

THIRD MODIFICATION OF AGREEMENT

This Modification of Agreement made and entered into by and between Fort Bend County, a body corporate and politic under the laws of the State of Texas, hereinafter referred to as the "Grantee" and Fort Bend Community Revitalization Projects, a nonprofit corporation under the laws of the State of Texas, hereinafter referred to as the "Subrecipient".

RECITALS

A. Grantee and Subrecipient entered into a written agreement on August 24, 2010 which was modified on September 14, 2010 and September 23, 2010, for the Subrecipient to administer a Neighborhood Stabilization Program to demolish blighted structures and redevelop demolished or vacant properties and reconstruct housing for low –to moderate income households under the rules and regulations regarding NSP funds by and through the U.S. Department of Housing and Urban Development. A copy of the Agreement is attached as Attachment A and is incorporated herein by reference for all purposes.

B. Grantee and Subrecipient desire to modify the Agreement as follows:

1. Part 1, SCOPE OF AGREEMENT is hereby deleted and replaced as follows:

1.03 Program Delivery

Activities: Reconstruct seven (7) housing units on demolished housing sites located in NSP target areas identified in the approved Fort Bend County Action Plan/Substantial Amendment.

The Subrecipient shall provide a detailed set of plans, specifications and construction cost estimates and other items for Grantee's approval prior to work commencement. The list of required items are detailed in Grantee's NSP Single Family Housing Pre-Construction Checklist and incorporated as attachment B.

The Subrecipient will implement this program in accordance with the policies and procedures provided by Grantee entitled Affordable Housing/Real Estate Development Process and Fort Bend County Construction Process and incorporated as Attachment C.

1.06 National Objects

The Subrecipient certifies that the activities carried out with funds provided under this Agreement will meet the CDBG Low –and moderate-income national objective of providing or improving permanent housing for households at or below 120% of AMI (LMMH) as provided under the Housing and Economic Recovery ACT (HERA). Further, the Subrecipient certifies that demolition activities are being carried out in target areas that meet the Low Moderate Income Area (LMMA national objective). Demolition can be considered an area benefit if the property is in a target area and the demolition is done in concert with a coordinated program of

redevelopment and/or rehabilitation and/or new construction and/or other improvements, including other demolition, which together can reasonably be expected to improve the area. To meet the LMMA national objective, the target areas must have the following characteristics: (1) are primarily residential, and (2) at least 51% of the people residing in the areas must be at or below 120% of area median income.

2. Part II, TIME OF PERFORMANCE is hereby deleted and replaced as follows:

AGREEMENT MILESTONES

2.01 Services of the Subrecipient shall begin upon execution of this agreement and end on July 15, 2012.

2.02 Subrecipient shall deliver units of services in the following sequence: 30% of housing units completed by January 31, 2012, 60% of housing units completed by March 30, 2012, and 100% of housing units completed by May 30, 2012.

2.03 Milestone Monitoring: Grantee will monitor the performance of the Subrecipient against delivery of units of services. Subrecipient shall provide Grantee all necessary reporting information as required. Substandard performance as determined by the Grantee will constitute noncompliance with this Agreement. If action to correct such substandard performance is not taken by the Subrecipient within 30 days after being notified by Grantee, contract suspension or termination procedures will be initiated.

2.04 Community Development Department staff will conduct weekly progress inspections of work completed and review of project files and information to protect its interests as lender and regulatory authority for the project, and will provide information to the Subrecipient regarding any progress inspections or monitoring to assist it in ensuring compliance. The Grantee's review and approval of the work progress will relate only to overall compliance with the general requirements of this Agreement and NSP requirements.

3. Part III, PROJECTS COSTS is hereby deleted and replaced as follows:

3.01 For and in consideration of the Project as herein set forth, Grantee agrees to fund project costs not to exceed the total sum of Seven Hundred Sixty Two Thousand Seven Hundred and Fifty Nine Dollars (\$762,759.00) as set forth in the Budget for NSP Funds, which shall be in full and total compensation of payment of all expenses allowed under this Agreement and the Grant Agreement with HUD.

Budget for NSP Funds

Project Delivery		\$149,180.00
Salary and Fringe Benefits	\$117,960.00	
Community Specialist		
Fiscal & Program Director		
Program Director		

Professional Fees and Services	\$25,550.00
Travel	\$5,607.00
Construction	\$587,693.00
Construction Contingency	\$25,886.00
TOTAL	\$762,759.00

4. Part IV, AFFORDABILITY is hereby deleted and replaced as follows:

4.01 Housing assisted with NSP funds must meet the affordability requirements of Section 92.254 of the HOME Program, as applicable. Failure to meet the affordability requirements for the specified periods will require recapture of NSP funds.

