

**PLANNING AND DEVELOPMENT DEPARTMENT
MEMORANDUM 14-28**

DATE: December 1st, 2014

TO: Honorable Mayor Joyce Downing and City Council Members

FROM: John Pick, City Manager *JP*
Brook Svoboda, Director of Planning and Development *BS*
Becky Smith, City Planner *BS*

SUBJECT: CDBG Minor Home Repair Program – Administered through Adams County Community and Neighborhood Resources.

BACKGROUND

Adams County Community and Neighborhood Resources (ACCNR) is the county department that administers the CDBG sub recipient funding allocations. As a sub- recipient community, Northglenn applies to the ACCNR for CDBG eligible programs to use the City's allocation towards CDBG eligible programs. For several years, Northglenn has used some of the CDBG funds towards the Help for Homes (H4H) program, which provided grants for minor home repairs to residents that are income qualified within the City.

In late 2012, due to the number of communities requesting to use CDBG funds for minor home repair programs, the ACCNR denied Northglenn's H4H program application for 2013. This was done in favor of creating a unified and standardized minor home repair program that would be used by all communities. At that time, the cities that were interested in participating began meeting with ACCNR to develop the unified minor home repair program.

At the end of 2013, ACCNR put out a Request for Proposal (RFP) for a 3rd Party Contractor to Administer the unified minor home repair program. Two proposals were submitted. One of the two proposals was incomplete, and therefore disqualified. The second proposal outlined a cost for administration that was higher (18%) than considered appropriate. After meeting with the applicant and requesting a final and best offer, the proposal was rejected based on the proposed cost of administration, because the goal is to put as much money as possible to the home repairs.

Subsequently, ACCNR proposed two alternatives moving forward: 1) rebid and start over; or 2) have ACCNR administer the program. After meeting with ACCNR, it was the general consensus of the community stakeholder's staff that Option 2, an ACCR administered program, was the preferred alternative.

MEMORANDUM OF UNDERSTANDING

The Memorandum of Understanding (MOU), and the Policy and Procedure Manual (Attachments 1 & 2), provide the framework for assignment of responsibilities, how individual projects will be administered and the County's and City's responsibilities for working together and federal compliance of the overall program. The Policy and Procedure Manual provides a step by step process of how the County and the City will carry out each grant application.

Overall, the proposed framework of this program is based off of the City's previous program. The main distinction between the City's program and the proposed program is the County will perform, in addition to their previous responsibilities, what our 3rd party contractor did under our program – managing scope, contractors, administrative paperwork, and customer sign-off for work performed. City Staff will still serve as the 1st point of contact and certify applications.

MONITORING EXPECTATIONS

Staff is recommending the following monitoring measures for the proposed Minor Home Repair Program:

1. Staff will periodically evaluate the Minor Home Repair Program to Council's expectations.
2. Staff will recommend, when warranted, to Council whether to continue the Minor Home Repair Program or pursue other CDBG eligible programs.
3. As outlined the MOU, the City may opt out of the Minor Home Repair Program, and request to reallocate in the remaining fund balance to another CDBG eligible project.

FINANCIAL IMPLICATIONS

The proposed MOU would allocate fiscal year 2013 and 2014 CDBG dollars – approximately \$470,000.00.

RECOMMENDATION

Staff is seeking Council consensus to schedule for formal consideration and adoption for the December 8, 2014 Meeting

STAFF REFERENCE

| | | |
|---|--|--------------|
| Brook Svoboda, Director of Planning and Development | bsvoboda@northglenn.org | 303.450.8937 |
| Becky Smith, City Planner | bsmith@northglenn.org | 303.450.8741 |

ATTACHMENTS

- Attachment 1 Minor Home Repair MOU
- Attachment 2 Minor Home Repair Policy & Procedure Manual

MEMORANDUM OF UNDERSTANDING

For the Administration of the Minor Home Repair Program

Adams County ("County") is qualified as an "urban county" for purposes of requesting and receiving Community Development Block Grant ("CDBG") funds from the U.S. Department of Housing and Urban Development ("HUD"). The cities of Northglenn and Commerce City are considered part of that urban county, have each entered into separate cooperation agreements with the County, and are both included in the County's annual allocation of CDBG funds.

The County, as part of its Annual Action Plan for fiscal years 2013 and 2014 ("Annual Action Plan"), allocated funding to operate a Minor Home Repair ("MHR") Program in the unincorporated portion of Adams County and, with the assistance and cooperation of the applicable jurisdiction, the cities of Northglenn and Commerce City ("Cities"). The Annual Action Plan, approved by HUD, allocated \$470,000 and \$200,000 of the CDBG funds for use in Northglenn and Commerce City, respectively, as part of the MHR Program.

