



Department of
**Housing & Neighborhood
Revitalization**

**Notice of Funding Available (NOFA)
Home Improvement & Preservation Program
Major Home Rehabilitation Program
Home Reconstruction Program**

Introduction, Purpose & Intent

This City of Dallas Notice of Funding Availability (NOFA) is open to contractors or subrecipients that are Texas registered businesses or have authorization to work in Texas to act as contractors or subrecipients with the City of Dallas (“City”) Department of Housing & Neighborhood Revitalization (“Housing”). Housing seeks applications from qualified contractors or subrecipients through this open application process to administer both the Major Home Rehabilitation Program and Home Reconstruction Program (programs) through a one-year contract with 2 one-year renewal options for the City of Dallas. Both program statements are listed in Appendix 3.

This NOFA seeks proposals for all aspects of program administration and implementation including a detailed budget showing, loan amount to homeowner, direct delivery and administrative costs to administer the Program. See Table 1 for all administration items. \$3-million in total funds are available for direct client assistance. Proposer should include a breakdown of expenses to administer the program on top of the \$3M. Proposer should serve at least 50 people.

On September 9, 2021, via Resolution No. 21-1450, the City Council approved the Program. At the time of posting this NOFA, Housing is seeking an amendment to the Comprehensive Housing Policy that will authorize the Department to award funding to an eligible proposer. No award can be made until City Council approves this amendment. Housing is however able to receive proposals for this NOFA. Please read any posted appendix at www.dallashousingpolicy.com for applicable rules that apply to funding sources or changes to the NOFA before submitting a proposal.

Awards as a result of this NOFA will be funded on a cost reimbursement basis. Under the cost reimbursement method of funding, contractors are required to finance operations with their own working capital with reimbursements to contractors for actual, allowable, and allocable disbursements to be supported by source documentation. Proposer may identify an alternate funding method to prevent a slowdown in production caused by the reimbursement method.

Contractors or subrecipients must provide satisfactory evidence and documented history of its ability to manage and coordinate the administrative functions listed in this Solicitation. The successful contractor or subrecipient shall have experience working with special population(s) intended for delivery of services.

Responsibilities of the City and the Contractors or Subrecipients

Table one shows the relationship of Program administration and the party responsible. There is further explanation of each step after the table.

Marketing the Programs	City and 3 rd Party
Application Intake	City
Eligibility Review – income and home eligibility	3 rd Party
Title Search	3 rd Party
Property Inspection	3 rd Party
Scope of Work	3 rd Party
Environmental Review	City
Bidding (if needed)	3 rd Party
Contract Execution	3 rd Party
Housing Inspection of Work	City
Completion of Repairs / Reconstruction	3 rd Party
Reimbursement of Costs	City

Table 1

The City will implement partial administrative functions of the Programs under its grant obligations to HUD.

This includes:

- Marketing the Programs: The City will do this in conjunction with the Contractor/Subrecipient,
- Environmental Review: The City will conduct an environmental review of each property once a scope of work has been drafted. Work may not proceed until this ER report has been returned to consultant or subrecipient. Scope of work may alter depending on the findings preparing the scope of work for the proposed repairs,
- Conducting inspections: The City will conduct inspections of properties where repairs are scheduled to begin, underway and/or completed,
- Reimbursement costs: The City will make reimbursable payments to the contractors or subrecipients for work completed,
- IDIS: The City will log each person who has received assistance into IDIS,
- Training on the program: The City will train on how to do a part 5 income determination, monitoring the programmatic and financial components of the Program and troubleshooting as needed.

The contractors or subrecipients administrative functions of the Programs under its grant obligations are to manage, implement, and undertake the eligibility through repair/construction functions of the program.

This includes:

- Marketing the Programs: The contractors or subrecipients will conduct sufficient advertisement of the Programs and other forms of outreach to ensure that enough eligible applicants participate in the program to fully expend awarded funds.

- Receive applications and conduct applicant and house eligibility review:
 - Conduct an initial household interview and inspection,
 - conduct part 5 analysis and other eligibility review,
 - proof of homeownership
 - title report showing clear title or outstanding liens on home
- Develop Scope of Work (work write-ups): For each eligible unit to be assisted, a property inspection should take place that results in a detailed work write-up of the repairs to be performed. The scope of work shall contain information regarding materials to be used ensuring that the City's rehabilitation standards are being met. The write-up will be signed and dated by the homeowner along with photo documentation.
- Environmental Review: The City will conduct an environmental review of each property once a scope of work has been drafted. Work may not proceed until this ER report has been returned to consultant or subrecipient. Scope of work may alter depending on the findings preparing the scope of work for the proposed repairs,
- Develop Cost Estimate: The contractors or subrecipients shall prepare an accurate internal cost estimate for each repair item and update the scope of work if needed from the Environmental Report.
- Bidding – Each house should be bid, or a master contract should be procured for all construction activities.
- Prepare Loan Contracts: contractors or subrecipients will be responsible for preparing a loan contract with the subrecipient and contractor. Contracts must include, at minimum, the following elements:
 - Scope of work that includes eligible repairs
 - 1-year warranty on work performed
 - Right of entry to perform work for subrecipient and any subcontractors
 - Acknowledgment of receipt of EPA Booklets (“Protect Your Family from Lead in Your Home” and “Renovate Right: Important Lead Hazard Information for Families, Child Care Providers and Schools”)
 - Client Satisfaction Survey for work performed
 - Loan terms
 - Promissory note
 - Deed restrictions
 - Deed of trust
 - Right to Cancel
 - Bid Memo
 - HANR Specification
- Complete Repairs: contractors or subrecipients will be responsible for performing the repairs listed in the Scope of Work. The Subrecipient/Contractor will be responsible for obtaining all permits and inspections required by the Building Inspection Department to complete the repairs. Upon completion of the repairs, the contractors

or subrecipients shall provide the subrecipient with applicable material warranties in addition to 1-year warranty for all work performed.

- Conducting inspections: Housing Inspectors should be notified throughout construction to ensure all work is completed per the HANR Specs. Housing Inspectors will visit each site for compliance.
- Submit Payment Requests: The contractors or subrecipients will be responsible for submitting invoices for projects that have been fully completed. In addition, the owner's acceptance of work, building permits and building inspector approvals, lien releases, photo evidence of completed work, and any other documentation that supports the work completed must be submitted with the payment request. City to do a final inspection of the house - if our inspectors determine that work has been improperly done (i.e. Improper installation, work not done to code, etc.), Contractor/Subrecipient will have to correct work prior to receiving payment.
- Maintenance of case files: The contractors or subrecipients will be responsible for maintaining records of all projects completed. Records should include all project documentation, including but not limited to work write-ups, the agreement between the property owner and contractors or subrecipients, permit documentation, inspection reports, change orders, and approved invoices for payment (with owner sign-off). Records must be kept for 7 years after IDIS closeout of the project.
- Monthly Reports: The contractors or subrecipients will submit monthly reports to the City describing the number of projects completed, the number of projects under repair, and those that are in the pre-repair status as well as project expenditure data and a form with details on each household for IDIS reporting. In addition, the contractor or subrecipient will provide the City with information as to any obstacles encountered preventing them from meeting their established goal.
- The contractors or subrecipients will perform or respond to warranty repairs, as necessary,
- The contractors or subrecipients will perform any other activities pursuant to the award.



Table 2 – General Process Flow Chart

Proposals

Please prepare a concise but thorough proposal that demonstrates the ability to deliver administration of the Programs as listed above. Please be sure to highlight your experience through your proposals that includes your staff/consultants, budgets, policy and procedures, income qualification, environmental reports, title searches and reports, loan closing, program qualification, assessing repair needs, securing subcontractors and managing a reimbursable grant.

All submissions shall include the program name, contractor or subrecipient name, address, telephone number, and designated contact person. Contractors or subrecipients proposal shall be typewritten and single-spaced. Proposal font style shall be in Arial, size 12 for normal text, and no less than size 10 for tables, graphs, and appendices. Please be thorough but concise.

Proposals shall contain a "Table of Contents" with appropriate page numbers for locating the required information and attachments. Subrecipient shall submit Proposals sequentially page-numbered and include the Subrecipients name at the top of each page.

Proposals shall be prepared in accordance with these instructions. The Proposal package shall include the following information and documents, preferably, in the following order.

Ideally, the submission will be 1 pdf with table of contents, but if the file is too large, each document may be a PDF file and named according to the identified convention indicated below.

Section 1.: Contractors or subrecipients Chart: Entire Agency

- Shows the contractors or subrecipients general structure in terms of span of control and chain of command. If there are multiple offices in different locations, the chart for the office delivering the project should be provided. The chart needs only list the position titles (the incumbents' names are not necessary).
- PURPOSE: City staff will be looking to see that the contractors or subrecipients has capacity to successfully deliver the program and that there is sufficient separation of duties to implement proper procurement accounting controls (e.g., the same person does not create and approve a purchase order).

Section 2: Contractors or subrecipients Chart and Narrative: Division/Section

- Shows the specific programmatic and fiscal groups within the contractors or subrecipients charged with administering the Programs. Please tell us how many staff you have to work on this and what their roles will be. State the qualifications of staff members who will carry out the operations of the Programs, including both service staff and administrative staff supporting the Programs. Describe how contractors or subrecipients and staff are uniquely qualified to provide the services. If staff positions need to be filled, explain when and how they will be filled. State whether any state and/or local licenses or permits are required for project staff and/or the agency to operate.
- PURPOSE: City staff will be looking to see that the contractors or subrecipients has capacity to successfully implement the Programs and that there is sufficient separation of duties to implement procurement accounting controls (e.g., the same person does not create and approve a purchase order).

Section 3: Historic Narrative

- Summarize the history and purpose of the contractors or subrecipients to include the number of years in service. If a non-profit, please include board of directors and articles of incorporation. Please list other projects/grants you currently have and if this project will have an impact on administering the Program. Describe any participation with the City on past or present contracts. Discuss the performance/outcome measures. Provide information on how the goals were met or not met.

