount of HOME funds provided as a CHDO loan for the activity.

Total HOME Funds or total this address. Enter the total of items a through c as the amount of HOME funds expended.
2. **Public Funds.**
 - (1) **Other Federal Funds.** Exclude any HOME funds expended.
 - (2) **State/Local Funds.**
 - (3) **Tax Exempt Bond Proceeds.** Report funds used for development costs only.

Total Public Funds. Enter the total of items (1) through (3) as the amount of Public Funds expended.
3. **Private Funds.**
 - (1) **Private Loans.** Enter the amount of all of the costs that have been paid with funds obtained from private financial institutions, such as banks, savings and loans, and credit unions, and enter the interest rate and amortization period of the loan. If there are multiple loans, enter the interest rate and term of the largest loan. (**Do not double count.**)
 - (2) **Owner Cash Contribution.** Enter the amount of all cash contributions provided by the homebuyer.
 - (3) **Private Grants.** Enter the amount of cash contributions provided by private organizations, foundations, donors, etc.

Total Private Funds. Enter the total of items (1) through (3) as the amount of Private Funds expended.
4. **Activity Total or Total Address.** Enter the sum of totals for HOME funds, Public funds and Private funds.

K. Household Characteristics.

Complete one line for the head of household of each residential unit that is receiving homebuyer assistance from the HOME Program.

Unit Number. Enter the unit number of each unit that will receive HOME assistance.

Number of Bedrooms. Enter 0 for a single room occupancy (SRO) unit or for an efficiency unit, 1 for 1 bedroom, 2 for 2 bedrooms, 3 for 3 bedrooms, 4 for 4 bedrooms, and 5 for 5 or more bedrooms.

Occupant. For homebuyer activities, one unit must be owner occupied. If there are tenant occupied units, enter 1 for tenant or 9 for vacant.

Percent of Area Median Income. For each occupied residential unit, enter one code only based on the following definitions:

1. **0–30 Percent of Area Median Income** refers to a household whose annual income is at or below 30 percent of the median family income for the area, as determined by HUD with adjustments for smaller and larger families.
2. **30+–50 Percent of Area Median Income** refers to a household whose annual income exceeds 30 percent and does not exceed 50 percent of the median family income for the area, as determined by HUD with adjustments for smaller and larger families.
3. **50+–60 Percent of Area Median Income** refers to a household whose annual income exceeds 50 percent and does not exceed 60 percent of the median family income for the area, as determined by HUD with adjustments for smaller and larger families.
4. **60+–80 Percent of Area Median Income** refers to a household whose annual income exceeds 60 percent and does not exceed 80 percent of the median family income for the area, as determined by HUD with adjustments for smaller and larger families.

Hispanic? Y/N. For each occupied residential unit, enter the ethnicity for the head of household as either "Y" for Hispanic or Latino or "N" if the head of household is not Hispanic nor Latino. Hispanic or Latino race is defined as a person of Cuban, Mexican, Puerto Rican, South or Central American, other Spanish culture or origin, regardless of race. The term, "Spanish origin," can be used in addition to "Hispanic or Latino."

Race of Head of Household. For each occupied residential unit, enter one code only based on the following definitions:

11. **White.** A person having origins in any of the original peoples of Europe, North Africa or the Middle East.
12. **Black/African American.** A person having origins in any of the black racial groups of Africa. Terms such as "Haitian" or "Negro" can be used in addition to "Black or African American."
13. **Asian.** A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand and Vietnam.
14. **American Indian/Alaska Native.** A person having origins in any of the original peoples of North and South America (including Central America), and who maintains affiliation or community attachment.
15. **Native Hawaiian/Other Pacific Islander.** A person having origins in any of the original people of Hawaii, Guam, Samoa or other Pacific Islands.
16. **American Indian/Alaska Native & White.** A person having these multiple race heritages as defined above.
17. **Asian & White.** A person having these multiple race heritages as defined above.
18. **Black/African American & White.** A person having these multiple race heritages as defined above.
19. **American Indian/Alaska Native & Black/African American.** A person having these multiple race heritages as defined above.
20. **Other Multi Racial.** For reporting individual responses that are not included in any of the other categories listed above.

Household Size. Enter the appropriate number of persons in the household: 1, 2, 3, 4, 5, 6, 7, or 8 or more persons (for households of more than 8, enter 8).

Household Type. For each residential unit, enter one code only based on the following definitions:

1. **Single, Non-elderly.** One-person household in which the person is not elderly.
2. **Elderly.** One or two person household with a person at least 62 years of age.
3. **Single Parent.** A single parent household with a dependent child or children (18 years old or younger).
4. **Two Parents.** A two-parent household with a dependent child or children (18 years old or younger).

5. **Other.** Any household not included in the above 4 definitions, including two or more unrelated individuals.

Assistance Type. For rented units, enter one code only to indicate the type of assistance, if any, being provided to the tenant.

1. **Section 8.** Tenants receiving Section 8 assistance through the Section 8 Certificate Program under 24 CFR part 882 or the Section 8 Housing Voucher Program under 24 CFR part 887.
2. **HOME TBRA.** Tenants receiving HOME tenant-based rental assistance.
3. **Other federal, state or local assistance.** Tenants receiving rental assistance through other federal, state or local rental assistance programs.
4. **No assistance.** Self-explanatory.