The MHR Program provides grants to very low to moderate income homeowners for repair or replacement of housing systems based on health, safety, or sanitary conditions that detract from the quality of life and housing stock within the communities. The purpose of this memorandum is to outline responsibilities between the County and the Cities for the successful administration of the MHR Program within the boundaries of the Cities.

Cities:

The Cities will:

1. Market the MHR Program to their respective residents to the extent that they believe appropriate.
2. Serve as the primary resource for potential MHR Program grant applicants in their respective cities.
3. In their respective jurisdictions, accept and review applications for completeness. To be considered complete, the following shall be required:
 - a. Completed, signed, and dated application form;
 - b. All documents necessary to verify income including, as applicable, prior year's income tax return including W2s for all working family members, current paycheck stubs and other employment information, benefit award letters, etc.;
 - c. Mortgage documents and verification of mortgage;
 - d. Bank statements for all savings and checking accounts;
 - e. Copy of deed to property and title policy;
 - f. Copy of homeowner's insurance policy;
 - g. Proof that real estate taxes are paid and current;
 - h. Scope of proposed repairs;
 - i. Copy of driver's license or other government issued identification.

4. In their respective jurisdictions, determine the eligibility of the applicant/property. A determination of eligibility shall be granted if all of the following criteria are met:
 - a. The property is an owner-occupied housing unit;
 - b. The property is located within the legal boundaries of the city to which the application is made;
 - c. The total household income does not exceed 80% of the area median income as provided by HUD;
 - d. The owner has clear title to the home;
 - e. The property taxes are paid in full;
 - f. The property owner is a legal resident of the U.S.;
 - g. No second mortgage on the property exists;
 - h. Proof of insurance has been provided;
 - i. The homeowner has not participated in other MHR Programs funded by CDBG dollars awarded to the County in the past five (5) years;
 - j. All eligible post-1976 manufactured and mobile homes must meet the National Manufactured Home Construction and Safety Standards as identified by the HUD certification label mounted in each unit.
5. Upon determination of eligibility, forward a copy of the City's file to the County immediately for action.
6. If a determination of ineligibility is made, the applicable City shall provide written notice of its determination to the applicant. Similarly, if an eligible applicant is not served by the MHR Program due to death, moving, or some other reason, the applicable City shall provide written notice of the decision. The Cities will provide all documentation associated with these actions to the County on a quarterly basis.
7. Retain a copy of all relevant documents received or created in conjunction with the administration of the MHR Program.

County:

Upon receipt of an application deemed eligible by either city, the County shall conduct the remaining necessary procedures to implement the program and complete each request. The necessary procedures are detailed in the attached Policies and Procedures document.

The Policy and Procedures document governs the County's actions and requirements. Any proposed changes to this document shall first be raised to each City for consideration and approval. The document can be revised on an administrative basis through the cooperation and agreement of City and County staff.

Upon receipt of an application deemed eligible by either city, the County will complete the remainder of the steps required for the administration of the program, including, as applicable,

property inspection and environmental review; estimating costs of eligible work and providing such estimates to the applicable City, obtaining the written consent of the owner of the property on which any program work is to be done, retaining and assigning contractors to complete work, and issuing the Certificate of Completion and Warranty. The County shall complete all applicable tasks in accordance with HUD standards. The County shall be responsible for the acts and omissions of its agents, employees, consultants and subcontractors. The County shall be responsible for coordination of all work required to complete the services, including all work to be performed by its subcontractors.

The Policy and Procedures document governs the County's actions and requirements. Any proposed changes to this document shall first be raised to each City for consideration and approval. The document can be revised on an administrative basis through the cooperation and agreement of City and County staff.

In conjunction with the joint administration of the MHR Program in the Cities, the County will:

1. Maintain all records.
2. On or before the 10th day of each month, provide each City with a report detailing the status of all approved projects. The report shall also include the estimated costs and actual costs of each project and the overall fund balance for the City through the last day of the preceding month.
3. Schedule quarterly meetings with the Cities to provide updates on program status and discuss issues of on-going improvement and program development.
4. Comply with all required reporting to HUD.
5. Provide an annual report of the program to each City.

