



Contract Number: CT-CD-14*472
Effective Date: 6-17-14
Term Date: 6-16-15
Cost: \$54,000.-
Revenue: _____
Total: _____ NTE: _____
Renewal By: _____ Action: 3-1-15
Term: _____
Reviewed by: [Signature] 6-16-15

BOARD OF SUPERVISORS AGENDA ITEM SUMMARY

Requested Board Meeting Date: June 17, 2014

ITEM SUMMARY, JUSTIFICATION &/or SPECIAL CONSIDERATIONS:

Authorization of contract CT-CD 1400000000000000472 between Habitat for Humanity Tucson and Pima County Community Development and Neighborhood Conservation Department (CDNC) to approve the Contract award of \$54,000.00 for direct down payment and closing cost assistance expenses covered by the grant made available from additional HUD funds.

CONTRACT NUMBER (If applicable): CT 14*472

STAFF RECOMMENDATION(S):

Staff recommends approval by the Board of Supervisors

CORPORATE HEADQUARTERS: Tucson, Arizona

Page 1 of 2

Ver. 1
Vendor. 1
Pgs. 25
To: COB - 6-4-14
Agenda 6-17-14
(2)

CLERK OF BOARD USE ONLY: BOS MTG. _____

ITEM NO. _____

PIMA COUNTY COST: 54,000.00 and/or REVENUE TO PIMA COUNTY: \$

FUNDING SOURCE(S): Federal Funds /HUD
(i.e. General Fund, State Grant Fund, Federal Fund, Stadium D. Fund, etc.)

Advertised Public Hearing:

		YES	X	NO
--	--	-----	---	----

Board of Supervisors District:

1		2		3		4		5		All	XX
---	--	---	--	---	--	---	--	---	--	-----	----

IMPACT:

IF APPROVED:

County shall authorize contract CT-CD 1400000000000000472 between Habitat for Humanity Tucson and Pima County Community Development and Neighborhood Conservation Department (CDNC) to approve the Contract award of \$54,000.00 for direct down payment and closing cost assistance expenses covered by the grant made available from additional HUD funds.

IF DENIED:

County shall not authorize contract CT-CD 1400000000000000472 between Habitat for Humanity Tucson and Pima County Community Development and Neighborhood Conservation Department (CDNC) to approve the Contract award of \$54,000.00 for direct down payment and closing cost assistance expenses covered by the grant made available from additional HUD funds.

DEPARTMENT NAME: Community Development and Neighborhood Conservation

CONTACT PERSON: Marcos Ysmael TELEPHONE NO.: 624-2947

WHEREAS, the Pima County Board of Supervisors finds that the provision of down-payment assistance for the Project is an appropriate and beneficial use of HOME Subrecipient; and

WHEREAS, the Pima County Board of Supervisors further finds that use of the HOME Subrecipient funds in this manner is consistent with the Annual Plan of the Pima County/City of Tucson Consortium that was submitted to and approved by the HUD; and

WHEREAS, CONTRACTOR is qualified and willing to complete the Project, and provide homebuyer education to the qualified eligible low-income first-time homebuyers who purchase the two homes.

NOW THEREFORE, the Parties agree as follows:

ARTICLE I - TERM AND EXTENSION/RENEWAL/CHANGES

- A. This Contract, as awarded by the Board of Supervisors, shall commence on June 17, 2014 and shall terminate on June 16, 2015, unless sooner terminated or further extended pursuant to the provisions of this Contract. The parties may, at County's discretion, renew this Contract for up to four additional one-year periods or any portion thereof.
- B. Any modification, or extension of the contract termination date, shall be by formal written amendment executed by the parties hereto. Minor modifications shall comply with the modifications provisions contained in Exhibit A.
- C. No services may be commenced pursuant to any amendment of this Contract, until the amendment is formally executed by the County.

ARTICLE II - SCOPE

- A. **Purpose.** The purpose of this Agreement is establish the terms and conditions under which County will provide HUD HOME funds to Contractor for down payment assistance to the low-income purchasers of two new single-family homes built in Marana by Contractor. Both homes will be Energy Star 3 The down-payment assistance provided pursuant to this Contract will be secured by a declining balance deed of trust in favor of Pima County. Mortgage financing will be provided through Contractor's Mortgage Program.
- B. **Background.** In consideration of the funds provided herein and Marana's donation of two in-fill lots located at 12022 W. Sydney Place and 12032 W. Sydney Place, Contractor has agreed to:
 1. Construct one three-bedroom, two bath home with approximately 1,200 square feet of living area and
 - a. one four-bedroom, two bath home with approximately 1,350 square feet of living area on these lots that: Have a one or two car garages or carports;
 - b. Meet Energy Star 3; and
 - c. Meet applicable state and local codes, ordinances, and zoning requirements including any applicable disaster mitigation standards.