Section 4: Texas Secretary of State Business Search Database Screenshot

- Refers to a screenshot from the Texas Secretary of State Business Search database showing: (1) the contractors or subrecipients has an 'Active' status; (2) the registration date; (3) the entity type; and (4) the entity number. PURPOSE:

Allows the City to determine that the contractors or subrecipients is in good standing with the state of Texas, is officially recognized by the same, and is authorized to carry out its business activities.

Section 5: Work Plan and Budget

- Provide a narrative description of the Work Plan proposed, include details regarding budget and expenditure plan, timelines for startup and completion of construction, and population to be served, total people estimated to be served by month and total program, contractor relationships, etc.. Please detail how you will secure construction contractors. Please explain your ability to handle a reimbursable contract. Provide a list of past and current Contracts with the City of Dallas. Provide demographic information on who you served in the past and currently.

Section 6: Insurance Requirements

- Include copy of Certificate of Insurance or affirmation that Contractors or subrecipients meets or will meet prior to the Subrecipient Agreement execution, the insurance requirements as specified Attachment 2.

Section 7: Audited Financial Statements

- Refers to the Subrecipient’s audited financial statements submitted as part of the Notice of Funds Available (NOFA) phase. PURPOSE: Allows the City to determine the financial capacity of the Subrecipient to receive CDBG funds on a reimbursement basis.

Selection of Reasonably Qualified Proposals

The proposal will be scored based as follows:

Review Area	Max Points	Description of Item for Review
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<p>Contractors or subrecipients Capacity</p>	<p>50</p>	<p>Contractors or subrecipients program/project experience: Applicant describes their experience in successfully implementing programs/projects of similar scope and comparable complexity. Points are provided based on performance on past and current contracts and experience in providing assistance.</p> <p>Contractors or subrecipients Experience w/ LMI clients: Applicant has experience in providing services to LMI residents or presumed LMI; applicant explains how experience is applicable and beneficial.</p> <p>Contractors or subrecipients has sufficient financial position to operate a reimbursable project of the size of requested award</p> <p>Collaboration: Applicant describes and provides specific examples of collaboration with similar contractors or subrecipients, peer to peer networks, and/or partner agencies for referral purposes to benefit LMI/presumed LMI clients.</p>
<p>Work Plan</p>	<p>50</p>	<p>Project Summary: Description of project includes services and characteristics of population(s) to be served.</p> <p>Provide an outreach plan and explain how you will reach out to hard-to-reach populations; how are applicants selected; provide project goals; timelines; budget; staff; and available funding information.</p> <p>Provide demographic information on the clientele your contractors or subrecipients has served in the last six months (your response may include zip code, racial/ethnic composition, languages spoken)</p> <p>What is your proposed strategy for meeting those Dallas residents who would otherwise be reluctant to apply for services?</p>

1. The City will review and evaluate the proposals submitted to determine if submitted proposals demonstrate the required experience and qualifications to fulfill the obligations of the services identified in this NOFA. Proposers will be notified by the City of Dallas representative as to the location and times of vendor presentations, if required.
2. The City may conduct all necessary inquiries or investigations, including but not limited to, contacting references to verify the statements, documents, and information submitted in connection with the Proposal. The City may also seek clarification from the referenced Proposers about any financial and experience issues.
3. Please be aware that the City of Dallas may use sources of information not supplied by the proposer concerning the abilities to perform this work. Such sources may include current or past customers of the contractors or subrecipients; current or past suppliers; articles from industry newsletters or other publications or from non-published sources made available to the City of Dallas.
4. The City will review all Proposals submitted for responsiveness. The Proposals determined to be Responsive will be further evaluated for experience, past and current City of Dallas Subrecipient Agreement performance, outreach plan, funding amounts and proposed population served. The City is interested in previous experience in performing similar or comparable work; staffing and personnel experience and turnover; financial statement of resources for current and past periods; and other relevant information.
5. The City of Dallas may, at any time, investigate an Contractors or subrecipients' s ability to perform the work. The City may ask additional information about an entity and its work on previous Contracts. Subrecipient may choose not to submit information in response to the City of Dallas' requests; however, if the City's questions are not addressed, the City may discontinue further consideration of a particular Proposal. The City may use sources of information not supplied by the Contractors or subrecipients concerning the abilities to perform this work. Such sources may include current or past customers of the Contractors or subrecipients; current or past suppliers; media reports; articles from industry newsletters or other publications or from non-published sources made available to the City.
6. Follow-up interviews may be requested to get clarifying information, discuss alternative approaches and refine scope of work or budget.

Questions and Inquiries

Contractors or subrecipients are required to limit their communication regarding this NOFA to the staff referenced herein. All inquiries and requests for information regarding this NOFA shall be submitted in writing to the following email. All communication associated with this project shall be addressed to:

Thor Erickson

P: (214) 670-3632

E: thor.erickson@dallas.gov

A Preproposal meeting is scheduled for Thursday, September 22, 2022 at 1 Pm via this WebEx Link.

<https://bit.ly/3cZKBzb>
Meeting Number 2499 475 4590
Password NOFA

Proposers will have an opportunity to ask the requesting department(s) questions and/or obtain clarification. The preproposal meeting will be the only time when proposers and requesting department(s) will communicate directly, thereafter, all communication associated with this project shall be submitted electronically to the following email address: thor.erickson@dallas.gov. All questions shall be submitted electronically, the City will respond to all questions by way of addendum which will be posted on the City of Dallas website. The City, its agents, and employees shall not be responsible for any information given by way of verbal communication.

Error & Omission

During the initial review of the NOFA and preparation of Proposals, Subrecipient may discover certain errors, omissions or ambiguities. If this is the case, or if the meaning of any part of this NOFA is unclear, Proposer shall submit written questions to thor.erickson@dallas.gov in time to allow the City to answer the questions and distribute written responses to all Proposers. Proposers shall not be allowed to take advantage of any error or omission in these specifications. Subrecipients are required to review these specifications carefully and notify the City Department of Housing & Neighborhood Revitalization if errors are found.

Required Insurance

Prior to execution of the agreement, the successful Contractors or subrecipients shall furnish evidence of coverage with a company satisfactory to the City and authorized to do business in the State of Texas. Funds provided under the Subrecipient Agreement cannot be used to pay for the required insurance. The applicable insurance requirements are listed in (Attachment 2).

APPENDIX 1 About NOFA

Contractor or subrecipient Agreement Award & Term

The NOFA is subject to the federal U.S. Department of Housing and Urban Development (“HUD”) Community Development Block Grant (“CDBG”) regulations at 24 CFR Part 570 and other applicable regulations including, but not limited to, 24 CFR Part 58 for environmental requirements; 2 CFR Part 200 for Uniform Administrative Requirements; and State of Texas, and City of Dallas regulations.

This City of Dallas Notice of Funding Availability (NOFA) is open to contractors or subrecipients that are Texas registered businesses or have authorization to work in Texas to act as contractors or subrecipients with the City of Dallas (“City”) Department of Housing & Neighborhood Revitalization (“Housing”). Housing seeks applications from qualified contractors or subrecipients through this open application process to administer both the Major Home Rehabilitation Program and Home Reconstruction Program (programs) through a one-year contract with 2 one-year renewal options for the City of Dallas. Both program statements are listed in Appendix 3.

The contractors or subrecipients must have experience in providing rehabilitation services that are similar to the eligible repairs listed in Table 1. All Proposals shall comply with the general requirements stated in the following sections.

Contractors or subrecipients must meet all qualifying criteria regarding legal status, contractors or subrecipients structure, financial requirements, capacity and experience. Although an agency may meet all of the qualifying criteria, the award of Program funds is not guaranteed and is at the sole discretion of the City of Dallas.

This NOFA does not commit the City to award any Contract. The City reserves the right to reject any or all proposals, to waive technicalities or irregularities, and to accept any proposal it deems to be in the best interest of the City. The City shall not be liable for any costs incurred by any company responding to this NOFA.

The City will require the recommended proposer to sign the necessary Contract documents prepared by the City Attorney's Office. A contract shall not be deemed executed on behalf of the city nor shall it be binding upon the city unless it has first been signed by the city manager and approved as to form by the city attorney.

Legal Status

A Subrecipient is a public or private nonprofit agency, authority or organization, that when undertaking CDBG funded activities has employees (paid staff) with the demonstrated capacity to carry out agreed-upon, eligible activities. The definition of a Subrecipient, as

well as other regulations regarding the CDBG Program, can be found in the Code of Federal Regulations Title 24, Part 570.201(o) and 570.500(c). The definition is as follows:

Part 570.201(o) - Subrecipient shall mean a public or private nonprofit agency, authority, or organization, or a for-profit entity authorized under 24 CFR 570.201(o), receiving CDBG funds from the recipient or another subrecipient to undertake activities eligible for such assistance under subpart C of this part. The term excludes an entity receiving CDBG funds from the recipient under the authority of §570.204, unless the grantee explicitly designates it as a subrecipient. The term includes a public agency designated by a unit of general local government to receive a loan guarantee under subpart M of this part, but does not include subrecipients providing supplies, equipment, construction, or services subject to the procurement requirements in 2 CFR part 200, subpart D.

The following represent the basic kinds of subrecipients:

Governmental Agencies

Governmental agencies are public agencies, commissions, or authorities that are independent of the City's government (for example, a public housing authority or a park district). City public agencies undertaking CDBG assisted activities are subject to the same requirements as are applicable to subrecipients (§570.501(a)).