Overview of Process and Responsibilities:

1. Accept application - Cities
2. Eligibility Determination - Cities
3. Inspection/Environmental Review - County
4. Determine Eligible Repairs and Create Description of Work - County
5. Bid Process - County
6. Prepare Estimate of Costs - County
7. Homeowner and City Approval to Proceed - City
8. Award and Execution of Contract for work - County
9. On-site Inspection of Work - County
10. Final Inspection and Punch List - County
11. Certificate of Completion - County
12. Payment to Contractor - County
13. Report to Cities - County
14. Final Report to HUD - County

This Memorandum of Understanding is intended to contain the understanding of the parties regarding their responsibilities in administering the MHR Program and the responsibilities outlined herein may not be modified or amended except by an agreement in writing signed by the parties.

Termination and Damages.

1. Either party may terminate this Contract by giving thirty (30) days prior written notice to the other party.
2. Upon termination, the County shall be entitled to deduct from the applicable City's allocation the cost of any services actually performed on any project undertaken in conjunction with the Minor Home Repair Program.

3. Upon termination and in accordance with the terms of the Community Development Block Grant Program Intergovernmental Agreement, the remaining allocated balance of funds may, at the applicable City's request, be reallocated to another program or project with the County's consent, which consent shall not be unreasonably withheld.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be duly executed as of the day and year hereinabove set forth.

ADAMS COUNTY

BY: _____
Chairman

CITY OF NORTHGLENN

BY: _____
Joyce Downing, Mayor

CITY OF COMMERCE CITY

BY: _____
Brian K. McBroom, City Manager

ATTEST:

Laura J. Bauer, CMC, City Clerk

Approved as to form:

Karen S. Stevens, Deputy City Attorney

ATTACHMENT 2

Minor Home Repair Policies and Procedures

BACKGROUND AND PURPOSE:

Adams County Community and Neighborhood Resources (ACCNr) is proud to offer a Minor Home Repair (MHR) Program that is funded by Community Development Block Grant (CDBG) dollars received from the U.S. Department of Housing and Urban Development for identified areas across Adams County, CO. ACCNR's MHR Program is intended to impact the health, safety and sanitary conditions as well as address sustainability for low to moderate income owner occupied households. The program is designed to maintain safe homes, preserve and improve the quality of the housing stock, assist seniors to age in-place or the disabled to remain in their home as well as address future sustainability through energy efficient repairs.

PROPERTY ELIGIBILITY:

Property must be an owner-occupied housing unit.

The home must be located in an area approved and stated annually in ACCNR's Action Plan.

The total household income cannot exceed 80% of area median income as established and provided annually by the U.S. Department of Housing and Urban Development.

The owner must have clear title on the home.

All property taxes must be paid in full.

The homeowner must be a legal resident of the United States.

Property insurance is required.

All eligible post-1976 manufactured and mobile homes must meet the National Manufactured Home Construction and Safety Standards as identified by the HUD certification label mounted on each unit.

ELIGIBLE REPAIRS:

Minor home repairs include, but are not limited to the following:

Energy related improvements to address long term sustainability and affordability;

Repairs and general property improvements of a non luxury or cosmetic nature;

Health and safety improvements required by local code;

Accessibility improvements to accommodate handicapped persons and/or make medical accommodations;

Repair or replacement of housing systems.

ELIGIBLE COSTS:

The on-site property inspection by the Housing Coordinator confirms what rehabilitation work is needed:

Costs to meet Section 8 Housing Quality Standards;

Costs to meet local codes and rehabilitation standards;

- Essential improvements;
- Energy-related improvements;
- Abatement of lead-based paint hazards;
- Improvements for handicapped persons;
- Repair or replacement of major housing systems;
- Anticipated repairs and general property improvements of a non-luxury or cosmetic nature;
- Site improvements and utility connections;
- Related soft costs – reasonable and necessary costs – including: architectural, engineering, or related professional services;
- Any Uniform Relocation Act (URA) related costs with prior approval of plan.

All costs will be approved prior to payment by ACCNR. All costs may not exceed Seven Thousand Dollars (\$7,000) per household. Should repairs exceed the cap and need further review they will be considered by ACCNR staff on a case by case basis.