Total Rent. For renters, enter the total monthly rent (tenant contribution plus subsidy amount).

1. **Homebuyer Counseling.** Enter the code to indicate the type of counseling received by the homebuyer, if any:
 - (1) No counseling
 - (2) Pre-counseling
 - (3) Post-counseling
 - (4) Both
2. **FHA-Insured (Y/N)?** Enter Yes, "Y", or No, "N", to indicate whether the property's mortgage is insured by FHA.
3. **First-time Homebuyer (Y/N)?** Enter "Y", if a first-time homebuyer. If not, enter "N".
4. **Coming from subsidized housing Y/N?** Enter "Y" if the homebuyer was living in public housing or receiving rental assistance from a federal, state or local program immediately prior to HOME assistance or "N" if not.
5. **Lease Purchase (Y/N)?** (For single address activities.) If there is a lease purchase agreement, enter the date of the agreement.

ATTACHMENT H

BREVARD COUNTY/COMMUNITY HOUSING INITIATIVE, INC. PURCHASE ASSISTANCE PROGRAM DATA INFORMATION SHEET

Homebuyer Name: _____ Closing Date: _____
 Unit Address: _____ Unit Completion Date: _____
 Incorporated/Un: _____

(ii) INCOME

Housing authority client: Public Housing/Section 8 (Yes or No)	Income Category (✓ one)	ACTUAL INCOME	PROGRAM MAX. INCOME
	VLI L		

(iii) ASSISTANCE

TYPE OF ASSISTANCE	AMOUNT	FUNDING YEAR (County staff only)
Direct Homebuyer Subsidy	Down Payment/Closing Costs	
	Repair Costs	
<i>SUBTOTAL</i>		
Indirect Subsidy	Project Delivery	
TOTAL		

CHARACTERISTICS OF HEAD OF HOUSEHOLD:

AGE :	RACE:	✓One	SPECIAL NEEDS:	✓ all that apply
	White/Non-Hispanic		Farm worker	
	Black/Non-Hispanic		Developmentally Disabled	
	Hispanic		Homeless	
	Asian		Special Needs (describe, i.e. deaf)	
	American-Indian		Other	
	Other			

UNIT PURCHASE INFORMATION

SALES PRICE (Max = \$246,033)	APPRAISED VALUE	1 ST MORTGAGE AMOUNT	1st MORTGAGE TERMS	CLIENT CONTRIBUTION	ACTUAL PITI	STANDARD PITI

1st Mortgage Lender: _____ Realtor: _____
 Closing Agent: _____ Eligible Sponsor(s): _____

**BREVARD COUNTY
BOARD OF COUNTY COMMISSIONERS**

INITIAL CONTRACT FORM

SECTION I

The following information must be completed on all new contracts submitted to the Board.

1. Contractor: Community Housing Initiative, Inc.	
2. Fund/Account #: 1700-303052	Division Name: Housing and Human Services
4. Contract Description: Purchase Assistance Agreement	
5. Contract Monitor: Natasha Jones	6. Mail Stop #: 82
7. Dept./Office Director: Ian Golden, Director Housing & Human Services Department	8. Contract Type: HOME
ACTION DATE: ASAP	ACTION REQUIREMENT: To County Attorney and Risk Management For Review and Approval

SECTION II

The following departments must approve all contracts submitted to the Board:

<u>COUNTY OFFICE</u>	<u>APPROVAL</u>		<u>INITIALS</u>	<u>DATE</u>
	<u>YES</u>	<u>NO</u>		
User Agency	<input checked="" type="checkbox"/>	<input type="checkbox"/>	CJ	6/23/14
Risk Management	<input checked="" type="checkbox"/>	<input type="checkbox"/>	[Signature]	6/26/14
County Attorney	<input type="checkbox"/>	<input type="checkbox"/>	_____	_____

If any office denies approval, the package will be returned immediately to the User Agency.

NOTE: This form should be attached to all new contracts being submitted to the Board for approval. After the contract has been approved, the contract package, including this form, will go to the Clerk to the Board. The Clerk's office will return the Initial Contract Form to department for contract to be entered into the Contract Management System.

**BREVARD COUNTY
BOARD OF COUNTY COMMISSIONERS**

INITIAL CONTRACT FORM

SECTION I



The following information must be completed on all new contracts submitted to the Board.

6/25/14

1. Contractor: Community Housing Initiative, Inc.	
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4. Contract Description: Purchase Assistance Agreement	
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7. Dept./Office Director: Ian Golden, Director Housing & Human Services Department	8. Contract Type: HOME
ACTION DATE: ASAP	ACTION REQUIREMENT: To County Attorney and Risk Management For Review and Approval

SECTION II

The following departments must approve all contracts submitted to the Board:

<u>COUNTY OFFICE</u>	<u>APPROVAL</u>		<u>INITIALS</u>	<u>DATE</u>
	<u>YES</u>	<u>NO</u>		
User Agency	✓	_____		6/23/14
Risk Management	_____	_____	_____	_____
County Attorney	✓	_____		6/26/14

If any office denies approval, the package will be returned immediately to the User Agency.

NOTE: This form should be attached to all new contracts being submitted to the Board for approval. After the contract has been approved, the contract package, including this form, will go to the Clerk to the Board. The Clerk's office will return the Initial Contract Form to department for contract to be entered into the Contract Management System.