Private Non-profits

Private non-profits are usually, but not always, corporations, associations, agencies, or faith-based organization with non-profit status. Subrecipient must have received a tax exemption ruling from the Internal Revenue Service under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986 (26 CFR 1.501(c)(3)-1 or 1.501(c)(4)-1)), is classified as a subordinate of a central organization non-profit under section 905 of the Internal Revenue Code of 1986, or if the private nonprofit organization is an wholly owned entity that is disregarded as an entity separate from its owner for tax purposes (e.g., a single member limited liability company that is wholly owned by an organization that qualifies as tax-exempt), the owner organization has a tax exemption ruling from the Internal Revenue Service under section 501(c)(3) or (4) of the Internal Revenue Code of 1986 and meets the definition of "community housing development organization."

Private For-profits

A limited number of private, for-profit entities can qualify as subrecipients when facilitating economic development by assisting microenterprises under the provisions of 24 CFR 570.201(o).

Community Based Development Organizations

Community Based Development Organizations (CBDOs) authorized under §570.204 to carry out special activities such as economic development or new housing construction are not subrecipients unless so designated by the City.¹

The City will implement partial administrative functions of the Programs under its grant obligations to HUD.

This includes:

- Marketing the Programs: The City will do this in conjunction with the Contractor/Subrecipient,
- Environmental Review: The City will conduct an environmental review of each property once a scope of work has been drafted. Work may not proceed until this ER report has been returned to consultant or subrecipient. Scope of work may alter depending on the findings preparing the scope of work for the proposed repairs,
- Conducting inspections: The City will conduct inspections of properties where repairs are scheduled to begin, underway and/or completed,
- Reimbursement costs: The City will make reimbursable payments to the contractors or subrecipients for work completed,
- IDIS: The City will log each person who has received assistance into IDIS,
- Training on the program: The City will train on how to do a part 5 income determination, monitoring the programmatic and financial components of the Program and troubleshooting as needed.

The contractors or subrecipients administrative functions of the Programs under its grant obligations are to manage, implement, and undertake the eligibility through repair/construction functions of the program.

This includes:

- Marketing the Programs: The contractors or subrecipients will conduct sufficient advertisement of the Programs and other forms of outreach to ensure that enough eligible applicants participate in the program to fully expend awarded funds.
- Receive applications and conduct applicant and house eligibility review:
 - Conduct an initial household interview and inspection,
 - conduct part 5 analysis and other eligibility review,
 - proof of homeownership
 - title report showing clear title or outstanding liens on home
- Develop Scope of Work (work write-ups): For each eligible unit to be assisted, a property inspection should take place that results in a detailed work write-up of the repairs to be performed. The scope of work shall contain information regarding materials to be used ensuring that the City's rehabilitation standards are being met.

¹ Managing CDBG- A Guidebook for Grantees on Subrecipient Oversight (March 2005)

The write-up will be signed and dated by the homeowner along with photo documentation.

- **Environmental Review:** The City will conduct an environmental review of each property once a scope of work has been drafted. Work may not proceed until this ER report has been returned to consultant or subrecipient. Scope of work may alter depending on the findings preparing the scope of work for the proposed repairs,
- **Develop Cost Estimate:** The contractors or subrecipients shall prepare an accurate internal cost estimate for each repair item and update the scope of work if needed from the Environmental Report.
- **Bidding –** Each house should be bid, or a master contract should be procured for all construction activities.
- **Prepare Loan Contracts:** contractors or subrecipients will be responsible for preparing a loan contract with the subrecipient and contractor. Contracts must include, at minimum, the following elements:
 - Scope of work that includes eligible repairs
 - 1-year warranty on work performed
 - Right of entry to perform work for subrecipient and any subcontractors
 - Acknowledgment of receipt of EPA Booklets (Protect Your Family from Lead in Your Home” and “Renovate Right: Important Lead Hazard Information for Families, Child Care Providers and Schools”
 - Client Satisfaction Survey for work performed
 - Loan terms
 - Promissory note
 - Deed restrictions
 - Deed of trust
 - Right to Cancel
 - Bid Memo
 - HANR Specification
- **Complete Repairs:** contractors or subrecipients will be responsible for performing the repairs listed in the Scope of Work. The Subrecipient/Contractor will be responsible for obtaining all permits and inspections required by the Building Inspection Department to complete the repairs. Upon completion of the repairs, the contractors or subrecipients shall provide the subrecipient with applicable material warranties in addition to 1-year warranty for all work performed.
- **Conducting inspections:** Housing Inspectors should be notified throughout construction to ensure all work is completed per the HANR Specs. Housing Inspectors will visit each site for compliance.
- **Submit Payment Requests:** The contractors or subrecipients will be responsible for submitting invoices for projects that have been fully completed. In addition, the owner’s acceptance of work, building permits and building inspector approvals, lien

releases, photo evidence of completed work, and any other documentation that supports the work completed must be submitted with the payment request. City to do a final inspection of the house - if our inspectors determine that work has been improperly done (i.e. Improper installation, work not done to code, etc.), Contractor/Subrecipient will have to correct work prior to receiving payment.

- Maintenance of case files: The contractors or subrecipients will be responsible for maintaining records of all projects completed. Records should include all project documentation, including but not limited to work write-ups, the agreement between the property owner and contractors or subrecipients, permit documentation, inspection reports, change orders, and approved invoices for payment (with owner sign-off). Records must be kept for 7 years after IDIS closeout of the project.
- Monthly Reports: The contractors or subrecipients will submit monthly reports to the City describing the number of projects completed, the number of projects under repair, and those that are in the pre-repair status as well as project expenditure data and details on each household for IDIS reporting. In addition, the subrecipient will provide the City with information as to any obstacles encountered preventing them from meeting their established goal.
- The contractors or subrecipients will perform or respond to warranty repairs, as necessary
- The contractors or subrecipients will perform any other activities pursuant to the award.

Financial and Administrative Requirements

1. Audited Financial Statements

- a. Audited financial statements are required. Audited financial statements shall be examined by an independent certified public accountant (CPA) in order to issue an opinion (unqualified, qualified, adverse, or disclaimer) regarding adherence to generally accepted accounting principles (GAAP). This is an external financial audit conducted in accordance with the American Institute of Certified Public Accountants (AICPA) standards by someone not directly connected with the contractors or subrecipients.
- b. Audited financial statements shall include the following six components prepared in accordance with AICPA standards. (Computer printouts from the contractors or subrecipients' s accounting software are not sufficient for this purpose.)

2. Independent Auditor's Report

3. Statement of Financial Position (balance sheet)

4. Statement of Activities (revenue/expense or profit/loss statement)

5. Statement of Cash Flows

6. Accompanying notes to the financial statements

7. Statement of Functional Expenses

Monthly Reports & Reimbursement

Awards as a result of this NOFA will be funded on a reimbursement basis. Under the reimbursement method of funding, contractors or subrecipients are required to finance operations with their own working capital with reimbursements to contractors or subrecipients for actual, allowable, and allocable disbursements to be supported by adequate documentation upon execution of a contractors or subrecipients agreement. The contractors or subrecipients must submit monthly reports which will be supplied from the city by the 10th day of the following month of any/all programmatic activities that relate to delivery of services that are the subject of this agreement, identify any/all documented expenditures and supporting paperwork, and provide all necessary materials upon request by the City and its representatives to ensure contractors or subrecipients Agreement compliance monitoring for reimbursement. Only documented applicable expenditures listed on the report will be accepted. An invoice shall accompany the report and supporting materials of expenditures.

- A. The City has an editable document to be furnished upon award
- B. This document will outline all address, council and demographics needs for monthly reporting

Payments for the services provided by the contractors or subrecipients shall be made on a reimbursable basis. The contractors or subrecipients award will include maximum unit prices for labor costs based on the current federal wage decision for Residential type construction as issued by the U.S. Department of Labor (DOL) for specific construction trades (rates available at <https://beta.sam.gov/>); material costs will be reimbursed by the City at cost, subject to the Subrecipient submitting a receipt as proof of payment. Recipient may not submit invoices that exceed the maximum unit prices. Payment will be made for work completed that has been signed off by the contractor and homeowner and lien waiver form submitted.

Payment will be made upon the 100 percent completion of the rehabilitation work for each property, as described in the approved Scope of Work Form. No partial payments for repair work will be allowed. contractors or subrecipients invoices shall be detailed and itemized accompanied by supporting documents, including but not limited to: approved scope of work, owner acceptance of work, building permits and building inspector approvals, lien releases, photo evidence of completed work, and any other documentation that supports the work completed. If the Housing & Neighborhood Revitalization Department finds the submitted invoice and supporting documents as acceptable, the invoice will be approved and processed for payment. Housing and Neighborhood Revitalization Department reserves the right to review the correctness of invoices and perform quality control inspections of the rehabilitation work as necessary to ensure that it is fulfilling the City and HUD oversight requirements. The Subrecipient will be able to submit invoices as the projects are completed and will not be limited to a specific time period (i.e., monthly).

- A. Contractors or subrecipients shall email invoices to point of contact established when the agreement is executed.
- B. No pre-award costs incurred before the start of the grant period will be eligible for reimbursement unless this is stated in the proposal and the City of Dallas agrees to this. The City reserves the right to reallocate funds to prevent underutilization in the event the City determines, in its sole discretion, that a contractor or subrecipient cannot reasonably utilize all funds awarded.
- C. Administrative fees and program costs will be reported separately to ensure compliance with the terms.
- D. Upon submission of a monthly invoice, accompanied by all required supporting documentation, reimbursement will be provided. contractors or subrecipients agrees to comply with all applicable city, state and federal laws.
- E. Please submit all Monthly Reports & corresponding documents in electronically. Staff will be assigned upon award and will communicate where to send.