APPLICANT ELIGIBILITY:

The homeowner requesting assistance contacts the appropriate agency whether municipal or ACCNR and an application is mailed to the homeowner for completion. The following documentation is required to determine and verify homeowner eligibility:

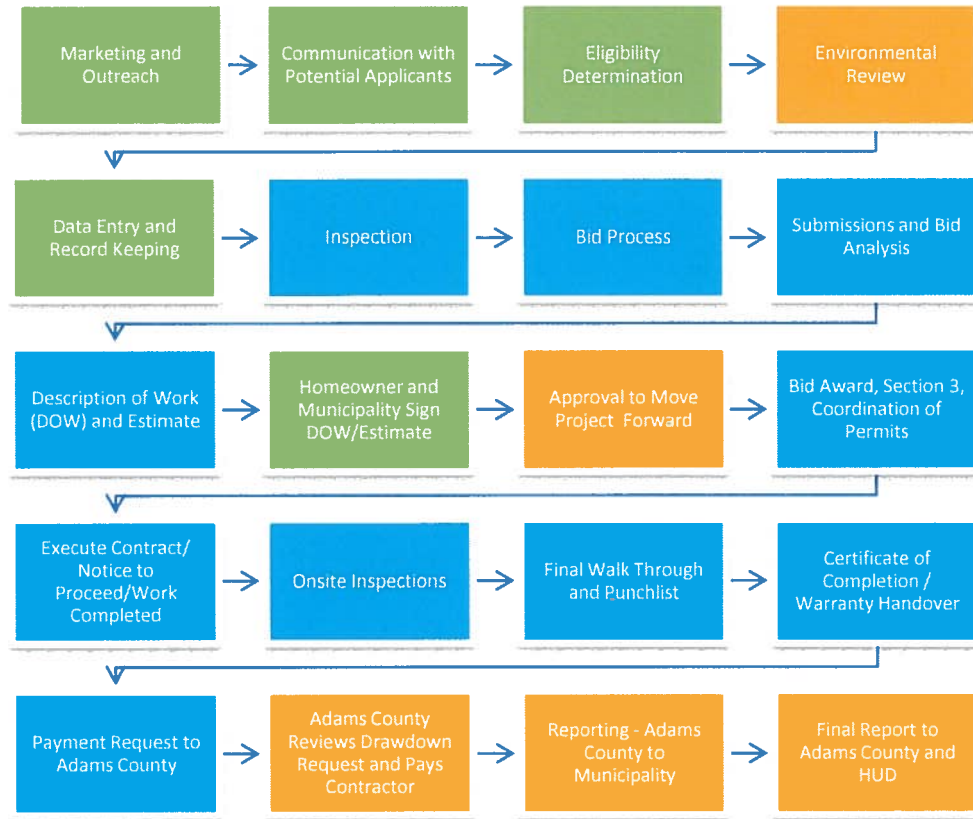
- Complete, signed and dated application form;
- Prior year's income tax return including W2's for all working family members;
- Current paycheck stubs and other employment information;
- Mortgage documents and verification of mortgage;
- Verification of income;
- Verification of checking and savings accounts;
- Copy of Deed to property and title policy;
- Homeowner's insurance policy;
- Proof taxes are paid and current;
- Scope of repairs requested;
- Copy of Driver's License or other government issued identification;
- Has not participated previously in other MHR programs funded by ACCNR's CDBG dollars.

PROGRAM ADMINISTRATION:

The Minor Home Repair Program is administered on behalf of ACCNR and participating municipalities by the Housing Coordinator. ACCNR may set forth additional policies and procedures as determined to be appropriate to maintain the integrity of the program and its intended implementation.

ADAMS COUNTY COMMUNITY AND NEIGHBORHOOD RESOURCES

MINOR HOME REPAIR PROGRAM FLOW CHART



Green= Municipality or ACCNR (as appropriate) Blue= Housing Coordinator Gold= ACCNR

MARKETING AND OUTREACH:

Participating municipalities, as well as ACCNR for unincorporated Adams County, will direct marketing materials and outreach towards targeted areas and populations of need based on local and census data. All materials will be available in English and Spanish, include all necessary logos, and include contact information for ACCNR for further assistance if needed. Examples of outreach and marketing include:

- Articles in local publications;
- Fliers in community centers, local government and other local message boards;
- Presentations to local groups and associations as well as Section 3 Concerns;
- News releases to local media.

COMMUNICATION WITH APPLICANTS:

Communication with applicants will begin at the local level with a designated contact person from each participating municipality. This contact will ensure timely response to application request, questions, and submission as well as during participation in the MHR Program should they be deemed eligible. The potential client will schedule an intake appointment with their local contact for a final eligibility determination. At this time realistic expectations regarding process and timeline will be established. All must be documented in the client file with the local contact.

ELIGIBILITY DETERMINATION:

Eligibility will be determined based on a complete application including all necessary back up documentation and signatures. Refer to the previous sections on Property Eligibility and Applicant E

throughout this process, they will be communicated through ACCNR to the local contact for remittance to the client.