2. Contractor shall:

- a. Ensure that the homes are affordable to a households earning at or below 80% Area Median Income (80% AMI) through use of Habitat for Humanity's zero interest mortgage, down payment assistance provided under this Contract and other down payment assistance.
- b. Complete all environmental reviews prior to expenditure of funds as required by HUD HOME Program regulations at 24CFR Part 92.
- c. Provide staff and office facilities necessary to accomplish provisions of this Contract.
- d. Market the homes to low-income residents in Pima County in accordance with affirmative fair marketing guidelines.
- e. Determine homebuyer's eligibility for down payment and/or closing cost assistance as follows:
 - i. Obtain an application for the assistance;
 - ii. Ensure that household income is no more than 80% AMI;
 - iii. Ensure that the household qualifies a mortgage with the Habitat For Humanity Mortgage Program or alternate financing with prior written approval from COUNTY;
 - iv. Submit homebuyer application information to County for HUD HOME Program review and final funding approval at least 15 days prior to close of escrow; and
 - v. Ensure that the down payment and/or closing cost assistance provided does not exceed the amount needed to fund the homebuyer's documented affordability gap (the difference between the total sum of the mortgage and down payment funds, including all grants or subsidies, and the total purchase price which includes closing costs).
- f. Assist homebuyer in applying for and qualifying for the Habitat For Humanity Mortgage Program.
- g. Require adult members of the household to attend Contractor's homebuyer education and counseling program prior to close of escrow.
- h. If appropriate, require adult homebuyers to participate in Contractor's sweat equity program.
- i. Ensure and document that the HOME Program Homebuyer Assistance Agreement, attached in Exhibit C, has been given and explained to homebuyer.
- j. Perform program delivery services including coordination with escrow and loan officers, authorization and transmittal of payment, file completion and reporting.
- k. Ensure that, at closing, a HOME Promissory Note is executed in the amount of the HOME funds provided on behalf of the homebuyer, which shall be secured by a fully executed Deed of Trust recorded in the Office of the Pima County Recorder, listing Pima County as the beneficiary for the duration of the HOME affordability period.
- l. Comply with the HUD HOME program Contractor's Certification requirements set forth in Exhibit B.
- m. Complete HOME Program Completion Report (Exhibit D) for each homebuyer and submit with corresponding billing invoice immediately following close of escrow.

3. Performance Requirements. The following conditions apply throughout the term of this Contract:
- a. Contractor certifies that it will perform the work in accordance with the terms of this Contract, including those contained in Exhibits A and B, to the best of Contractor's ability. Contractor shall employ suitably trained and skilled professional personnel to perform all services under this Contract.
 - b. The work under this Contract will be performed to the satisfaction of the County. County will interpret all reports pursuant to the budget and scope of work, and will decide the acceptability and progress of work, and amounts to be paid under this Contract.
 - c. Contractor shall provide documentation and reports needed to meet HUD requirements in a timely manner.
 - d. Within six (6) months of the close of the contract year, Contractor shall provide the County with an outside audit of its overall financial books, records and reports by an independent CPA firm. Audit shall identify the period of County contract, all costs and receipts from County funds, and shall include Contractor response to any audit findings. Cost of such audit shall be borne by Contractor.

C. **COUNTY Scope.** County shall:

1. Provide Technical Assistance as needed to carry out HOME program objectives.
2. Provide legal documents, including deed of trust and promissory note that will be used to record the subsidy for each homebuyer.

ARTICLE III – COMPENSATION AND PAYMENT

- A. Total payment for this Contract shall not exceed **\$54,000.00**.
- B. Payment will be made as follows:
1. Contractor shall use funds to **provide direct down payment and closing cost assistance** to the qualified and eligible Habitat for Humanity homebuyers purchasing the homes for no more than \$27,000.00 per home.
 2. Payment for direct down payment assistance to homebuyers will be made to Contractor's designated Title Company for disbursement at close of escrow or, if Contractor has already provided the down payment assistance, as evidenced by the escrow settlement statement provided by Title Company, County shall reimburse payment directly to Contractor.
- C. Claims and invoices should be submitted to County upon completion of work.
- D. Claims and invoices will be reviewed and, upon approval by County, paid within 10 working days of receipt by Pima County Finance Department.
- E. Contractor shall provide detailed documentation in support of requested payment. Payment requests shall assign all costs to items identified by paragraph B of this Article.