Contractors or subrecipients Documentation Requirements

1. It is the responsibility of Subrecipient to document and report their activities. All source documentation does not have to be located in the project files, but it must be readily available for review by the grantee, or other authorized representatives at all times.
2. Contractors or subrecipients must have procedures in place to monitor obligations and expenditures against their approved budget(s) for activities. Subrecipients are required to have procedures in place to minimize the time elapsed between receipt of funds from the grantee and the actual disbursement of those funds.
3. Contractors or subrecipients are required to maintain financial and accounting records that adequately identify the source and application of funds provided to them. All accounting records must be supported by source documentation. Source documentation is necessary to show that the costs charged against funds were incurred during the effective period of the Subrecipient's Agreement, were actually paid out (or properly accrued), were expended on allowable items, and had been approved by the responsible official(s) in the contractors or subrecipients organization.
4. Program documentation must explain the basis of the costs incurred as well as show the actual dates and amount of expenditures. The standards for determining the reasonableness, allowability, and allocability of costs incurred as part of funded activities must be documented and identified to show:
 - a. The expenditure is necessary, reasonable, and directly related to the program;
 - b. The expenditure has been authorized by the grantee;
 - c. The expenditure is not prohibited under Federal, state, or local laws or regulations;
 - d. The expenditure is consistently treated, in the sense that the Subrecipient applies generally accepted accounting standards in computing the cost and utilizes the same procedures in calculating costs as for its non-Federally assisted activities;

- e. The cost must be allocable to the Program. A cost is allocable to a particular cost objective (e.g., grant, program, or activity) in proportion to the relative benefits received by that objective; and
 - f. The cost is net of all applicable credits. Any credits such as purchase discounts or price adjustments must be deducted from total costs charged. The Subrecipient is not allowed to make a profit from any costs charged to the funds.
5. Contractors or subrecipients must maintain documents of all program case files to include documentation of the activities undertaken with respect to service delivery. Although the list will vary from activity to activity, each project or case file under this scope of work should include documentation at the time of providing assistance of the objective being met, the characteristics and location of beneficiaries, the eligibility of the activity, the compliance with special program requirements, the allowability of the costs, and the status of the case/project.
6. A contractor or subrecipient must also devote attention to implementing an efficient method for compiling cumulative data on its activities for inclusion for periodic reporting and program evaluation. The Subrecipient should develop logs for recording and totaling programmatic data (by type of activity, for units of service, numbers of beneficiaries, etc.) as cases are initiated and as they progress.

Communication:

It is essential that the awarded contractors or subrecipients respond clearly after receiving a telephone call, email, or written correspondence from the City. Written correspondence and telephone calls from the City of Dallas shall be answered within twenty-four (24) hours. The City of Dallas or its representative reserves the right to cancel this agreement at any time if the services are deemed unsatisfactory.

A contractor or subrecipient agreement administrator will supervise the inspection and verification process of work performed under this contractors or subrecipients Agreement and will monitor performance and take corrective action as necessary to ensure compliance with the Agreement specifications. The following individuals have been identified by Housing as the designated individuals for ongoing reporting and correspondence upon award of an agreement:

Thor Erickson, Area Redevelopment Manager: hipp@dallascityhall.com

Transition Planning & Closeout Procedures

Transition planning and closeout procedures shall be initiated when the responsibilities of the contractors or subrecipients under its agreement with the City have been met, or the City feels that there is no further benefit in keeping the contractors or subrecipients Agreement open for the purpose of securing performance. The contractors or subrecipients shall transition the services in a cooperative manner to the successful Proposer approved by the City Council at the expiration date of the term of the contractors

or subrecipients agreement or on an earlier termination date if the right of termination as outlined in the contractors or subrecipient agreement has been exercised. The transition shall be seamless without any break in services and Subrecipient shall fully cooperate to make certain that this occurs. The contractors or subrecipients shall provide final versions of all financial, performance, and other reports that were a condition of the award.

General Valuation Process

The Evaluation Committee shall conduct a comprehensive, fair, and impartial evaluation of Proposals received in response to this NOFA. Following the submittal of Proposals, the Evaluation Committee will meet to evaluate each Proposal based on the criteria stated in this NOFA. Initial evaluation will consider the Mandatory Requirements of the Proposal. Those Subrecipients whose Proposals meet the Mandatory Requirements will be evaluated by the Evaluation Committee for Qualifications and the Proposed Methodology and Approach requirements of the Proposals. After completing this stage of the evaluation process, the Evaluation Committee will determine if it is necessary to invite Subrecipients to provide Oral Presentations.

The Evaluation Committee will evaluate the submitted proposals and will determine the contractors or subrecipients (s) whose Proposal(s), are most advantageous to the Housing and Neighborhood Revitalization Department. The Evaluation Committee may request clarifications from contractors or subrecipients to assist in gaining additional understanding of their Proposals. A response to a clarification request must be limited to clarifying or explaining portions of the already submitted Proposal and may not contain new information not included in the original Proposal.

Discussions with Reasonably Qualified Contractors or subrecipients

After selection of reasonably qualified Subrecipient(s), the City of Dallas may enter into discussions with the Contractors or subrecipients(s). Discussions will be on an individual basis and closed to third parties. The City will review in detail all aspects of the City's requirements and the Proposal. During this review, the City may request clarifications which may lead to revisions to the Proposal submitted, prior to finalizing a Subrecipient Agreement.

Disqualification of Contractors or subrecipients

Contractors or subrecipients(s) may be disqualified for any of the following reasons:

1. Reason to believe collusion exists among the Contractors or subrecipients;
2. The Contractors or subrecipients is involved in any litigation against the City;
3. The Contractors or subrecipients is or has been noncompliant on a current or prior Subrecipient Agreement with the City;
4. Lack of financial stability; or
5. Reason to believe a conflict of interest exists under the City's Conflict of Interest policy or applicable federal regulations.

Proposal Selection

The City may determine that oral presentations, demonstrations, and site visits are required before making a final decision. Award, if any, shall be to the responsible Contractors or subrecipients whose Proposal is determined to be the most advantageous to the City. Agreement award is subject to approval and funding by the City Manager or the City Council. The City reserves the right to begin agreement negotiation with one or more of the finalists. The contractors or subrecipients shall be required to execute a contractors or subrecipients agreement prepared by the City Attorney as a contractors or subrecipients. This NOFA does not commit the City to award any contractors or subrecipients agreement, and the City reserves the right to reject any and all Proposals or waive irregularities.

Exceptions

Minor exceptions, conditions, or qualifications to the provisions of the City's NOFA specifications or Ordinances shall be clearly identified as such with the reasons therefore, and alternate language proposed by contractors or subrecipients, if any, clearly stated and inserted in the appropriate place in the Proposal submission for this NOFA. Substantive exceptions may cause unqualified rejection of the Proposal. Exceptions, conditions, or qualifications to the City's specifications or Ordinances will be included, as appropriate, in the contractors or subrecipients Agreement documents. Items and matters not explicitly accepted in this manner shall be deemed to be in conformance with City's specifications and Ordinances. The City is the final judge of acceptability of items quoted in this NOFA.

Proposal Evaluation Process

Each Proposal will be reviewed using the Responsiveness Checklist to determine if the Proposal is responsive. A Proposal may be declared non-responsive if any of the items listed on the Responsiveness Checklist are not received. Proposals that meet all requirements as outlined in this NOFA will be reviewed.

Acceptance of Evaluation Methodology

By submitting a Proposal in response to this NOFA, contractors or subrecipients accepts the evaluation process as outlined and acknowledges and accepts that determination of the most qualified firm(s) offering the most advantageous response to the City.

Suspension/Debarment

No Proposals will be accepted from entities that have been suspended, debarred, or otherwise prohibited from participation in federal awards. The City will verify the status of the contractors or subrecipients prior to an award.

Confidentiality

In accordance with state law, Proposals shall be opened so as to avoid disclosure of contents to competing Contractors or subrecipients and shall be kept secret and confidential during the negotiation process. It is the responsibility of the proposer to clearly mark and identify all portions of the Proposal that contain trade secrets, confidential information and other proprietary information. Clearly marked and identified trade secrets and confidential information contained in the Proposals shall not be open for public inspection. Efforts will be made to keep the marked information confidential; however, the City cannot guarantee it will not be compelled to disclose all or part of any public record under the Texas Open Record Act. If a third party challenges the trade secret or confidential nature of certain information, it will be the responsibility of the Contractors or subrecipients to defend the challenge.

All Proposals will be open for public inspection after the Subrecipient Agreement is awarded, but trade secrets and confidential information in the Proposals will not be open for public inspection; however, upon receipt of an open records request, the City will notify the Proposer of the request and submit the request and relevant Proposal to the Texas Attorney General's Office for review and consideration. Upon the decision of the Texas Attorney General's Office the City may have to disclose the information that the Texas Attorney General's Office determines to be open to the public.

Right to Reject

This NOFA does not commit the City to award any contractors or subrecipients Agreement. The City reserves the right to reject any and all Proposals or parts of Proposals. The City, at its option, may consider and accept a Proposal, even though not prepared and submitted in strict accordance with the provisions hereof, by waiving informalities, minor irregularities, and/or technicalities as determined by the City. The City may reject the Proposal of a firm which is in litigation with the City or which has previously failed to perform properly on engagements of a similar nature and may reject the Proposal of a firm which is not, in the opinion of the City, in a position to satisfactorily perform the contractors or subrecipients Agreement. The City reserves the right to reject any Proposal if the evidence submitted by, or investigation of, such Proposer fails to satisfy the City that such Proposer is properly qualified to carry out the obligations of the contractors or subrecipients Agreement and to provide the services contemplated therein. The Proposer shall provide all information requested in order for the Proposal to be considered responsive.

Non-Performance

Contractors or subrecipients shall perform its obligations as set forth in this contractor or subrecipients Agreement in a first-class and professional manner. The City may terminate the contractors or subrecipients Agreement if the City, in its sole discretion, feels the institution is not satisfactorily meeting its service requirements as specified herein. The City will provide written notice of areas of non-performance and allow the contractors or subrecipients up to 30 days to rectify the problem(s). If after this 30-day period, the City has not been satisfied, the City may, at its option, terminate the contractors or subrecipients Agreement by written notice.