DATA ENTRY AND RECORD KEEPING:

Each local contact will maintain a client file containing all back up and demographic documentation. This data must be submitted no less than quarterly on the reporting form to ACCNR for entry into the HUD on-line reporting system (IDIS). The Housing Coordinator will maintain detailed project files at the end of the Agreement. All files must be maintained for a period of no less than 5 years from the end of the ACCNR program year following close out in IDIS.

INSPECTION:

When the applicant has been approved, the local contact submits the homeowners' information to the Housing Coordinator and the local contact will work with the Housing Coordinator to coordinate with the Homeowner to schedule a site visit to inspect the property.

The Housing Coordinator performs a complete inspection of the property noting any violations of the HUD Section 8 Minimum Housing Quality Standards, local codes, items specific to lead-based paint and general property improvements according to the following priorities:

Health, safety (including lead-based paint hazards), and code corrections/compliance;
Energy efficiency and sustainability.

LEAD BASED PAINT:

As a participating jurisdiction under the HUD CDBG and HOME Programs, the Adams County Community and Neighborhood Resources (ACCNR) is authorized to administer, create and subcontract housing programs that provide safe, sound and sanitary housing and financial assistance to income eligible individuals. Therefore, the ACCNR supports the efforts of the federal and state government to mitigate the problems caused by lead paint hazards.

Title X of the Housing and Community Development Act of 1992 significantly changed the national approach to evaluating and controlling lead-based paint hazards in residential housing to prevent childhood lead poisoning. Title X, also known as the Residential Lead-Based Paint Hazard Reduction Act of 1992, stipulates specific lead-based paint hazard evaluation and control activities for federally supported housing. It also imposes requirements on privately owned housing when those units are federally supported tenant-based rental assistance units, utilize federal assistance for paid or voluntary paint or rehabilitation services, and when there is a transfer of real estate. When either federally supported or private units require abatement services, a certified hazard evaluation and abatement contractor must be used.

Title X assigns specific responsibilities and deadlines to the Environmental Protection Agency (EPA), Housing and Urban Development (HUD) and the Occupational Safety and Health Administration (OSHA).

These agencies have worked together to formalize policies and procedures that will help reduce the incidents of lead-based paint hazards. Approximately three-quarters of the nation's housing stock built before 1978 (about 64 million units) contain some lead-based paint. When properly maintained and managed, this paint poses little risk. However, 1.7 million children have blood lead levels above the safe limits, mostly due to exposure to lead-based paint hazards.

Some Adams County residences can be counted among this number of lead contaminated units. Specifically this policy covers federally owned housing and housing receiving federal assistance. Adams County housing units that are not covered by Title X and therefore this policy include:

- Housing built after 1977 because the use of lead-based paint for residential use was banned in 1978.
- Zero bedroom units, such as efficiencies, lofts and dormitories.
- Leases for less than 100 days, such as vacation houses or short-term rentals.
- Housing for the elderly (unless children live there).
- Rental housing that has been inspected by a certified inspector and found to be free of lead-based paint.
- Foreclosure sales property.

In compliance with the Final Rule of Title X, Residential Lead-Based Paint Hazard Reduction Act of 1992 (24 CFR Part 35 and 40 CFR Part 745); ACCNR has taken a multi-phase approach to fully integrate its lead-based paint hazards policy into all required programs.

The following policies and procedures are an integral component of the program guidelines for Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), CDBG/HOME Housing Rehabilitation Program, HOME Tenant-Based Rental Assistance (HOME TBRA); Housing Opportunities for Persons With AIDS (HOPWA); Emergency Shelter Grant (ESG); Shelter Plus Care (S+C); Youthbuild; Supportive Housing Program and First Time Home Buyer Program.

The ACCNR approach provides information and education, notification and disclosure, and safework practices for addressing the issue of lead-paint hazards in the housing programs delivered to the community.

Information and Education for Lead-Based Paint Hazards Reduction

Lead Hazard Information pamphlet. The Environmental Protection Agency has developed a pamphlet entitled, "Protect Your Family From Lead In Your Home". The booklet describes the general ways to eliminate lead-based paint hazards, and notifies people of their rights to information when buying, renting or renovating housing built before 1978.

CDBG/HOME Minor Home Repair Program has updated contracts, forms and notification documents which inform the homeowner of the risks associated with lead-based paint hazards. The information packet educates homeowners of the serious health risks that can be triggered as a result of remodeling. The ACCNR is cognizant that the new lead-based paint regulations may affect a project if the

property was built before 1978; the property shows visual signs of deteriorated (chipping or peeling) paint; or if the renovation will disturb surfaces that contain lead hazards.