- F. Funds are allocated to this project from the HUD HOME program. Funds for this contract are available only to the extent that these HUD HOME funds are available. No county funds will be used to provide down payment assistance.
- G. For the period of record retention required under Article XXI, County reserves the right to question any payment made under this Article and to require reimbursement therefore by setoff or otherwise for payments determined to be improper or contrary to the contract or law.

ARTICLE IV - INSURANCE

A. Pima County in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this Agreement by the Contractor, his agents, representatives, employees or subcontractors, and Contractor is free to purchase additional insurance.

B. Minimum Scope and Limits of Insurance: Contractor shall provide coverage with limits of liability not less than those stated below.

1. Commercial General Liability – Occurrence Form

a. Policy shall include bodily injury, property damage, personal injury and broad form contractual liability:

i. General Aggregate	\$2,000,000.00
ii. Products – Completed Operations Aggregate	\$1,000,000.00
iii. Personal and Advertising Injury	\$1,000,000.00
iv. Blanket Contractual Liability – Written and Oral	\$1,000,000.00
v. Fire Legal Liability	\$ 50,000.00
vi. Each Occurrence	\$1,000,000.00

b. The policy shall be endorsed to **include coverage for sexual abuse and molestation.**

c. The policy shall be endorsed to include the following additional insured language: **“Pima County is named an additional insured with respect to liability arising out of the activities performed by or on behalf of the Contractor”.**

d. Policy shall contain a waiver of subrogation against Pima County, its departments, agencies, boards, commissions, and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2. Automobile Liability

Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Agreement.

a. Combined Single Limit (CSL) \$1,000,000.00

b. The policy shall be endorsed to include the following additional insured language: **“Pima County is named an additional insured with respect to liability arising out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by the Contractor”.**

c. Policy shall contain a waiver of subrogation against Pima County, its departments, agencies,

boards, commissions and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

3. Worker's Compensation and Employers' Liability

- a. Workers' Compensation Statutory
- b. Employers' Liability:
 - i. Each Accident \$ 500,000.00
 - ii. Disease – Each Employee \$ 500,000.00
 - iii. Disease – Policy Limit \$1,000,000.00
- c. Policy shall contain a waiver of subrogation against Pima County, its departments, agencies, boards, commissions and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
- d. This requirement shall not apply to: Separately, EACH contractor or subcontractor exempt under A.R.S. 23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

C. Additional Insurance Requirements: The policies shall contain, or be endorsed to contain, the following provisions:

- 1. Pima County, wherever additional insured status is required, shall be covered to the full limits of liability purchased by the Contractor, even if those limits of liability are in excess of those required by this Agreement.
- 2. The Contractor's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.
- 3. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Agreement.

D. Notice of Cancellation: Each insurance policy required by the insurance provisions of this Agreement shall provide the required coverage and shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days prior written notice has been given to Pima County. Such notice shall be sent directly to the **Department Director, Arthur Eckstrom, 2797 E. Ajo Way, Tucson, AZ 85713** and shall be sent by certified mail, return receipt requested. The Project Name/Contract Number and project description shall be noted on the Certificate of Insurance.

E. Acceptability of Insurers: Insurance is to be placed with duly licensed or approved non-admitted insurers in the state of Arizona with an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency. All Certificates of Insurance are to be received and approved by Pima County before work commences.

ARTICLE V - INDEMNIFICATION

A. Contractor shall indemnify, defend, and hold harmless County, its officers, employees and agents from and against any and all suits, actions, legal administrative proceedings, claims or demands and costs attendant thereto, arising out of any act, omission, fault or negligence by the Contractor, its agents, employees or anyone under its direction or control or on its behalf in connection with performance of this Contract.

- B. Contractor warrants that all products and services provided under this contract are non-infringing. Contractor will indemnify, defend and hold County harmless from any claim of infringement arising from services provided under this contract or from the provision, license, transfer or use for their intended purpose of any products provided under this Contract.
- C. This Article shall survive the termination, cancellation, expiration or revocation, whether in whole or in part, of this Contract.

ARTICLE VI - COMPLIANCE WITH LAWS

- A. Contractor shall comply with all federal, state, and local laws, rules, regulations, standards and Executive Orders, without limitation to those designated within this Contract. The laws and regulations of the State of Arizona shall govern the rights of the parties, the performance of this Contract, and any disputes hereunder. Any action relating to this Contract shall be brought in a court of the State of Arizona in Pima County. Any changes in the governing laws, rules, and regulations during the terms of this Contract shall apply, but do not require an amendment.
- B. CONTRACTOR shall certify it will comply with all of the Federal HUD HOME Investment Partnership Program requirements as set forth herein Exhibit B, Contractor's Certification

ARTICLE VII - INDEPENDENT CONTRACTOR

The status of the Contractor shall be that of an independent contractor. Neither Contractor, nor Contractor's officers, agents or employees shall be considered an employee of Pima County or be entitled to receive any employment-related fringe benefits under the Pima County Merit System. Contractor shall be responsible for payment of all federal, state and local taxes associated with the compensation received pursuant to this Contract and shall indemnify and hold County harmless from any and all liability which County may incur because of Contractor's failure to pay such taxes. Contractor shall be solely responsible for program development and operation.