4.02 Minimum affordability periods will be based on the amount of assistance as follows: under \$15,000 – 5 years, \$15000 to \$40000 – 10 years, and over \$40,000-15 years.

4.03 Buyer Note & Deed of Trust – All NSP-assisted properties are subject to ongoing compliance requirements for the affordability period starting from the date of initial occupancy. Prior to construction start, Subrecipient shall have completed an as complete appraisal of each property execute a note and mortgage with the homeowner based on value of the appraisal in order to secure a lien on the property. Upon completion of the housing units(s) and prior to date of initial occupancy, the Subrecipient will hold a closing at its office location and cause the homeowner(s) to execute a lien note and deed of trust in favor of Grantee for the amount of the NSP assistance. The note and deed of trust documents must be in compliance with Grantee’s NSP substantial amendment and will be provided to the Subrecipient by the Grantee. The completed documents must be submitted to Grantee for review prior to execution and a recorded copy provided to Grantee after each closing.

4.04 The amount of the NSP assistance will be forgiven in equal amounts over the applicable affordability period if the homeowner maintains the home as their principal residence.

4.05 NSP funds will be recaptured by Grantee out of the net proceeds of the sale according to the formula contained in the NSP note and deed of trust. Net Proceeds will be determined after repayment of the Homeowner’s Equity. Homeowner’s Equity is calculated as Value of Land and the Value of Any Improvements as evidenced by receipts provided by homeowner.

5. Part V, PAYMENT is hereby deleted and replaced as follows:

5.01 It is expressly agreed and understood the total amount to be paid by the Grantee under this Agreement shall not exceed Seven Hundred Sixty Two Thousand Seven Hundred and Fifty Nine Dollars (\$762,759.00). Subrecipient shall submit invoices and Grantee shall make drawdown for the payment of NSP eligible expenses against the line item budgets as specified in the agreement on a reimbursable basis. Such invoices shall include any other documentation requested by the Grantee. All invoices shall be subject to performance and adequate

documentation and must be approved by the Fort Bend County Community Development Department prior to payment.

5.02 It is expressly agreed that \$30,184 of the total budgeted amount shall be allocated as construction contingency. Any and all change orders to be paid out of contingency funds must be approved by the Grantee through its Community Development Department. If unused, any or the entire contingency along with any other unused NSP funds must be returned to Grantee by Subrecipient.

10. Part X, Rights OF TERMINATION is hereby deleted and replaced as follows:

RIGHTS OF TERMINATION AND REVERSION OF ASSETS

10.01 Grantee, by and through its Director of the Fort Bend County Community Development Department, or the Subrecipient, may terminate this agreement without cause prior to the Subrecipient's award of funds under contract by providing thirty (30) day's notice. Grantee may terminate this agreement after the Subrecipient's award of the construction contract only for cause, by providing thirty (30) days written notice to the Subrecipient.

10.02 Grantee may immediately terminate this Agreement after the Subrecipient's award only for cause by giving thirty (30) days written notice of termination to the Subrecipient for any of the following occurrences:

- (a) Failure of Subrecipient to fulfill in a timely and proper manner any of its obligations under this Agreement.
- (b) Failure of Subrecipient to submit reports that are complete and accurate.
- (c) Failure of Subrecipient to use the NSP Funds for the stated purposes in this Agreement.
- (d) Termination of the NSP funding by HUD.

10.03 Within sixty (60) days after termination of this Agreement, Subrecipient shall surrender all reports, documents, and other materials assembled and prepared pursuant to this Agreement, which shall become the property of Grantee, unless otherwise directed by Grantee. After receiving written notice of termination, Subrecipient shall incur no new obligations and shall cancel as many outstanding obligations as possible. Upon compliance with this Section, Subrecipient shall receive compensation for all activities satisfactorily performed prior to the effective date of termination.

10.04 Subrecipient shall transfer to Grantee any NSP1 funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination, unless otherwise specified in the HUD closeout agreement with Grantee.

C. Except as modified herein, the Agreement remains in full force and effect and has not been modified or amended.

D. If there is a conflict between this Modification and the Agreement, the provisions of this Modification shall prevail.