CDBG Grant Requirements

Because the Agreement(s) between the City and contractors or subrecipients is(are) being funded with CDBG federal funds, the Agreement(s) shall be governed by federal terms and conditions. Any funds disallowed under the CDBG grant or program shall be disallowed from fee or compensation to the Subrecipient(s). This NOFA provides funding for activities that require environmental review under the provisions of the National Environmental Policy Act of 1969 (42 U.S.C. 4321) ("NEPA").

HUD General Provisions

Since the Contract(s) involve federal funds for which HUD is the federal oversight agency, the Contract(s) shall be governed by certain general HUD terms and conditions. If awarded funds, the Subrecipients shall be responsible for submitting a Model Construction Agreement to the City for the City Attorney's Office to review and approve for use by the Subrecipient in the Program. The agreement shall contain, at minimum, the following:

- 1-year warranty on all work
- Acknowledgement of Lead Hazards and confirmation of receipt of lead paint pamphlet (Renovate Right)
- Promissory Note
- Deed of Trust
- Deed Restrictions
- Homeowner satisfaction survey at the end of the job

As part of the review, the CAO will also prepare and provide an Addendum that will be attached to the Subrecipient's Model Construction Agreement to ensure all applicable terms are included.

Assignment of contractors or subrecipients Agreement

The contractors or subrecipients shall not assign, transfer, sublet, convey or otherwise dispose of the contractors or subrecipients Agreement of any part therein or its right, title or interest therein or its power to execute the same to any other persons, Subrecipients, partnership, company or corporation without the prior written consent of the City. Should the contractors or subrecipients assign, transfer, sublet, convey or otherwise dispose of its right, title or interest or any part thereof in violation of this section, the City may, at its discretion, cancel the contractors or subrecipients Agreement all rights, title and interest of the Subrecipients shall therein cease and terminate, and the contractors or subrecipients shall be declared in default.

Default by contractors or subrecipients

The following events shall be deemed to be events of default by contractors or subrecipients under the contractors or subrecipients Agreement:

1. contractors or subrecipients shall become insolvent, or shall make a transfer in fraud of creditors, or shall make an assignment for the benefit of creditors;
2. contractors or subrecipients attempts to assign the contractors or subrecipients Agreement without the prior written consent of the City;
3. contractors or subrecipients shall fail to perform, keep or observe any term, provision or covenant of the contractors or subrecipients Agreement; or
4. contractors or subrecipients fails to properly and timely pay any personnel, suppliers or other contractors or subrecipients and the failure impacts the City in any manner.

In the event a default occurs, the Director shall give the contractors or subrecipients written notice of the default. If the default is not corrected to the satisfaction and approval of the Director within the time specified in such notice, the City may immediately cancel the contractors or subrecipients Agreement. At the direction of the Director, the contractors or subrecipients shall vacate the facility, if applicable, and shall have no right to further operate under the contractors or subrecipients Agreement. The Subrecipients, in accepting the contractors or subrecipients Agreement, agrees that the City shall not be liable to prosecution for damages or lost anticipated profits if the City cancels or terminates the contractors or subrecipients Agreement.

No Waiver: No waiver by the City of any default or breach of any covenant, condition, or stipulation shall be treated as a waiver of any subsequent default or breach of the same or any other covenant, condition, or stipulation.

Safety and Compliance with Laws

- A. All work under this agreement shall be performed in such a manner as to provide maximum safety to the public and to employees performing work. The contractors or subrecipients shall have the responsibility to take all precautionary measures required by law or otherwise to protect the public at large during operations.
- B. The contractors or subrecipients shall comply with all local, state and federal laws, rules, regulations, national codes and orders pertinent to, affecting, or governing the work involved.

Subrecipient Agreement Responsibility

The City of Dallas will look solely to Subrecipient for the performance of all contractors or subrecipients Agreement obligations that may result from an award based on this Solicitation. contractors or subrecipients shall not be relieved of its obligations for any nonperformance by its contractors or subrecipients.

Indemnity

The contractors or subrecipients agrees to defend, indemnify and hold the City, its officers, agents and employees, harmless against any and all claims, lawsuits, judgments, costs, and expenses for personal injury (including death), property damage or other harm for which recovery of damages is sought, suffered by any person or persons, that may arise out of or be occasioned by contractors or

subrecipients breach of any of the terms or provisions of the Subrecipient Agreement, or by any other negligent or strictly liable act or omission of contractors or subrecipients, its officers, agents, employees, or Subrecipients, in the performance of the Subrecipient Agreement; except that the indemnity provided for in this paragraph shall not apply to any liability resulting from the sole negligence or fault of the City, its officers, agents, or employees and in the event of joint and concurrent negligence or fault of contractors or subrecipients and CITY, responsibility, and indemnity, if any, shall be apportioned comparatively in accordance with the laws of the State of Texas, without waiving any governmental immunity available to the City under Texas law and without waiving any defenses of the parties under Texas law. The provisions of this paragraph are solely for the benefit of the parties hereto and are not intended to create or grant any rights, contractors or subrecipients Agreement or otherwise, to any other person or entity.

Miscellaneous

1. After executing the contractors or subrecipients Agreement, no consideration will be given to any claim of misunderstanding.
2. All services are to be rendered to the homeowner as a grant. All installed materials are the property of the homeowner.
3. Proposers shall submit with their Proposal, the required contractors or subrecipients qualification statement with supporting information as stated herein along with all other supporting documentation requested.
4. Proposers shall thoroughly familiarize themselves with the provisions of these Specifications and the facilities herein.
5. The City reserves the right to reject all Proposals and to waive any minor irregularities.
6. A Proposal may be disqualified if the corporation or individual Proposal is in arrears or in default to the City for delinquent taxes or assessments or on any debt or contractors or subrecipients Agreement, whether as defaulter or bondsman; or who has defaulted upon any obligation to the City by failing to perform satisfactorily any previous agreement or contractors or subrecipients Agreement within the past seven years. Also, Proposers may be disqualified for poor prior performance on similar Contracts with other entities.
7. The contractors or subrecipients Agreement with the contractors or subrecipients will be drawn by the City and may contain such other provisions as are deemed necessary to protect the interests of the City.
8. The contractors or subrecipients agrees to abide by the rules and regulations as prescribed herein. The contractors or subrecipients will, in all solicitations or advertisements for personnel to perform services under the contractors or subrecipients Agreement, state that all qualified contractors or subrecipients will receive consideration for employment without regard to race, color, religion, gender, or national origin.
9. If either party hereto is prevented from completing its obligations under the contractors or subrecipients Agreement by act of God, strike, lockout, material or labor restrictions by any governmental authority, civil riot, flood, or any other cause beyond the control of the parties hereto, then such party shall be excused from

- such performance for such period of time as is reasonably necessary after such occurrence to remedy the effects thereof.
10. The section headings in these Specifications are for convenience in reference and are not intended to define or limit the scope of any of the conditions, terms or provisions of these specifications.
 11. Should any question arise as to the proper interpretation of the terms and conditions of these specifications, the decision of the City Attorney or his authorized representative shall be final.

Conflict of Interest

CHARTER XXII Sec. 11 FINANCIAL INTEREST OF EMPLOYEE OR OFFICER PROHIBITED

1. No city official or employee shall have any financial interest, direct or indirect, in any Subrecipient Agreement with the city, or be financially interested, directly or indirectly, in the sale to the city of any land, materials, supplies or services, except on behalf of the city as a city official or employee. Any violation of this section shall constitute malfeasance in office, and any city official or employee guilty thereof shall thereby forfeit the city official's or employee's office or position with the city. Any violation of this section, with knowledge, express or implied, of the person or corporation Subrecipient Agreement with the city shall render the Subrecipient Agreement involved voidable by the city manager or the city council.
2. The alleged violations of this section shall be matters to be determined either by the trial board in the case of employees who have the right to appeal to the trial board, and by the city council in the case of other employees.
3. The prohibitions of this section shall not apply to the participation by city employees in federally funded housing programs, to the extent permitted by applicable federal or state law.
4. This section does not apply to an ownership interest in a mutual or common investment fund that holds securities or other assets unless the person owns more than 10 percent of the value of the fund.
5. This section does not apply to non-negotiated, form Contracts for general city services or benefits if the city services or benefits are made available to the city official or employee on the same terms that they are made available to the general public. (f) This section does not apply to a nominee or member of a city board or commission, including a city appointee to the Dallas Area Rapid Transit Board. A nominee or member of a city board or commission, including a city appointee to the Dallas Area Rapid Transit Board, must comply with any applicable conflict of interest or ethics provisions in the state law and the Dallas City Code. (Amend. of 8-12-89, Prop. No. 1; Amend. of 8-12-89, Prop. No. 15; Amend. of 11-4-14, Prop. Nos. 2 and 9) 11HAPTER XXII.1

Wage Floor Rate Requirement

1. On November 10, 2015, the Dallas City Council passed Resolution 15-2141 which requires prime Subrecipients, awarded general service Contracts valued greater than \$50,000, and first-tier Subrecipients on the Subrecipient Agreement to pay

their employees rendering services on the Subrecipient Agreement a wage floor of not less than \$11.15 per hour.