ARTICLE VIII - SUBCONTRACTOR

- A. Contractor will be fully responsible for all acts and omissions of any subcontractor and of persons directly or indirectly employed by any subcontractor and of persons for whose acts any of them may be liable to the same extent that the Contractor is responsible for the acts and omissions of persons directly employed by it. Nothing in this contract shall create any obligation on the part of County to pay or see to the payment of any money due any subcontractor, except as may be required by law.
- B. Contractor shall not enter into any subcontracts for any services to be performed under this Contract unless it received prior written approval of the subcontract by the County. Contractor shall follow applicable Federal, State and County rules for obtaining subcontractor services. Prior written approval shall not be required for the purchases of supplies that are necessary and incidental to Contractor's performance under this Contract.

ARTICLE IX - ASSIGNMENT

Contractor shall not assign its rights to this Contract, in whole or in part, without prior written approval of the County. Approval may be withheld at the sole discretion of County, provided that such approval shall not be unreasonably withheld.

ARTICLE X - NON-DISCRIMINATION

Contractor agrees to comply with all provisions and requirements of Arizona Executive Order 2009-09 **including flow down of all provisions and requirements to any subcontractors**. Executive Order 2009-09 supersedes Executive order 99-4 and amends Executive order 75-5 and may be viewed and downloaded at the Governor of the State of Arizona's website:

http://www.azgovernor.gov/dms/upload/EO_2009_09.pdf

This order is hereby incorporated into this contract as if set forth in full herein. During the performance of this contract, Contractor shall not discriminate against any employee, client or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin.

ARTICLE XI - AMERICANS WITH DISABILITIES ACT

- A. Contractor shall comply with all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulations under the Act, including 28 CFR Parts 35 and 36.
- B. If Contractor is carrying out a government program or service on behalf of County, then Contractor shall maintain accessibility to the program to the same extent and degree that would be required of County under 28 CFR Sections 35.130, 35.133, 35.149 through 35.151, 35.160, 35.161 and 35.163. Failure to do so could result in the termination of this Contract.

ARTICLE XII - AUTHORITY TO CONTRACT

- A. Contractor warrants its right and power to enter into this Contract. If any court or administrative agency determines that County does not have authority to enter into this Contract, County shall not be liable to Contractor or any third party by reason of such determination or by reason of this Contract.
- B. Nothing in the provisions of this Contract is intended to create duties or obligations to or rights in third parties not parties to this Contract or affect the legal liability of either party to the Contract by imposing any standard of care different from the standard care imposed by law.

ARTICLE XIII - FULL AND COMPLETE PERFORMANCE

The failure of either party to insist on one or more instances upon the full and complete performance with any of the terms or conditions of this Contract to be performed on the part of the other, or to take any action permitted as a result thereof, shall not be construed as a waiver or relinquishment of the right to insist upon full and complete performance of the same, or any other covenant or condition, either in the past or in the future. The acceptance by either party of sums less than may be due and owing it at any time shall not be construed as an accord and satisfaction.

ARTICLE XIV - CANCELLATION FOR CONFLICT OF INTEREST

This Contract is subject to cancellation for conflict of interest pursuant to ARS § 38-511, the pertinent provisions of which are incorporated into this Contract by reference.

ARTICLE XV - TERMINATION

- A. COUNTY reserves the right to terminate this Contract at any time and without cause by serving upon CONTRACTOR 30 days advance written notice of such intent to terminate. In the event of such termination, the COUNTY'S only obligation to CONTRACTOR shall be payment for services rendered prior to the date of termination.
- B. Notwithstanding Paragraph A above, if any state or federal grant monies used to pay for performance under this Contract are either reduced or withdrawn, County shall have the right to either reduce the services to be provided and the total dollar amount payable under this Contract or terminate the Contract. To the extent possible, County will endeavor to provide fifteen (15) days written notice of such reduction or termination. In the event of a reduction in the amount payable, COUNTY shall not be liable to Contractor for more than the reduced amount. In the event of a termination under this paragraph, County's only obligation to CONTRACTOR shall be payment for services rendered prior to the date of termination to the extent that grant funds are available.
- C. This Contract may be terminated at any time without advance notice and without further obligation to the COUNTY when the CONTRACTOR is found by COUNTY to be in default of any provision of this Contract.
- D. Notwithstanding any other provision in this Contract, this Contract may be terminated if for any reason, there are not sufficient appropriated and available monies for the purpose of maintaining COUNTY or other public entity obligations under this Contract. In the event of such termination, COUNTY shall have no further obligation to CONTRACTOR, other than to pay for services rendered prior to termination.
- E. COUNTY reserves the right to suspend CONTRACTOR's performance and payments under this Contract immediately upon notice delivered to contractor's designated agent in order to investigate CONTRACTOR's activities and compliance with this Contract. In the event of an investigation by COUNTY, CONTRACTOR shall cooperate fully and provide all requested information and documentation. At the conclusion of the investigation, or within forty-five (45) days, whichever is sooner, CONTRACTOR will be notified in writing that the contract will be immediately terminated or that performance may be resumed.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