E. This modification shall become effective when executed in duplicate originals by the Grantee.

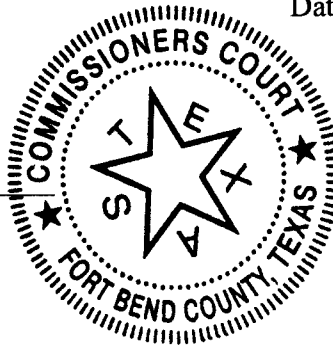
GRANTEE: FORT BEND COUNTY

Robert E. Hebert
Robert E. Hebert, County Judge

12-13-2011
Date

ATTEST:

Dianne Wilson
Dianne Wilson, County Clerk



APPROVED AS TO FORM:

Mary E. Rader
Assistant County Attorney

11/29/2011
Date

APPROVED: COUNTY PROJECT MANAGER

Marilynn Kindell
Marilynn Kindell, Director
Fort Bend County Community Development Department

SUBRECIPIENT: FORT BEND CORPS

By [Signature]
Board President

12/06/2011
Date

ATTEST:

Patricia M. Robinson
Board Secretary

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of \$762,759.00 to accomplish and pay the obligation of the Grantee under this contract.

Robert E. Sturdivant
Robert E. Sturdivant, County Auditor

MODIFICATION OF AGREEMENT

This Modification Agreement made and entered into by and between Fort Bend County, a body corporate and politic under the laws of the State of Texas, hereinafter referred to as the "Grantee" and Fort Bend Community Revitalization Projects, a nonprofit corporation under the laws of the State of Texas, hereinafter referred to as the "Subrecipient".

RECITALS

A. Grantee and Subrecipient entered into a written agreement on August 24, 2010 which was modified on September 14, 2010 to demolish blighted structures and redevelop demolished or vacant properties which is eligible under the rules and regulations regarding NSP funds by and through the U.S. Department of Housing and Urban Development. A copy of the Agreement is attached as Attachment A and is incorporated herein by reference for all purposes.

B. Grantee and Subrecipient desire to modify the Agreement as follows:

1. Part I, SCOPE OF AGREEMENT is hereby deleted and replaced as follows:

1.03 Program Delivery

Activities

- Property Search and Identification
- 9 Home Reconstruction

3. Part III, PROJECT COSTS is hereby deleted and replaced as follows:

3.01 For and in consideration of the Project as herein set forth, the County agrees to fund project costs not to exceed the total sum of Six Hundred Sixty Six Thousand Five Hundred Seventy and No/100 Dollars (\$666,570.00) as set forth in the Budget for NSP Funds, which shall be in full and total compensation for payment of all expenses allowed under this Agreement and the Grant Agreement with HUD. Grantee's funding for the Project shall not exceed \$666,570.00 which includes the amount of \$250,200.00 under this Modification.

Budget for NSP Funds

Project Delivery		\$149,070.00
Salary and Fringe Benefits	\$117,960.00	
Executive Director		
Community Specialist		
Fiscal & Program Director		

Program Director	
Professional Fees and Services	\$25,550.00
Travel	\$5,610.00

Construction	\$517,500.00
TOTAL	\$666,570.00

5 Part V, PAYMENT is hereby deleted and replaced as follows:

5.01 It is expressly agreed and understood that the total amount to be paid by the Grantee under this Agreement shall not exceed of Six Hundred Sixty Six Thousand Five Hundred Seventy and No/100 Dollars (\$666,570.00). Subrecipient shall submit an invoice upon delivery of the Project. Such invoice shall include any other documentation requested by the Grantee. All invoices shall be approved by the Fort Bend County Community Development Department prior to payment.

6. Part VI, SOURCE OF FUNDING is hereby deleted and replaced as follows:

6.01 The Grantee has no Grantee funds for the costs of goods and services to be rendered under this Agreement. It is expressly agreed and understood that this Agreement is predicated upon and conditioned on the Grantee receiving funds for the purpose of paying the entire obligation of the Grantee under this Agreement from funds to be received from the U. S. Department of Housing and Urban Development, by virtue of Grant No. B-08-UN-48-0400, entitled Neighborhood Stabilization Program. Accordingly, notwithstanding anything herein to the contrary, the maximum liability of the Grantee under the terms and provisions of this Agreement shall not exceed \$666,570.00 amount actually received by the Grantee from HUD pursuant to the Block Grant.