All ACCNR CDBG/HOME Minor Home Repair projects built before 1978 will be screened for lead-based paint hazards. The initial screening will be a visual inspection preformed by the staff rehabilitation specialist and the homeowner. If, the visual inspection suggests the presence of deteriorated paint or a lead test determines that lead hazards are present, a certified lead-based paint contractor will be required to perform that portion of the work. Throughout the project, the homeowner will be apprised of their rights, appropriate safety practices will be implemented and EPA/HUD certified workman knowledgeable of safe work practices would be employed.

A clearance test will be performed at the conclusion of the project to make sure that all lead hazards have been eliminated. The costs for lead evaluation and hazard reduction work will not be included in the cost of the loan. The ACCNR CDBG/HOME Minor Home Repair Program will pay for the costs incurred for lead hazard reduction work as a grant, separate from the loan.

At appropriate intervals the homeowner must acknowledge receipt of information, alternatives, and opportunities to continue, discontinue or relocate if necessary. Such acknowledgements will be in writing on appropriate ACCNR documents. As part of the project closeout, the rehabilitation program staff will gather all documents and maintain them as part of the clients file.

Real Estate Notification and Disclosure for Lead-Based Paint Hazards Reduction

The ACCNR staff and Subgrantee agencies will also insure disclosure to the buyer or renter of the presence of any known lead-based paint or lead-based paint hazards in the property and provide any lead hazard evaluation report available to the seller or leaser for property that is subsidized with CDBG, HOME or SCBG funds.

Safe Work Practices for Lead-Based Paint Hazards Reduction

Safe Work Housing Rehabilitation The ACCNR has incorporated the requirements of lead-based paint hazard abatement into its CDBG/HOME Housing Rehabilitation and TBRA Program. The ACCNR's changes to its housing rehabilitation program takes into consideration that renovation and remodeling activities may disturb lead-based paint and can create risks of lead exposure to both workers and occupants. To that end, the new forms, contracts and guidebooks address the risk and educate both the homeowner and contractor.

Safe Work Volunteer Paint and Rehabilitation The ACCNR recognizes the important role of volunteers in paint and rehabilitation programs in the community. The requirements of Title X require that safe work practices be followed so that dust and contamination of property is minimized. As with contractors and homeowners, both volunteers and community residents are protected through such practices. It is the policy; therefore, of the ACCNR to insure that volunteers know how to protect themselves, residents and their families from lead paint dust, paint chips and contaminated soil. Prior to starting a volunteer project that is supported with federal

funds, the subgrantee agency must certify that its volunteers are able to meet the lead safety requirements for lead-based paint hazards control and safe work practices. A copy of the Federal Requirements for Volunteer paint and Rehabilitation Programs will be an attachment to subgrantee agreements with such volunteer agencies.

Financial Requirements of Housing Rehabilitation and Volunteer Programs The ACCNR Minor Home Repair Program contains the following provisions in compliance with Title X. ACCNR's federally funded rehabilitation projects receiving more than \$5,000 will be inspected if the work is likely to disturb painted surfaces; and lead-based paint hazards will be abated if the project receives more than \$25,000 of federal funds for rehabilitation will be required to reduce lead-based paint hazards through measures such as abatement or interim controls. ACCNR contractors and homeowners will be informed regarding those alternative measures.

Summary of Lead-Based Paint Requirements by

Amount of Assistance for Rehabilitation Project

| | \$5,000 | \$5,001 – 25,000 |
|---|---|---|
| Approach to Lead Hazard Evaluation and Reduction | Do No harm | Identify and control lead hazards |
| Notification | Yes | Yes |
| Lead Hazard Evaluation | Paint Testing | Paint Testing and Risk Assessment |
| Lead Hazard Reduction | Repair surfaces disturbed during rehabilitation | Interim Controls |
| | Safe work practices Clearance of work site | Safe work practices Clearance of unit |
| Options | Presume lead-based paint Use safe work practices on all surfaces | Presume lead-based paint and/or Hazards Use standard treatments |

For more information on applicability to projects, please contact ACCNR staff after the property inspection has been performed.

BID PROCESS WITH SUBCONTRACTORS:

The Housing Coordinator shall use an Adams County approved bid process to procure contractors to perform minor home repairs under this program. This may be done on a project or contract basis. All documentation with regard to the bid process shall be maintained in the construction file with the Housing Coordinator.