ARTICLE XVI – NOTICE

Any notice required or permitted to be given under this Contract shall be in writing and shall be served by delivery or by certified mail upon the other party as follows:

County:

Pima County Community Development and Neighborhood Conservation Department
Attn: Margaret M. Kish, Director
2797 E. Ajo Way, 3rd Floor
Tucson AZ 85713

Contractor:

Habitat for Humanity Tucson, Inc.
Attn: Executive Director
3501 N. Mountain Avenue
Tucson, AZ 85719

ARTICLE XVII – NON-EXCLUSIVE CONTRACT

Contractor understands that this Contract is nonexclusive and is for the sole convenience of County. County reserves the right to obtain like services from other sources for any reason.

ARTICLE XVIII – OTHER DOCUMENTS

Contractor and County in entering into this Contract have relied upon information provided in the Contractor's HOME Funding Application dated April 10, 2014. These documents are hereby incorporated into and made a part of this Contract as if set forth in full herein, to the extent not inconsistent with the provisions of this contract. To the extent of any inconsistency among the Contract documents, the Special Agency Conditions shall govern except as otherwise required by law.

ARTICLE XIX – REMEDIES

Either party may pursue any remedies provided by law for the breach of this Contract. No right or remedy is intended to be exclusive of any other right or remedy and each shall be cumulative and in addition to any other right or remedy existing at law or at equity or by virtue of this Contract.

ARTICLE XX – SEVERABILITY

Each provision of this Contract stands alone, and any provision of this Contract found to be prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remainder of this Contract.

ARTICLE XXI – BOOKS AND RECORDS

- A. Contractor shall keep and maintain proper and complete books, records and accounts, which shall be open at all reasonable times for inspection and audit by duly authorized representatives of County.
- B. In addition, Contractor shall retain all records relating to this contract at least 5 years after its termination or cancellation or until any related pending proceeding or litigation has been closed, whichever is later.

ARTICLE XXII – PUBLIC INFORMATION

- A. Pursuant to A.R.S. § 39-121 et seq., and A.R.S. § 34-603(H) in the case of construction or Architectural and Engineering services procured under A.R.S. Title 34, Chapter 6, all information submitted in response to this solicitation, including, but not limited to, pricing, product specifications, work plans, and any supporting data becomes public information and upon request, is subject to release and/or review by the general public including competitors.
- B. Any records submitted in response to this solicitation that respondent reasonably believes constitute proprietary, trade secret or otherwise confidential information must be appropriately and prominently marked as CONFIDENTIAL by respondent prior to the close of the solicitation.
- C. Notwithstanding the above provisions, in the event records marked CONFIDENTIAL are requested for public release pursuant to A.R.S. § 39-121 et seq., County shall release records marked CONFIDENTIAL ten (10) business days after the date of notice to the respondent of the request for release, unless respondent has, within the ten day period, secured a protective order, injunctive relief or other appropriate order from a court of competent jurisdiction, enjoining the release of the records. For the purposes of this paragraph, the day of the request for release shall not be counted in the time calculation. Respondent shall be notified of any request for such release on the same day of the request for public release or as soon thereafter as practicable.
- D. County shall not, under any circumstances, be responsible for securing a protective order or other relief enjoining the release of records marked CONFIDENTIAL, nor shall County be in any way financially responsible for any costs associated with securing such an order.