C. Except as modified herein, the Agreement remains in full force and effect and has not been modified or amended.

D. If there is a conflict between this Modification and the Agreement, the provisions of this Modification shall prevail.

E. This modification shall become effective when executed in duplicate originals by the Grantee.

GRANTEE: FORT BEND COUNTY

Robert E. Hebert
Robert E. Hebert, County Judge

9-23-10
Date

ATTEST: Dianne Wilson
Dianne Wilson, County Clerk

APPROVED AS TO FORM:

Roy L. Cordes, Jr.
Roy L. Cordes, Jr.
County Attorney *First Assistant*

9-23-10
Date

APPROVED: COUNTY PROJECT MANAGER

Marilynn Kindell
Marilynn Kindell, Director
Fort Bend County Community Development Department

SUBRECIPIENT: FORT BEND CORPS

By [Signature]
Board President

9-23-10
Date

ATTEST: [Signature]
Board Secretary *Treasurer*

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of \$666,570.00 to accomplish and pay the obligation of the Grantee under this contract.

[Signature]
Robert E. Sturdivant, County Auditor

MODIFICATION OF AGREEMENT

This Modification Agreement made and entered into by and between Fort Bend County, a body corporate and politic under the laws of the State of Texas, hereinafter referred to as the "Grantee" and Fort Bend Community Revitalization Projects, a nonprofit corporation under the laws of the State of Texas, hereinafter referred to as the ("Subrecipient").

RECITALS

A. Grantee and Subrecipient entered into a written agreement on August 24, 2010 to demolish blighted structures and redevelop demolished or vacant properties wa hich is eligible under the rules and regulations regarding NSP funds by and through the U.S. Department of Housing and Urban Development. A copy of the Agreement is attached as Attachment A and is incorporated herein by reference for all purposes.

B. Fort Bend CountyGrantee and Subrecipient desire to modify the Agreement as follows:

1. Part I, SCOPE OF AGREEMENT is hereby deleted and replaced as follows:

1.03 Program Delivery

Activities

- Property Search and Identification
- 6 Home Reconstruction

2. Part III, PROJECT COSTS is hereby deleted and replaced as follows:

3.01 For and in consideration of the Project as herein set forth, the County agrees to fund project costs not to exceed the total sum of Four Hundred Sixteen Thousand Three Hundred Seventy and No/100 Dollars (\$416,370.00) as set forth in the Budget for NSP Funds, which shall be in full and total compensation for payment of all expenses allowed under this Agreement and the Grant Agreement with HUD. Grantee’s funding for the Project shall not exceed \$416,370.00 which includes the amount of \$300,000.00 under this Modification.

Budget for NSP Funds

Project Delivery		\$86,370.00
Salary and Fringe Benefits	\$66,065.00	
Executive Director		
Community Specialist		
Fiscal & Program Director		

Program Director	
Professional Fees and Services	\$17,000.00
Travel	\$3,305.00

Construction	\$330,000.00
TOTAL	\$416,370.00

3. Part V, PAYMENT is hereby deleted and replaced as follows:

5.01 It is expressly agreed and understood that the total amount to be paid by the County Grantee under this Agreement shall not exceed of Four Hundred Sixteen Thousand Three Hundred Seventy and No/100 Dollars (\$416,370.00). Subrecipient shall submit an invoice upon delivery of the Project. Such invoice shall include any other documentation requested by the County Grantee. All invoices shall be approved by the Fort Bend County Community Development Department prior to payment.

4. Part VI, SOURCE OF FUNDING is hereby deleted and replaced as follows:

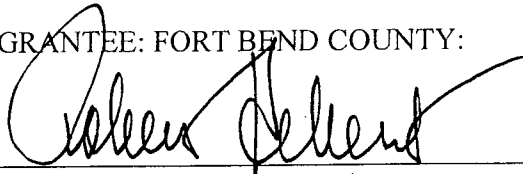
6.01 The County Grantee has no County Grantee funds for the costs of goods and services to be rendered under this Agreement. It is expressly agreed and understood that this Agreement is predicated upon and conditioned on the County Grantee receiving funds for the purpose of paying the entire obligation of the County Grantee under this Agreement from funds to be received from the U. S. Department of Housing and Urban Development, by virtue of Grant No. B-08-UN-48-0400, entitled Neighborhood Stabilization Program. Accordingly, notwithstanding anything herein to the contrary, the maximum liability of the County Grantee under the terms and provisions of this Agreement shall not exceed \$416,370.00 amount actually received by the County Grantee from HUD pursuant to the Block Grant.