2. Pursuant to Resolution 15-2141 the wage floor requirement for all general service Contracts greater than \$50,000 shall be effective immediately on all new Contracts awarded after November 10, 2015. Subrecipients bidding/proposing on general service Contracts shall take into consideration such wage floor requirements in their bid/proposal. The wage floor requirement for the City of Dallas' general service Contracts shall be derived from the most current Massachusetts Institute of Technology Living Wage publication and shall remain fixed for the term of the respective Subrecipient Agreement. The City reserves the right to audit such Contracts for compliance with the wage floor requirement as mandated by Resolution 15-2141. This requirement does not apply to construction Contracts in which prevailing wage of employees is governed by the Davis-Bacon Act as defined in the Texas Local Government Code 2258, purchase of goods, procurements made with grant funds or procurements made through cooperative and/or inter-local agreements.
3. The purpose of this policy is to promote an acceptable wage floor for working families in the City of Dallas, increase the level of service delivered to the City through specific Contracts and reduce turnover in such Contracts thus maintaining a continuous and consistent level of service for vested parties.
4. The City Manager shall use the following definitions to administer the benefactors of the "wage floor" for purposes of the referenced resolution:
 1. "City" means the City of Dallas, Texas.
 2. "General Services Subrecipient Agreement" means any agreement between the City and any other Person or business to provide general services through an awarded City contractors or subrecipients Agreement valued greater than \$50,000. A General Services contractors or subrecipients Agreement for purposes of the Resolution does not include (i) a Subrecipient Agreement between the City and another governmental entity or public utility, (ii) a contractors or subrecipients Agreement subject to federal or state laws or regulations that would preclude the application of the application of the wage floor, (iii) or a Subrecipient Agreement with all services under the contractors or subrecipients Agreement performed outside of the City of Dallas.
 - o "Subrecipients" means any Person or business that has entered into its own contractors or subrecipients Agreement with a prime contractors or subrecipients to perform services, in whole or in part, as a result of an awarded City general
 - o "Employee" means any person who performs work on a full-time, part-time, temporary, or seasonal basis, including employees, temporary workers, contractors or subrecipients Agreement workers, contingent workers, and persons made available to work through services of a temporary services, staffing or employment agency or similar entity.
 3. contractors or subrecipients awarded City general services Contracts as described in the wage floor rate requirement section of this specification shall be required to provide the buyer the residential zip code and respective number of employees directly impacted by the wage floor requirement ten days after

Council approval and on January 1st but not later than January 31st. for the term of the Subrecipient Agreement. The contractors or subrecipients shall submit the report to the Subrecipient Agreement administrator during the established period.

4. contractors or subrecipients submitting a response to a solicitation for general services must comply with the wage floor requirement to be considered responsive. The City may request that contractors or subrecipients, at any time during the pre- or post-award process, demonstrate compliance with the wage floor requirement. contractors or subrecipients not compliant with the wage floor requirement will be deemed nonresponsive and will not be considered for award. contractors or subrecipients awarded general service Contracts must comply with the wage floor policy and reporting requirements for the term of the Subrecipient Agreement. Failure to remain in compliance may result in breach of contractors or subrecipients Agreement.

Certificate of Interested Parties (Form 1295)

All vendors recommended by City staff for a contractors or subrecipients Agreement pursuant to this NOFA will be required to comply with Section 2252.908 of the Texas Government Code. Each vendor shall complete Form 1295-Certificate of Interested Parties- for every contractors or subrecipients Agreement for which they're recommended. Vendor will complete the form electronically at the Texas Ethics Commission website,

https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm,

and submit a copy to the Department of Housing & Neighborhood Revitalization before the contractors or subrecipients Agreement information will be sent to the City Attorney's Office to draft the contractors or subrecipients Agreement. Once the terms of the Subrecipient Agreement are fully negotiated; the recommended vendor has signed the Subrecipient Agreement indicating agreement with the terms of the contractors or subrecipients Agreement; and the Form 1295 is on file at the Texas Ethics Commission website with a copy provided to Department of Housing & Neighborhood Revitalization ; the contractors or subrecipients Agreement will be routed for electronic signature.

Termination

The City may terminate this agreement in whole or in part by giving thirty (30) days written notice thereof to contractors or subrecipients. The City will compensate Subrecipients in accordance with the terms of the agreement for all goods and services delivered and accepted prior to the effective date of such termination notice.

Appendix 2 - Definitions and Glossary

The following definitions are provided for use in the CDBG funded Major Home Rehabilitation Program:

Category 1 Subrecipients shall mean Subrecipients that have the capacity, whether in house or through sub-subrecipients, to complete all of the allowable rehabilitation or

repair items under the Major Home Repair Rehabilitation Program. The allowable repair items are listed in Table 1 of this NOFA.

Category 2 Subrecipients shall mean Subrecipients with the capacity to perform a specialty trade (i.e., electrical, plumbing, roofing, etc.) from the allowable repair items listed in Table 1.

CDBG funds means Community Development Block Grant funds, including funds received in the form of grants under subpart D, F, or §570.405 of this part, funds awarded under section 108(q) of the Housing and Community Development Act of 1974, loans guaranteed under subpart M of this part, urban renewal surplus grant funds, and program income as defined in §570.500(a).

City means the incorporated City of Dallas:

Consolidated plan means the plan prepared in accordance with 24 CFR part 91, which describes needs, resources, priorities and proposed activities to be undertaken with respect to HUD programs, including the CDBG program. An approved consolidated plan means a consolidated plan that has been approved by HUD in accordance with 24 CFR part 91.

Consultant in the CHP means and third party that is authorized to administer this program including contractors and subrecipients

Contractor

Obtains goods or provides services which generally create a procurement relationship. A contractor is paid CDBG funds as compensation for its services

Equipment Cost means the cost of equipment necessary to perform one unit of work of the line item, excluding any overhead and profit of the Subrecipient.

Family refers to the definition of “family” in 24 CFR 5.403 which reads as follows:

Family includes, but is not limited to, the following, regardless of actual or perceived sexual orientation, gender identity, or marital status:

(1) A single person, who may be an elderly person, displaced person, disabled person, near-elderly person, or any other single person; or

(2) A group of persons residing together, and such group includes, but is not limited to:

(i) A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family);

(ii) An elderly family;

(iii) A near-elderly family;

(iv) A disabled family;

- (v) A displaced family; and
- (vi) The remaining member of a tenant family.

Household means all persons occupying a housing unit. The occupants may be a family, as defined in 24 CFR 5.403; two or more families living together; or any other group of related or unrelated persons who share living arrangements, regardless of actual or perceived, sexual orientation, gender identity, or marital status.

Income. For the purpose of determining whether a family or household is low- and moderate-income under the CDBG regulations found at 570.3, the City has selected to use the Part 5 income definition under 24 CFR Part 5.403 which reads as follows:

“Annual Income defined under the Section 8 program at 24 CFR 813.106 1, (except that if the CDBG assistance being provided is homeowner rehabilitation under §570.202, the value of the homeowner’s primary residence may be excluded from any calculation of Net Family Assets).”

Low- and moderate-income household means a household having an income equal to or less than the Section 8 low-income limit established by HUD.

Low- and moderate-income person means a member of a family having an income equal to or less than the Section 8 low-income limit established by HUD. Unrelated individuals will be considered as one-person families for this purpose.

Low-income household means a household having an income equal to or less than the Section 8 very low-income limit established by HUD.

Low-income person means a member of a family that has an income equal to or less than the Section 8 very low-income limit established by HUD. Unrelated individuals shall be considered as one-person families for this purpose.

Material Cost means the cost of material necessary to perform one unit of work of the line item, excluding any overhead and profit of the Subrecipient.

Minor Repairs shall mean repairs that do not exceed \$5,000 and fall within the list of eligible repairs above.

Moderate-income household means a household having an income equal to or less than the Section 8 low-income limit and greater than the Section 8 very low-income limit, established by HUD.

Moderate-income person means a member of a family that has an income equal to or less than the Section 8 low-income limit and greater than the Section 8 very low-income limit, established by HUD. Unrelated individuals shall be considered as one-person families for this purpose.

Population means the total resident population based on data compiled and published by the United States Bureau of the Census available from the latest census or which has been upgraded by the Bureau to reflect the changes resulting from the Boundary and Annexation Survey, new incorporations and consolidations of governments pursuant to §570.4, and which reflects, where applicable, changes resulting from the Bureau's latest population determination through its estimating technique using natural changes (birth and death) and net migration, and is referable to the same point or period in time.

Soft Costs means the cost that are not construction / hard costs which under this NOFA include:

- **Permitting Cost:** all permits required for the rehabilitation work associated with the Major Home Repair Rehabilitation Program.

Subrecipient is defined under 24 CFR Part 570.500(c) as a public or private nonprofit agency, authority, or organization, or a for-profit entity authorized under §570.201(o), receiving CDBG funds from the recipient or another subrecipient to undertake activities eligible for such assistance under subpart C of this part. The term excludes an entity receiving CDBG funds from the recipient under the authority of §570.204, unless the grantee explicitly designates it as a subrecipient. The term includes a public agency designated by a unit of general local government to receive a loan guarantee under subpart M of this part, but does not include subrecipients providing supplies, equipment, construction, or services subject to the procurement requirements in 2 CFR part 200, subpart D.

Total Unit Price means the total cost for a single unit of work including the cost of material, labor, and equipment, excluding any overhead of the Subrecipient.

Total Line Item Price means the total line item cost for a specific eligible repair (as provided in Table 1 of this) including the cost of material, labor, and equipment, and overhead of the Subrecipient.

Unit of general local government shall have the meaning provided in section 102(a)(1) of the Act.

Unit means the unit of measurement for the line item specified. All work shall be scoped based on the measurement units specified.

Appendix 3 – Home Rehabilitation Program and Home Reconstruction Program Statements

The Housing and Neighborhood Revitalization Department (Housing Department) strengthens families and neighborhoods to cultivate a diverse and economically inclusive City by creating affordable and safe housing and mitigating community member displacement. The City offers several programs to support homeownership: the Home Improvement and Preservation Program (HIPP), the Dallas Homebuyer

Assistance Program (DHAP), the DHAP Targeted Homebuyer Incentive Program, and accessory dwelling units.