ARTICLE XXIII – LEGAL ARIZONA WORKERS ACT

- A. CONTRACTOR hereby warrants that it will at all times during the term of this Contract comply with all federal immigration laws applicable to CONTRACTOR'S employment of its employees, and with the requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). CONTRACTOR shall further ensure that each subcontractor who performs any work for CONTRACTOR under this contract likewise complies with the State and Federal Immigration Laws.
- B. COUNTY shall have the right at any time to inspect the books and records of CONTRACTOR and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws.
- C. Any breach of CONTRACTOR'S or any subcontractor's warranty of compliance with the State and Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a material breach of this Contract subjecting CONTRACTOR to penalties up to and including suspension or termination of this Contract. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, CONTRACTOR shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain a replacement subcontractor, as soon as possible so as not to delay project completion.
- D. CONTRACTOR shall advise each subcontractor of COUNTY'S rights, and the subcontractor's obligations, under this Article by including a provision in each subcontract substantially in the following form:

"SUBCONTRACTOR hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to SUBCONTRACTOR's employees, and with the requirements of A.R.S. § 23-214 (A). SUBCONTRACTOR further agrees that COUNTY may inspect the SUBCONTRACTOR'S books and records to insure that SUBCONTRACTOR is in compliance with these requirements. Any breach of this paragraph by SUBCONTRACTOR will be deemed to be a material breach of this contract subjecting SUBCONTRACTOR to penalties up to and including suspension or termination of this contract."

E. Any additional costs attributable directly or indirectly to remedial action under this Article shall be the responsibility of CONTRACTOR. In the event that remedial action under this Article results in delay to one or more tasks on the critical path of CONTRACTOR's approved construction or critical milestones schedule, such period of delay shall be deemed excusable delay for which CONTRACTOR shall be entitled to an extension of time, but not costs.

ARTICLE XXIV - ELIGIBILITY FOR PUBLIC BENEFITS

Contractor shall comply with the provisions of A.R.S. §§ 1-501 and 1-502 regarding public benefits, which are hereby incorporated as provisions of this Contract to the extent applicable.

ARTICLE XXV - ENTIRE AGREEMENT

This document, including the documents identified in Article XVIII, constitute the entire agreement between the parties pertaining to the subject matter hereof, and all prior or contemporaneous agreements and understandings, oral or written, are hereby superseded and merged herein. This Contract may be modified, amended, altered or extended only by a written amendment signed by the parties.

IN WITNESS THEREOF, the parties have affixed their signatures to this Contract on the date written below.

PIMA COUNTY

Chairman, Board of Supervisors Date

ATTEST:

Clerk, Board of Supervisors

APPROVED AS TO CONTENT



Director, Community Development and Neighborhood Conservation Department

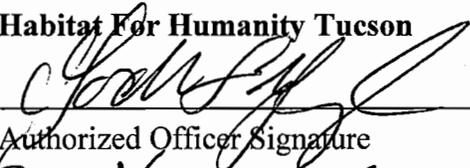
APPROVED AS TO FORM

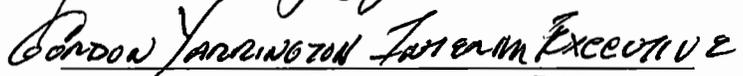


Karen S. Friar, Deputy County Attorney

Habitat For Humanity Tucson

Authorized Officer Signature

 5/22/14
Date


Gordon Yarrington, Executive Director
Printed name and title

**EXHIBIT A
SPECIAL AGENCY CONDITIONS**

1. Modification

Modifications may be made to this Agreement in accordance with the following provisions:

- A. All modifications shall be in writing and shall conform to applicable law, Federal and State regulations and County policies and directives. Approval of modifications is at the sole discretion of County.
- B. Major modifications shall be by written amendment signed by both parties. Major modifications include any which do the following:
 - a. Change the purpose of the Agreement;
 - b. Increase or decrease the compensation provided for in the Agreement;
 - c. Change the term of the Agreement;
 - d. Change the scope or assurances of the Agreement;
 - e. Change any section of the Agreement other than the Scope of Work or budget;
 - f. Any change that is not a minor modification as described below.
- C. Minor modifications may be made by written memorandum approved and signed by the Director of the Pima County Community Services Department. Minor modifications are changes in the Scope of Work or budget, which do not change the purpose or total compensation of this Agreement and do not in any way increase the direct or indirect liability of the County under this Agreement.

2. Procurement of Goods and Services:

Contractor is not the agent of County for any purpose and shall not purchase any materials, equipment, or supplies on the credit of the County. Contractor shall comply with OMB Circular No. A-122, "Cost Principals for Non-Profit Organizations" (if Contractor is a non-profit corporation) and OMB Circular No. A-110.

3. Monitoring and Evaluation:

- A. County shall monitor all activities and information sources in the management, fiscal, and service systems of Contractor and any subcontracted parties, relating to performance of duties and obligations under this Contract, to assure that Contractor is maintaining adequate and acceptable progress and systems, and to ensure that the funds provided to Contractor by County are being used effectively and efficiently to accomplish the purposes for which funds were made available.
- B. County in cooperation with Contractor shall evaluate products, services, and performance under the terms of this contract.