5. Except as modified herein, the Agreement remains in full force and effect and has not been modified or amended.

6. If there is a conflict between this Modification and the Agreement, the provisions of this Modification shall prevail.

7. This modification shall become effective when executed in duplicate originals by the Grantee.

GRANTEE: FORT BEND COUNTY:



Robert E. Hebert, County Judge

9-14-10

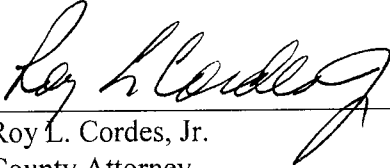
Date

ATTEST:



Dianne Wilson, County Clerk

APPROVED AS TO FORM:

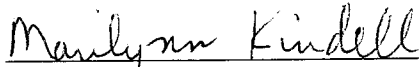


Roy L. Cordes, Jr.
County Attorney

9/8/2010

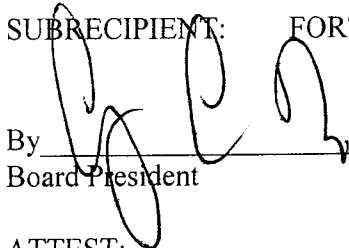
Date

APPROVED: COUNTY PROJECT MANAGER



Marilynn Kindell, Director
Fort Bend County Community Development Department

SUBRECIPIENT: FORT BEND CORPS

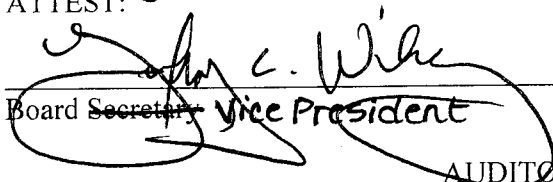


By
Board President

9/10/2010

Date

ATTEST:



~~Board Secretary~~ Vice President

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of \$416,370.00 to accomplish and pay the obligation of the Fort Bend County Grantee under this contract.



Robert E. Sturdivant, County Auditor

AGREEMENT

THE STATE OF TEXAS §
§
COUNTY OF FORT BEND §

This Agreement made and entered into by and between Fort Bend County, a body corporate and politic under the laws of the State of Texas (hereinafter referred to as County) and Fort Bend Community Revitalization Projects, a non-profit corporation under the laws of the State of Texas (hereinafter referred to as Subrecipient).

WITNESSETH:

WHEREAS, the County, has entered into a Grant Agreement with the United States of America, No. B-08-UN-48-0400, acting by and through its Department of Housing and Urban Development, hereinafter referred to as HUD, for federal funding of sections 2301 – 2304 of the Housing and Economic Recovery Act of 2008 (Public Law 110-289);

WHEREAS, the program established pursuant to sections 2301-2304 is known as the Neighborhood Stabilization Program (NSP);

WHEREAS, the County wishes to engage the Subrecipient to assist the County in utilizing such funds;

NOW, THEREFORE, it is agreed between the parties hereto that;

I.

SCOPE OF AGREEMENT

1.01 The County and Subrecipient agree to administer the Project in accordance with the guidelines, rules, and regulations required by the U. S. Department of Housing and Urban Development (hereinafter referred to as HUD).

1.02 Activities

The Subrecipient will be responsible for administering a Program Year 2008 NSP funded program to demolish blighted structures and redevelop demolished or vacant properties within the unincorporated limits of Fort Bend County and the incorporated areas of Arcola, Beasley, Fairchilds, Fresno, Fulshear, Kendleton, Needville, Orchard, Pleak, Richmond, Rosenberg, Simonton, Stafford and Thompsons in a manner satisfactory to the County and consistent with any standards required as a condition of providing these funds.

1.03 Program Delivery

The Subrecipient shall utilize its grant for demolition and redevelopment. The Subrecipient will clear suitable vacant properties to prepare for redevelopment; Subrecipient shall complete a minimum of the following activities:

Activities

- Property Search and Identification
- 4 Home Reconstruction

1.04 Project Implementation

The Developer shall utilize its grant for project implementation. Project implementation shall include but not be limited to the following activities:

Property search shall begin immediately upon execution of this Agreement.

Identification of blighted structures shall be complete within 4 months of execution of this Agreement.

Redevelopment and occupancy shall be complete within 15 months of execution of this Agreement.