Home Improvement and Preservation Program

Added/amended June 26, 2019 by Resolution No. 19-1041

Amended August 26, 2020 by Resolution No. 20-1220

Amended September 9, 2021 by Resolution No. 21-1450

The Home Improvement & Preservation Program (HIPP) provides an all-inclusive repair and rehabilitation program for eligible single-family owner-occupied and landlord single-family income qualified rental housing units in the City of Dallas. HIPP is a comprehensive program with four components for the purposes of making needed improvements and preserving affordable housing:

- 1) a Minor Home Rehabilitation Program that provides grant assistance to non-profit organizations to administer the Minor Home Repairs Program to low- and moderate-income homeowners.
- 2) a Major Home Rehabilitation Program that provides loan assistance to low- and moderate-income homeowners needing moderate and substantial rehabilitation to their home.
- 3) a Home Reconstruction Program that provides loan assistance to low- and moderate-income homeowners needing to reconstruct their homes.
- 4) a Rental Rehabilitation Program that provides loan assistance to landlords which lease to low-and moderate-income households needing moderate and substantial rehabilitation to rental properties.

Applicants for HIPP will be prioritized on a first come first served basis for all programs. If an Applicant is within their affordability period from any other program, they are not eligible. If an Applicant is currently being served (not within an affordability period), they are not eligible to receive funding from another program concurrently. If an Applicant has been served in the past, residents that have never been served from the Housing Department will be served first. For the other repair/rehab programs refer to that section on qualifications.

For Minor Home rehabilitation Program and Rental Rehabilitation Program – refer to the CHP posted at www.dallashousingpolicy.com

Major Home Rehabilitation Program

Changes are effective for applications accepted after September 9, 2021. The Major Home Rehabilitation Program is a forgivable loan program to low- and moderate-income homeowners for the purpose of making needed repairs to preserve affordable housing. Major Home Rehabilitation Program is designed to ensure the longevity of the home

and to address health, safety, accessibility modification, reconstruction and structural/deferred maintenance deficiencies. Major Home Rehabilitation Program will improve suitable living conditions, health, and welfare and will expand economic opportunities that revitalize neighborhoods. Funding for this program is provided by HUD CDBG funds (limited to assistance provided to households at or below 80% of area median family income (AMI); and potentially non-federal funds for households at or below 120% AMI. Not to exceed 27% of the HOME Homeownership Value Limits, as established by HUD.

Applicant Eligibility

- Applicants must be the owner of the home to be repaired and must have occupied the home for at least six months prior to the date of application (“Applicant”). Applicants must submit a deed showing the conveyance, or similar documentation acceptable to the City in its sole discretion, that proves ownership in fee simple.
- Applicants must be a U.S. citizen or lawful permanent resident, and they must hold a current Texas state-issued identification card or driver’s license. Unless allowed by HUD or other applicable law.
- Applicants must be current on mortgage payments and shall not be in default under the mortgage documents associated with the property or in default under any lien on the property.
- Applicants must not have more than one outstanding loan on the property. The City will only accept a first or second lien position. Applicants having a reverse mortgage on the property are not eligible for this program.
- Property taxes must be current and not delinquent for any tax year unless the Applicant has entered into a written agreement with the taxing authority outlining a payment plan for delinquent taxes and is abiding to the written agreement.
- Applicants must have a gross annual household income at or below the applicable low- and moderate-income limits. Applicants must be at or below 80% AMI when CDBG funds are used or at or below 120% of AMI when non-federal funds are used as established by HUD for the jurisdiction of Dallas, Texas. Income shall be calculated using the Part 5 method as outlined in 24 CFR 5.609. Income eligibility shall be determined at the time of the application. Applicant household income eligibility is only valid for six months from the date of the last application.
- Applicants must correct all code violations not associated with the repairs to the home that currently exist on the property.
- City Council members, Department of Housing & Neighborhood Revitalization employees and any employee, official or agent of the City who exercises any policy or program decision-making function in connection with the program are ineligible for assistance under the program.
- Priority shall be given to Applicants who have not participated in any City repair, rehabilitation, or reconstruction program previously. If the Applicant is in their affordability period under any other program except the Neighborhood Empowerment Zone Program, then they are not eligible to receive funding under this program.
- Applicants must be willing to voluntarily relocate at the homeowner’s expense, if necessary.

Property Eligibility Requirements

- Must be a single-family dwelling, owner-occupied, and must be located within the City of Dallas, Texas city limits.
- Must obtain environmental clearance under 24 CFR Part 58.5, as amended, prior to committing rehabilitation funds.
- Standard property insurance, satisfactory to the City, must be maintained on the property (with coverage adequate to insure the City's lien position). If a property is located in a floodplain, as determined by the City, in its sole discretion, flood insurance must also be maintained with coverage adequate to insure the City's lien position. Insurance will be monitored during the length of the compliance period, which will be until the loan balance is repaid in full or forgiven, as described below. The City has the right to decline a homeowner that may be in a floodplain or floodway.
- Applicant must certify that the home is not for sale and is the primary residence of Applicant.
- If the property was previously assisted with City funds and the property is still within the period of affordability, per the written agreement with the Applicant or the previous owner, Applicant will not be eligible to receive funding for the same property.
- No liens, except those associated with the first mortgage, shall exist on the property.

The property must be in need of repairs designated as eligible repairs under the Major Rehab Program. The City has the authority to determine what the necessary repairs will be and when the amount exceeds the limits. **Eligible Repair Improvements**

Eligible rehabilitation activities include items necessary to bring the structure into compliance with the City's written rehabilitation standards and applicable local residential codes; and will also include items recommended as necessary to preserve the property's structural integrity, historic integrity, weatherization, and quality of living conditions. Major systems are part of the scope of work and are identified as structural support (foundations); roofing; cladding and weatherproofing (e.g., windows, doors, siding, gutters); plumbing; electrical; and heating, ventilation, and air conditioning.

Demolition of an accessory structure deemed hazardous, such as a detached garage or work shed, will be made on a case by case basis depending on the available budget, grant requirements, planning requirements, current building codes, and health and safety concerns. The structure will not be rebuilt by the City.

Assistance in removing any items from the property that are considered to be dangerous, hazardous, or a violation of local code is an eligible repair when performed in conjunction with the rehabilitation of eligible improvements on the property.

Assistance may not be used for the purchase or repairs of appliances or renovations not necessary to bring the home up to local code or property standards. Ineligible repairs include but are not limited to luxury and recreational items (swimming pools, spas, high end fixtures). Tree trimming will be in conjunction with repair and only if considered necessary and if allowable under the CDBG regulations. Any other ineligible activity

may be considered if deemed necessary by the City to undertake an eligible activity, if allowable under the CDBG regulations, as applicable.

Eligible improvements under the Major Home Rehabilitation Program include the following:

- Cost effective energy conservation measures, including solar heating, cooling, & water systems permanently affixed to dwelling
- Testing & treatment/removal of lead-based paint/asbestos hazards
- Handicapped improvements & removal of barriers to the handicapped
- Removal of termites; removal of rodents and roaches (pest control), but may not be a stand-alone cost
- Replace/repair roofing
- Replace/repair HVAC systems
- Replace/repair plumbing, water and sewer pipes, kitchen and bath fixtures
- Replace/repair gas pipes/gas test
- Install new smoke, fire, and CO₂ alarms
- Install new insulation
- Replace/repair flooring and carpeting
- Replace/repair water heaters
- Replace/repair electrical system and installation of ground fault circuit interrupters
- Replace/repair windows
- Replace/repair window and/or door screens
- Replace/repair plaster, siding and stucco
- Painting (inside and outside)
- Install new deadbolt locks
- Replace/repair kitchen or bath cabinets and countertops
- Replace/repair garage doors
- Structural repairs/modifications (only to correct existing structural code deficiencies or to provide accessibility to disabled persons)
- Foundation repairs
- Any items determined eligible by the Director

Terms of Assistance

Major Home Rehabilitation Program assistance is an interest-free, forgivable, self-amortizing loan in an amount subject to the City's assessment of needs, not to exceed 27% of HOME Homeownership Value Limits, as established by HUD. The City loan shall be secured by a first or second lien on the property, signed by Applicant as the owner of the property.

Loan payments are self-amortized over the ten-year loan term and forgiven annually at the rate of one-tenth of the loan amount for every year the borrower occupies the property continuously as his/her primary residence and complies with the terms and conditions of the contract. The deed restrictions and the deed of trust shall be released on the tenth anniversary of the making of the loan so long as the borrower has met the conditions of the loan, as described under these program requirements, for the entire

term. Failure of borrower to occupy the property continuously as his/her primary residence or comply with the terms and conditions of the contract for the entire term shall result in repayment of the unamortized balance of the loan.

The affordability period for the Major Home Rehabilitation Program shall be ten (10) years.

Applicant shall be required to provide on-going proof of insurance to the City, with the City as an added insured. Applicant must certify annually that the home is not for sale, is the primary residence of the Applicant, and any other certifications required by the City in the contract, until the balance of the loan is repaid to the City or until the full amount of the loan is forgiven.

In addition to execution of a loan agreement, execution and recordation of a deed of trust, deed restriction, and a note will be required for the ten-year term.

Applicant may repay Rehabilitation loans at any time without penalty. All loans are immediately payable upon the earlier of:

- The sale, conveyance, transfer, rental, hypothecation of the security; or
- If the home is vacated during the term of the loan; or
- Failure to adhere to the provisions of the loan agreement; or
- If property insurance, satisfactory to the City, is not maintained on the property.
- If the Applicant falls behind on the mortgage of their home.
- Failure to otherwise adhere to the provisions under the City's contract, deed restrictions, deed of trust and/or the note.

Major Home Rehabilitation Program loans are not assumable except under the following limited circumstances:

- Transfer of property to a surviving spouse;
- Transfer of property to an heir(s);
- Transfer of property where spouse becomes the sole owner of the property;
- Transfer of property resulting from a decree of dissolution of marriage, legal separation or from incidental property settlement agreement; or
- Transfer to a Family Trust in which the borrower remains the beneficiary and occupant of property.

All transfers must be approved by the City. Any person that would like to assume the loan must income qualify and utilize the assisted property as their primary residence. If such person does not meet the income requirements of the program, does not utilize the property as their primary residence, or does not meet any other condition of the loan, then the unamortized balance of the loan amount is due immediately and payable to the City.