All subcontractors must have DUNS numbers and be submitted for prior approval to ACCNR for a debarment check in the System of Award Management (SAM). Other necessary information from subcontractors to be kept on file with the Housing Coordinator includes but is not limited to:

- Business Name; Address; Phone Number
 - a. Sole Proprietorship/Partnership/Corporation
 - b. Woman Owned/Minority Owned
 - c. Officer(s) Authorized to execute documents: Names, Title, Signature
- Worker's Compensation Insurance
- Tax ID No. Or Social Security No.
- Applicable licensing
- Proof of Contractors Public Liability Insurance
- Proof of Automobile Liability Insurance
- List of work references (3)
- Business References (Banks, etc.)

The Housing Coordinator and local contact will coordinate any onsite inspections necessary to bid submission.

CONFLICT OF INTEREST:

No person employed by Adams County Community and Neighborhood Resources or the participating municipalities shall be in a position that results in a situation whereby any one of the following would exist:

1. Staff will not be entrusted with monies received or handled by a relative;
2. Staff will not have access to the confidential information, including payroll processing and personnel records of a relative.
 - a. Relative, as used in this policy, shall be defined as spouse, parent(s), child (ren), brother(s), sister(s), aunt(s), uncle(s), grandparents(s), or grandchild (ren), including "in-law" and "step" relatives. This policy also applies to any person residing in the household of employees regardless of family relationship.

EQUAL OPPORTUNITY:

EXECUTIVE ORDER 11246. Contractors will take affirmative action to ensure that applicants are employed and treated during employment without regard to their race, color, religion, sex, or national origin.

During the performance of this contract, the Contractor agrees as follows:

- 1) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, transfer, recruitment or recruitment advertising; lay-off or termination; rates or pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this non-discrimination clause.
- 2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- 3) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the Department's contracting officer advising the labor union or workers' representative of the Contractor's commitments under Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- 4) The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- 5) The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the Department and the Secretary of Labor for purpose of investigation to ascertain compliance with such rules, regulations and orders.
- 6) In the event of the Contractor's noncompliance with the non-discrimination clauses of this contract or with any such rules, regulations, or orders, his contract may be canceled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

- 7) The Contractor will include the provisions of paragraphs A through G in every subcontract or purchase order unless excepted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 25 1965, so that each provision will be binding upon each Subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the Department may direct as a means of enforcing such provisions including sanctions for noncompliance: In the event the Contractor becomes involved in or is threatened with litigation with a Subcontractor or vendor as a result of such direction by the Department, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

SECTION 3 INFORMATION:

The Contractor shall be required to comply with the following requirements:

SECTION 3 - AFFIRMATIVE ACTION PLAN. During the performance of this Contract, the Contractor agrees as follows:

- 1) The work to be performed under this Contract is on a project assisted under a program providing direct Federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 170u. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given lower income residents of the project area and contracts for lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the area of the project.
- 2) The parties to this Contract will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR, and all applicable rules and orders of the Department issued hereunder prior to the execution of this Contract. The parties to this Contract certify and agree that they are under no contractual or other disability, which would prevent them from complying with these requirements.
- 3) The Contractor will send to each labor organization or representative of workers with which he has a collective bargaining agreement or other contract or understanding, if any, a notice advising the said labor organization of workers' representative of his commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.
- 4) The Contractor will, at the direction of the applicant for or recipient of Federal financial assistance, take appropriate action pursuant to the subcontract upon finding that the Subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR. The Contractor will not subcontract with any Subcontractor where it has notice or knowledge that the latter has been found in violation of

regulations under 24 CFR, and will not let any subcontract unless the Subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

SUBMISSION AND BID ANALYSIS:

The Housing Coordinator will receive and evaluate all bids based on the description of work from the initial inspection and determine best options. All bids received will be maintained in the construction file maintained by the Housing Coordinator.

DESCRIPTION OF WORK AND ESTIMATE:

Once the bid analysis is approved the local contact the will be notified. All documentation should be included in Client and construction file.

UNIFORM RELOCATION ACT – TEMPORARY RELOCATION

Should relocation be necessary a plan must be submitted to ACCNR prior to acceptance of estimate.