1.05 General Administration

The Subrecipient or its Representatives shall be responsible for the administration of the acquisition and demolition program.

1.06 National Objectives

The Subrecipient certifies that the activities carried out with funds provided under this Agreement will meet one or more of the CDBG's program's National Objectives - 1) benefit low/moderate income persons, 2) aid in the prevention or elimination of slums or blight, 3) meet community development needs having a particular urgency - as defined in 24 CFR Part 570.208.

II.

TIME OF PERFORMANCE

2.01 Services of the Subrecipient shall begin upon execution of this agreement and end on December 31, 2011.

III.

PROJECT COSTS

3.01 For and in consideration of the Project as herein set forth, the County agrees to fund project costs not to exceed the total sum of Three Hundred Thousand and No/100 Dollars (\$300,000.00) as set forth in the Budget for NSP Funds, which shall be in full and total compensation for payment of all expenses allowed under this Agreement and the Grant Agreement with HUD.

Budget for NSP Funds

Project Delivery		\$70,000.00
Salary and Fringe Benefits	\$51,895.16	
Executive Director		
Community Specialist		
Fiscal & Program Director		
Program Director		
Professional Fees and Services	\$15,800.00	
Travel	\$2,304.84	
Construction		\$230,000.00
TOTAL		\$300,000.00

3.02 The County shall not be liable for the payment of expenses or costs, which are not allowable under the terms of this Agreement and the Grant Agreement with HUD.

3.03 The Subrecipient and the Grantee, through its Director of the Fort Bend County Community Development Department may, by prior written agreement, mutually agree to re-allocate the funds among the various line items of the budget or to new line items created in the budget.

IV.

AFFORDABILITY

4.01 Housing assisted with NSP funds must meet the affordability requirements by adopting the HOME program standards at 24 CFR 92.252(a), (c), (e) and (f), and 92.254 to be in minimal compliance with this affordability standard and expects any other standards to be enforceable and longer in duration, as applicable. Residential properties under this section remain affordable to individuals or families whose incomes do not exceed 120 percent of area median income or, for units originally assisted with funds under the requirements of section 2301(f)(3)(A)(ii), to remain affordable to individuals and families whose incomes do not exceed 50 percent of area median income. Failure to meet the affordability requirements for the specified periods will require repayment of NSP funds.

V.

PAYMENT

5.01 It is expressly agreed and understood that the total amount to be paid by the County under this Agreement shall not exceed Three Hundred Thousand and No/100 Dollars (\$300,000.00). Subrecipient shall submit monthly invoices until completion of the Project. Such invoice shall include any other documentation requested by the County. All invoices shall be approved by the Fort Bend County Community Development Department prior to payment.

VI.

SOURCE OF FUNDING

6.01 The County has no County funds for the costs of goods and services to be rendered under this Agreement. It is expressly agreed and understood that this Agreement is predicated upon and conditioned on the County receiving funds for the purpose of paying the entire obligation of the County under this Agreement from funds to be received from the U. S. Department of Housing and Urban Development, by virtue of Grant No. B-08-UN-48-0400, entitled Neighborhood Stabilization Program. Accordingly, notwithstanding anything herein to the contrary, the maximum liability of the County under the terms and provisions of this Agreement shall not exceed \$300,000.00 amount actually received by the County from HUD pursuant to the Block Grant.

6.02 The Subrecipient admits knowledge of the fact that the County's obligation hereunder for payment of compensation and costs, if any, is limited to Federal funds received pursuant to the Grant Agreement in connection with the Neighborhood Stabilization Program of the U. S. Department of Housing and Urban Development, and that unless and until adequate funds have been received by the County under the Grant Agreement to pay the Subrecipient's compensation and expense reimbursement, the County shall have no obligation to the Subrecipient.

VII.

ADMINISTRATIVE REQUIREMENTS

7.01 The Subrecipient shall maintain real property inventory records, which clearly identify properties purchased, improved or sold. Properties retained shall continue to meet eligibility criteria and shall conform to the "changes in use" restrictions specified in 24 CFR 570.503(b)(8).

7.02 The Subrecipient shall report monthly all program income as defined at 24 CFR 570.500(a) generated by activities carried out with CDBG funds made available under this Agreement. The use of program income by the Subrecipient shall comply with the requirements set forth at 24 CFR 570.504(c). By way of further limitations, the Subrecipient may use such income during the Agreement period for activities permitted under this Agreement and shall reduce requests for additional funds by the amount of any such program income balances on hand. All unused program income shall be returned to the Grantee at the end of the Agreement period as specified in 24 CFR 570.503(b)(8). Any interest earned on cash advances from the U.S. Treasury is not program income and shall be remitted promptly to the Grantee.