Assistance Limits

Under Major Home Rehabilitation Program, the maximum loan assistance amount is not to exceed 27% of HOME Homeownership Value Limits, as established by HUD.

Rehabilitation funds may only be used to complete the project-related hard costs such as construction costs. Project-related soft costs such as hazardous materials testing fees, document recordation fees, inspection/construction management fees, escrow fees are program delivery costs of the City and shall not be included as part of the loan provided to the Applicant.

The level of assistance shall be limited to the amount required to address the rehabilitation work scope as defined by the City (except as provided below). The City Manager or designee may on a case by case basis administratively approve (without City Council approval or Council Committee approval) additional assistance not to exceed ten percent above the maximum limit for any owner-occupied rehabilitation project under the following circumstances:

- To address outstanding repairs or necessary work to close out an existing project;
- The need to provide reasonable accommodations in accordance with the Americans with Disabilities Act or other local, state or federal law;
- Unforeseen environmental issues; and
- Addressing issues that threaten life, health, safety and welfare of the public.

Mortgage and Refinancing

The following are the credit and underwriting standards for Major Home Rehabilitation Program loans:

- Chapter 7 or Chapter 13 bankruptcy is not allowed if the primary or any mortgage is included as a secured creditor on the subject property for which the City will place a lien securing the loan.
- Properties may not have more than one outstanding loan on the property. The City will not accept a lien position lower than a second lien.
- Property taxes must be current.
- Applicants must be current on mortgage payments and shall not be in default under the mortgage documents associated with the property.
- Properties with a reverse mortgage are not eligible for this program.

Applicants can refinance their properties for better terms. However, they shall not be allowed to do a cash out refinance.

Administration

The City of Dallas Department of Housing and Neighborhood Revitalization Staff or their designees (“Staff”) shall administer the Major Home Rehabilitation Program. As used herein, the term “Staff” may include either employees or consultants of the department under the direction of the Director (defined below) or his/her designee. The administration of the Major Home Rehabilitation Program includes direct delivery costs, application evaluation procedures, rehabilitation assessments, cost estimation, bid solicitation, contractor selection, construction management, inspection, disbursement of program funds and processing of notices of completion, and other duties as established in the program guidelines, as well as the policies and procedures.

The Director of Housing and Neighborhood Revitalization (the “Director”) shall be responsible for ensuring that all programs are implemented in accordance with all applicable policies and regulations.

Home Reconstruction Program.

The Home Reconstruction Program provides loan assistance to eligible homeowners of single-family, detached dwellings for the reconstruction of existing housing. Subject to the requirements stated below, dwellings requiring repairs that exceed 80% of the most recent certified improvement value as determined by the applicable appraisal district qualify for this program assistance. Assistance for this program is provided by HUD through the Home Investment Partnerships Program (HOME), CDBG, and/or non-federal funds. If HOME funds are used, the applicable HOME regulations shall apply, even if such regulations conflict with program requirements detailed below. Not to exceed 75% of HOME Homeownership Value Limits, as established by HUD.

Applicant Eligibility

- Applicants must be referred to the Home Reconstruction Program from the Major Rehab Program.
- Applicants must be the owner of property and must have occupied the home for at least six months prior to the date of application for the Major Rehab Program. Applicants must submit a deed showing the conveyance, or similar documentation acceptable to the City in its sole discretion, that proves ownership in fee simple.
- Applicants must be a U.S. citizen or lawful permanent resident, and they must hold a current Texas state-issued identification card or driver’s license.
- Applicants must not have any outstanding loans on the property because the City will only accept a first lien position. Applicants having a reverse mortgage on the property shall not be eligible for a loan.
- Property taxes must be current and not delinquent for any tax year unless the Applicant has entered into a written agreement with the taxing authority outlining a payment plan for delinquent taxes and is abiding by the written agreement.
- Where federal funds are provided, Applicant must have a gross annual household income at or below the applicable low- and moderate-income limits (<80% AMI) as established by HUD for the jurisdiction of Dallas, Texas. Income shall be calculated using the Part 5 method as outlined in 24 CFR 5.609. Non-federally funded activities allow applicants to have a gross annual household income at or below 120% of AMI. Income eligibility shall be determined at the time of the application. Applicant household’s income eligibility is only valid for six months from the date of the last application.
- City Council members, Department of Housing & Neighborhood Revitalization employees and any employee, official or agent of the City who exercises any policy or program decision-making function in connection with the Reconstruction Program are ineligible for assistance under the Reconstruction Program.
- When HOME funds are provided, the Conflict of Interest provisions at 24 CFR 92.356 shall be observed.
- Applicant must correct all code violations not associated with the reconstruction of the home that currently exist on the property.

- After the reconstruction and throughout the course of the affordability period, the Applicant must correct any and all code violations received during that duration.
- Priority shall be given to Applicants who have not participated in any City repair or rehabilitation program previously.
- Applicant must be willing to voluntarily relocate at the Applicant's expense during the course of reconstruction.

Property Eligibility

- Must be a detached single-family dwelling, owner occupied and located within the City of Dallas city limits.
- Must obtain environmental clearance under 24 CFR Part 58.5 prior to committing program funds.
- Standard property insurance, satisfactory to the City, must be maintained on the property (with coverage adequate to insure the City's lien position). If a property is located in a floodplain, as determined by the City of Dallas, in its sole discretion, flood insurance must also be maintained with coverage adequate to insure the City's lien position. Insurance will be monitored during the length of the compliance period, which will be until the loan is repaid in full. The City has the right to decline a homeowner that may be in a floodplain or floodway.
- No liens may exist on the property.
- Applicant must certify that the home is not for sale and is the primary residence of Applicant.
- The property must require repairs that exceed 80% of the most recent certified improvement value as determined by the applicable appraisal district for this program assistance. The City has the authority to determine what the necessary repairs will be and when the amount exceeds the limits of Major Rehab Program.
- If the property was previously assisted with City funds and the property is still within the period of affordability, per the written agreement with the Applicant or the previous owner, Applicant will not be eligible to receive funding for the same property.
- If the property has been reconstructed pursuant to any City program, the property is not eligible for reconstruction under this Home Reconstruction Program.

Eligible Repair Improvements

Eligible improvements under the Home Reconstruction Program include the demolition of the existing single-family home and reconstruction in substantially the same manner of similar design a replacement detached single-family home on the same lot. The number of dwelling units on a site may not be increased.

Demolition of an accessory structure deemed hazardous, such as a detached garage or work shed, will be made on a case by case basis depending on the available budget, grant requirements, planning requirements, current building codes, and health and safety concerns. The structure will not be rebuilt.

Terms of Assistance

Home Reconstruction Program assistance is provided in the form of a loan. The City loan shall be secured by a first lien on the property, signed by Applicant as the owner of the property. Applicant must certify annually that the home is not for sale and is the primary residence of the Applicant until the loan is repaid to the City in full. Applicant must also correct all code violations that exist on the property. The maximum loan amount is subject to City established underwriting criteria/requirements.

The affordability period for the Home Reconstruction Program shall be 15 years. In addition to execution of a loan agreement, execution and recordation of a deed of trust, deed restriction, and a note will be required.

Applicant may repay the Home Reconstruction Program loan at any time without penalty. All loans are immediately payable upon the earlier of:

- The sale, conveyance, transfer, rental, hypothecation of the security; or
- If the home is vacated during the term of the loan; or
- Failure to adhere to the provisions of the loan agreements; or
- If standard property insurance, satisfactory to the City, is not maintained on the property; or
- Failure to adhere to the provisions under the City's contract, deed restrictions, deed of trust and/or the note.

Home Reconstruction Program loans are not assumable except under the following limited circumstances:

- Transfer of property to a surviving spouse;
- Transfer of property to an heir(s);
- Transfer of property where a spouse becomes the sole owner of the property;
- Transfer of property resulting from a decree of dissolution of marriage, legal separation or from incidental property settlement agreement;
- Transfer to a Family Trust in which the borrower remains the beneficiary and occupant of property.

All transfers must be approved by the City. Any person that would like to assume the loan must income qualify and utilize the assisted property as their primary residence. If such person does not meet the income requirements of the program, does not utilize the property as their primary residence, or does not meet any other condition of the loan, then the full loan amount is due immediately and payable, in full, to the City.

Assistance Limits

The maximum amount of assistance provided shall not exceed 75% of HOME Homeownership Value Limits for new construction. The City Manager or designee may on a case by case basis administratively approve (without additional approval of City Council committee or City Council) additional assistance not to exceed 10% above the maximum limit for any owner-occupied reconstruction project under the following circumstances:

- The need to provide reasonable accommodations in accordance with the Americans with Disabilities Act or other local, state or federal law;

- Unanticipated costs deemed necessary to meet applicable City codes;
- Unforeseen environmental issues; and
- Addressing issue that threaten life, health, safety and welfare of the public.

Home Reconstruction Program loan funds may be used to complete project-related hard costs such as demolition and construction costs and designated soft costs of architectural and engineering fees. All other project-related soft costs shall not be included as part of the loan provided to the applicant. These costs may be provided by the City as part of its delivery costs.

Credit and Underwriting Standards

The following are the credit and underwriting standards for Home Reconstruction Program Loans:

- Chapter 7 or Chapter 13 bankruptcy is not allowed if primary or any mortgage is included as a secured creditor on the subject property for which the City will place a lien securing the loan.
- Properties may not have any outstanding loans on the property. The City will not accept a lien position lower than a first lien.
- Property taxes must be current.
- Properties with a reverse mortgage are not eligible for Program funding

Relocation

Relocation costs will not be paid by the City.

Administration

Staff shall administer the Home Reconstruction Program. This administration includes, but is not limited to, application evaluation procedures, assessments, cost estimation, bid solicitation, contractor selection, construction management, inspection, disbursement of program funds and processing of notices of completion, and other duties as established in the program guidelines as well as the policies and procedures.

The Director shall be responsible for ensuring that all programs are implemented in accordance with all applicable policies and regulations.