The project may call for a temporary relocation of the residents of the property unless:

- 1) the work will not disturb lead-based paint or lead-based paint hazards (determination to be made by lead-based paint Certified Contractor and ACCNR);
- 2) only exterior work is being conducted and openings to the interior are closed during the work and lead-hazard-free entry to the dwelling is provided;
- 3) the interior work will be completed in 8 hours, the work sites are contained to prevent dust release into other areas, and no other health or safety hazards are created; or
- 4) interior work will be completed in 5 consecutive days, work sites are contained to prevent dust release into other areas, no other health or safety hazards are created, work sites and areas 10 feet from the containment area are cleaned at the end of each work day, and occupants have safe access to sleeping, kitchen and bathroom facilities.

At no time can occupants be permitted into the work sites (unless they are employed in the work) until after the work is complete and formal clearance has been achieved. Relocation of elderly occupants is not typically required, so long as complete disclosure of the nature of the work is provided and informed consent of the elderly occupant(s) is obtained before commencement of the work.

HOMEOWNER AND CONTACT SIGN OFF ON DESCRIPTION OF WORK AND ESTIMATE:

After notification of approval, the local contact and the Housing Coordinator arrange with the homeowner for review and sign off on the description of work and estimate to be accepted. If there are issues with the selected contractor or work to be performed they are to be resolved at this time. All should be documented for client and construction file.

APPROVAL TO HOUSING COORDINATOR TO MOVE PROJECT FORWARD:

The Housing Coordinator, after receipt of signed description of work, estimate, and the Tier 2 environmental clearance, will move the project forward with scheduling utilizing the local contact or ACCNR as necessary.

BID AWARD, SECTION 3, AND COORDINATION OF PERMITS:

The Housing Coordinator communicates with the sub contractor with regard to bid award, permitting, and Section 3 compliance. Any questions with regard to compliance of the aforementioned and/or applicability of Labor Standards are resolved at this time. All documentation should be included in construction project file maintained by the Housing Coordinator.

CONTRACT EXECUTION, NOTICE TO PROCEED, AND WORK COMPLETION:

A contract is executed between the homeowner and the subcontractor and maintained in the construction file with the Housing Coordinator. The Housing Coordinator issues a Notice to Proceed, also maintained in the construction project file, to the sub contractor. The Housing Coordinator manages the project to ensure adherence with program guidelines and that quality work is performed quickly and professionally to all applicable codes.

ON SITE INSPECTIONS:

ACCNR will complete periodic on site inspections. The Housing Coordinator inspects project for integrity of work and trouble shooting of any issues so that they may be identified and resolved. All should be documented in construction file maintained by the Housing Coordinator.

FINAL WALK THRU AND PUNCH LIST:

At the request of the Housing Coordinator, a final walk thru is scheduled with the homeowner and the local contact. This is to address any final items that may need addressing. Follow up is performed by the Housing Coordinator and documentation kept in the construction file.

CERTIFICATE OF COMPLETION AND WARRANTY HANDOVER:

Once the final walk thru and punch list items are completed, the homeowner signs a certificate of completion to be maintained in the client and construction file. Any applicable warranties or follow up information is transferred to the homeowner. The homeowner is also given a Program Satisfaction Survey to mail to ACCNR.

DRAW DOWN REVIEW AND PAYMENT:

Once a complete payment request is received, ACCNR will work with the local contacts to verify documentation and necessary reporting. Desk monitoring will also occur at this time.

REPORTING:

The local contacts will submit quarterly reports to ACCNR for entry into IDIS. ACCNR will ensure that all information is responsibly reported in IDIS. At Program completion, the local contacts will assist ACCNR staff in data reconciliation and final reporting to HUD and the residents of Adams County.

MONITORING:

All monitoring will be performed by ACCNR. Desk monitoring will be performed at the time of payment request review as well as random onsite monitoring throughout the construction process. Local contact files will be available for on-site monitoring annually throughout the Program.

OTHER PROGRAM ADMINISTRATION PROCEDURES:**EXCEPTIONS PROCEDURES:**

Upon written request of a homeowner, Adams County Community and Neighborhood Resources may grant an exception to the provisions mentioned above on a case-by-case basis when it determines that the exception will serve to further the purposes of the Minor Home Repair Program.

1. Written request from the homeowner.
2. Written request from ACCNR to HUD for approval.
3. Factors relevant to the relationship of the homeowner and/or contractor to the Housing Rehabilitation Program Staff. *(Reference from Code of Federal Regulations Title 24, Volume 1, Cite: 24CFR92.356 and Cite: 24CFR85.36, page 517 – 523)*

RIGHT OF APPEAL:

Homeowners may appeal a decision or actions of a staff member of the ACCNR progressively through the chain of command up to the Adams County Board of County Commissioners.