VIII.

AGREEMENT DOCUMENTS

8.01 This Agreement includes the following exhibits and such exhibits are attached hereto and made a part hereof for all purposes:

Exhibit A - CDBG Program Requirements

Exhibit B - Certification for Contracts, Grants, Loans and Cooperative Agreements

Exhibit C - 24 CFR 254 Qualification as Affordable Housing: Homeownership

8.02 This Agreement and the attached exhibits represent the entire Agreement between the County and the Subrecipient, and there are no other effective agreements, representations or warranties between the County and the Subrecipient that are not contained in the Agreement Documents.

IX.

NOTICE

9.01 Unless otherwise provided in this Agreement, any notice provided for or permitted to be given must be in writing and delivered in person or by depositing same in the United States mail, postpaid and registered or certified, addressed to the party to be notified, with return receipt requested, or by delivering the same to an officer of such party. Notice deposited in the mail as described above shall be conclusively deemed to be effective, unless otherwise stated in this Agreement from and after the expiration of three (3) days after it is so deposited.

9.02 For the purpose of notice, the addresses of the parties shall, until changed as hereinafter provided, be as follows:

<u>County</u>	<u>Subrecipient</u>
Marilynn Kindell, Director Fort Bend County Community Development Department 4520 Reading Road, Suite A Rosenberg, TX 77471	Ronald M. Castillo, Executive Director Fort Bend Community Revitalization Projects 1 Fluor Drive, Mail Code 12 Sugar Land, TX 77478

9.03 Each party shall have the right, at any time, to change its respective address and each shall have the right to specify as its new address, provided that at least fifteen (15) days written notice is given of such new address to the other party.

X.

RIGHTS OF TERMINATION

10.01 The Subrecipient or the County, by and through its Director of the Fort Bend County Community Development Department, or the Subrecipient, may terminate this agreement without cause prior to the Subrecipient's award of the construction contract by providing thirty (30) days notice. The County may terminate this agreement after the Subrecipient's award of the construction contract only for cause, by providing thirty (30) days written notice to the Subrecipient.

XI.


EXECUTION

This Agreement shall become effective upon execution by County.

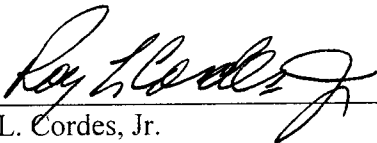
FORT BEND COUNTY:


Robert E. Hebert, County Judge

8-24-2010
Date

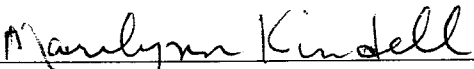
ATTEST: 
Dianne Wilson, County Clerk

APPROVED AS TO FORM:

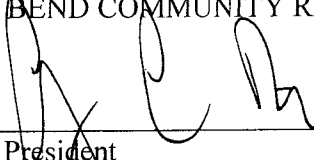

Roy L. Cordes, Jr.
County Attorney

8/10/2010
Date


APPROVED: COUNTY PROJECT MANAGER


Marilynn Kindell, Director
Fort Bend County Community Development Department

FORT BEND COMMUNITY REVITALIZATION PROJECTS:

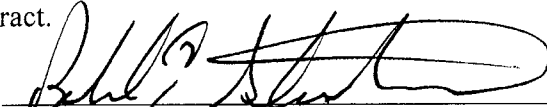
By 
Board President

8-11-2010
Date

ATTEST: 
Board Secretary

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of \$300,000.00 to accomplish and pay the obligation of the Fort Bend County under this contract.


Robert E. Sturdivant, County Auditor

**ORDER AUTHORIZING AGREEMENT BETWEEN
FORT BEND COUNTY AND
FORT BEND COMMUNITY REVITALIZATION PROJECTS**

**THE STATE OF TEXAS §
 §
COUNTY OF FORT BEND §**

On this the 24 day of August, 2010, at a regular meeting of Commissioners Court sitting as the governing body of Fort Bend County, Texas, upon motion of Commissioner Morrison, seconded by Commissioner Prestage, duly put and carried,

IT IS ORDERED that the Fort Bend County Judge execute the Agreement between Fort Bend County and Fort Bend Community Revitalization Projects for federal funding of a Neighborhood Stabilization Program (NSP) , said Agreement being incorporated herein by reference for all purposes as though fully set forth herein word for word.