4. Client Fees and Program Income:

Any program income generated and received by Contractor as a result of contract services shall be returned immediately to County. Contractor shall comply with all other applicable HUD HOME Program Regulations.

5. Identification of Funding and Copyrights:

- A. All advertisements, real property, publications, printed and other materials which are produced by the Contractor and refer to services funded under this Agreement shall clearly attribute "PIMA COUNTY" and the Home Investment Partnership (HOME) Program in the following suggested format:

Funded by:

Pima County HOME Program, and the
U.S. Department of Housing and Urban Development (HUD)

- B. Reference to Pima County shall be displayed at least as prominently as other credited funding sources.
- C. Contractor shall not copyright any materials or products developed through contract services or contract expenditures without prior written approval by the County. Upon approval, the federal government and Pima County shall have a non-exclusive and irrevocable license to reproduce, publish or otherwise use or authorize the use of any copyrighted material.

6. Nepotism

- A. Agency shall not employ relatives in positions where one is in supervisory chain of the other, nor where one is in daily working contact with the other.
- B. "Relative" means the spouse, child, child's child, parent, grandparent, brother or sister of whole or half blood or child of a spouse.
- C. County may grant temporary waiver of this policy where relative employment situation already exists at the time of execution of this contract.

7. Audit Requirements:

A. Federal Requirements (applicable if Federal funds are involved):

- 1. If Contractor is a state, local government or non-profit organization which expends \$300,000.00 or more of federal funds during the year, then, Agency shall provide an annual audit which complies with OMB Circular A-133 (31 U.S.C. § 503, 1111, 7501 ET seq. And Executive Orders 8248 and 11541) including the compliance supplement OMB Circular A-133, "Audits of State and Local Governments and Non-Profit Organizations."
- 2. If total expenditures of Federal awards are greater than \$100,000 but less than \$300,000 then a program-specific audit in accordance with generally accepted auditing standards, which includes compliance testing, is required annually. If total Federal expenditures are \$100,000 or less, but at least \$50,000, then a program-specific audit in accordance with generally accepted auditing standards, which includes compliance testing, is required bi-annually. Agencies with total expenditures of Federal awards less than \$50,000 does not have an annual audit requirement.

B. State of Arizona Audit Requirements:

- 1. If Contractor is a non-profit organization, as defined in ARS § 1-3140, or local government organization, Contractor shall comply with ARS § 11-624 "Audit of Non-Profit Corporations Receiving COUNTY Monies," which says in part:
 - i. Each nonprofit corporation or local government organization that receives in excess of \$100,000.00 in COUNTY assistance in any fiscal year shall file for each such fiscal year at the corporation's expense with the board of supervisors either audited financial statements prepared in accordance with federal single audit regulations or financial statements prepared in accordance with generally accepted accounting principles and audited by an independent certified public accountant.
 - ii. Each nonprofit corporation or local government organization receiving \$50,000.00 to \$100,000.00 in COUNTY assistance in any fiscal year shall file biennially at the corporation's expense with the board of supervisors either an audited annual financial statement for the most recently completed even-numbered year prepared in accordance with federal single audit regulations or a financial statement for the most recently completed even-numbered year prepared in accordance with generally accepted accounting principles audited by an independent certified public accountant.

- iii. Each nonprofit corporation or local government organization receiving less than \$50,000.00 in County assistance in any fiscal year shall comply with contract requirements concerning financial and compliance audits contained in contract agreements governing such programs.

2. Additional COUNTY Requirements:

- i. Contractor shall establish and maintain a separate, identifiable accounting of all funds provided by County pursuant to this Contract.
- ii. County may require any contractor to provide a program-specific or financial audit at any time by providing written notice to the Contractor. Such notice shall specify the period to be covered by the audit, the type of audit and the time for completion and submission of the audit.
- iii. All audits provided shall be performed by a qualified, independent accounting firm and shall be submitted to the County within six months of the close of the contract period being audited. It shall include any response Contractor wishes to make concerning any audit findings. Audits shall be submitted to Pima County Community Development and Neighborhood Conservation Department Director at the following address:

Pima County Kino Service Center
2797 E. Ajo Way, 3rd Floor
Tucson AZ 85713

- iv. Contractor shall pay all costs for audit and County shall not be responsible for audit costs. Grant funds may be used to pay for audit provided the cost is allowable under the appropriate federal or state grant law and the cost is specifically included in the grant budget approved by the County.

End of Special Agency Conditions

EXHIBIT B

CONTRACTOR'S CERTIFICATION

Contractor hereby certifies it will comply with the following federal program requirements:

- 1) 24CFR Part 92 - HUD HOME Investment Partnerships Program – Final Rule*, available in its entirety on the internet at the following internet address:
<http://www.hud.gov/offices/cpd/affordablehousing/lawsandregs/regs/finalrule.pdf>
 - a) Including the provisions of Subpart E- Program Requirements
 - i) 92.203 – Income Determinations
 - ii) 92.206 – Eligible Project Costs
 - b) Including the provisions of Subpart F – Project Requirements
 - i) 92.250 – Maximum per-unit subsidy amount and subsidy layering
 - ii) 92.251 – Property Standards
 - iii) 92.254 – Qualification as affordable housing: homeownership
 - iv) 92.257 – Religious Organizations
 - c) Including the provisions of Subpart G – Community Development Housing Organizations
 - i) 92.300 – Set aside for Community Development Housing Organizations (CHDO)
 - ii) 92.301 – Project specific assistance to Community Development Housing Organizations
 - d) Including the provisions of Subpart H – Other Federal Requirements
 - i) 92.350 – Other Federal Other Federal Requirements
 - ii) 92.351 – Affirmative Marketing; Minority Outreach Program
 - iii) 92.352 – Environmental Review
 - iv) 92.353 – Displacement, Relocation and Acquisition
 - v) 92.354 – Labor
 - vi) 92.355 – Lead based paint
 - vii) 92.356 – Conflict of Interest

*Additional information on HUD's HOME Program is available on the internet at the following address:

<http://www.hud.gov/offices/cpd/affordablehousing/programs/home/>

End of CONTRACTOR'S CERTIFICATION



PIMA COUNTY HOMEBUYER ASSISTANCE PROGRAM AGREEMENT

(b) Value of the Property

The purchase price of the Residence is \$ _____

The appraised value of the Residence is \$ _____

(c) Recapture and Refinance Provisions

Transfer, Sale, Refinance, Exchange, Rent or Lease of Subject Property: In the event homebuyer(s) transfers, devises, refinances, sells, exchanges, rents or leases the subject property, regardless of the terms or conditions of such transfer, sale, or exchange within the first ten (10) years of ownership (Affordability Period), or fails to maintain the property as their primary residence during the Affordability Period, the full amount of the HOME Subsidy will be repaid. The homebuyer agrees to maintain the property as their primary residence throughout the ten year affordability period as described below:

1. HOME Subsidy repayment, including any interest due pursuant to this Note, shall be made from the net proceeds of the sale, but only to the extent that such proceeds are in excess of the first mortgage pay-off, customary settlement charges and the Homebuyer's Equity.
2. So long as Homebuyer(s) is compliance with the terms of the forgivable deferred loan and shall occupy the real property which is the subject of this Agreement as their primary residence, no payments of principal shall be required. After the Period of Affordability (ten years) has expired, Homebuyer will not be required to occupy property as the principal residence and the Program Administrator shall consider this note satisfied.
3. **REFINANCING:** The County (Program Administrator) will allow their lien to be placed in second or subordinate position to subsequent refinanced mortgages **only** if the refinance results in a **lower monthly housing payment** and total loan to value (LTV) does not exceed 90%. Exceptions may be considered to refinance for a rate or term reduction that does not take out additional cash or equity. The Homebuyer/Homeowner must demonstrate that the proposed financial transaction will produce a clear distinct financial benefit. No refinancing will be permitted when cashing out solely for consolidation of credit card or revolving debt for any reasons other than to finance necessary home repairs or improvements.

(d) Use and Amounts of HOME Funds

In order to assist Homebuyer or Homeowner to purchase or rehabilitate the residence, Habitat for Humanity Tucson (Recipient) is providing County HOME Program funds in an amount not to exceed **Twenty-seven Thousand dollars (\$27,0000)**.

(e) Form of Assistance

The foregoing financial assistance is being provided in the form of *forgivable deferred loan*. In connection with forgivable deferred loan, the homebuyer or homeowner is executing a ten year Promissory Note agreement and a Deed of Trust and Assignment of Rents (Junior Lien). The Deed of Trust and Assignment of Rents is recorded against the property as a security instrument (Junior Lien) in order to guarantee compliance with the HUD HOME Program funding regulations.

(f) Acquisition Time

Homebuyer represents that Homebuyer intends to purchase the residence within 60 days of the date of this HOME Agreement. Homebuyer or Homeowner understands and agrees that if Homebuyer or Homeowner does not purchase the residence within 60 days of the date of this HOME Agreement, the Recipient may at its sole option: (1) not provide HOME funding; or (2) extend the date to purchase or rehabilitate the residence for a

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)

Unit #	# of Bdrms	Occupant	Household				Assistance Type	Total Monthly Rent
			% Med	Hispanic? Y/N	Race	Size		
		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. **Homebuyer'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.