EXHIBIT A

NEIGHBORHOOD STABILIZATION PROGRAM REQUIREMENTS

I.

TITLE VI OF THE CIVIL RIGHTS ACT OF 1964

The Subrecipient shall comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and Title 24 Code of Federal Regulations Part 1. In accordance with the Act, no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subject to discrimination under any program or activity for which the Subrecipient receives Federal financial assistance. The Subrecipient will immediately take any measures necessary to comply with Title VI. If any real property or structure is thereon provided or improved with the aid of Federal financial assistance, this clause shall obligate the Subrecipient, or in the case of any transfer of such property, any transferee, to comply with the requirements and restrictions contained in this clause for the period during which the real property or structure is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits. The Subrecipient will further comply with federal regulations, 24 CFR Part 1, which implement the act.

II.

FAIR HOUSING REQUIREMENTS

The Subrecipient shall comply with the Fair Housing Act (42 U.S.C. 3601-20) and implementing regulations at 24 CFR Part 100, Part 109, and Part 110. No person in the United States shall, on the basis of race, color, religion, sex, national origin, handicap or familial status, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with NSP funds.

III.

EXECUTIVE ORDER 11063

The Subrecipient shall comply with Executive Order 11063 as amended by Executive Order 12259 and as contained in 24 CFR Part 107. Subrecipient will take all action necessary and appropriate to prevent discrimination because of race, color, religion (creed), sex, or national origin, in the sale leasing, rental, or other disposition of residential property and related facilities (including land to be developed for residential use), or in the use or occupancy thereof, if such property and related facilities area, among other things, provided in whole or in part with the aid of loans, advances, grants, or contributions agreed to be made by the Federal Government.

IV.

SECTION 109 OF THE COMMUNITY DEVELOPMENT ACT OF 1974

The Subrecipient shall comply with Section 109 of the Community Development Act of 1974, in that no person in the United States shall on the ground of race, color, religion, national origin or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with NSP funds.

V.

EXECUTIVE ORDER 11246

The Subrecipient shall comply with Executive Order 11246, as amended by Executive Order 12086, and the regulations issued pursuant thereto (451 CFR Chapter 60) which provides that no person shall be discriminated against on the basis of race, color, religion, sex, or national origin in all phases of employment during the performance of Federal or federally-assisted construction contracts.

Subrecipient agrees that Cities on Federal or federally-assisted construction contracts shall take affirmative action to ensure fair treatment in employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay, or other forms of compensation and selection for training and apprenticeship.

VI.

RELOCATION, ACQUISITION & DISPLACEMENT

The Subrecipient agrees to comply with 24 CFR 570.606 relating to the acquisition and disposition of all real property utilizing grant funds, and to the displacement of persons, businesses, nonprofit organizations and farms occurring as a direct result of any acquisition of real property utilizing grant funds. The Subrecipient agrees to comply with applicable County Ordinances, Resolutions, and Policies concerning displacement of individuals from their residences.

VII.

SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968

The Subrecipient shall comply with Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u).

- A. The Subrecipient shall, to the greatest extent feasible, give opportunities for training and employment to lower-income residents of the County and shall award contracts for work

in connection with the Project to business concerns which are located in or owned in substantial part by persons residing in the County.

- B. The Subrecipient shall include the phrase in paragraph A in all contracts for work in connection with this project.

VIII.

LEAD-BASED PAINT

The Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, and in particular Sub-Part B thereof. Such regulations pertain to all HUD-assisted housing and require that all owners, prospective owners, and tenants or properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning.

IX.

USE OF DEBARRED, SUSPENDED OR INELIGIBLE CONTRACTORS

The Subrecipient shall not use assistance to directly or indirectly employ, award contracts to, or otherwise engage the services of, or fund any contractor or subcontractor during any period of debarment, suspension or placement in ineligibility status under provisions of 24 CFR Part 24.

X.

UNIFORM ADMINISTRATIVE REQUIREMENTS AND COST PRINCIPALS

The Subrecipient and its agencies or instrumentalities, and subrecipients shall comply with the policies, guidelines, and requirements of 24 CFR Part 85 and OMB Circulars A-87, A-110 (implemented at 24 CFR Part 84), A-122, A-133 (implemented at 24 CFR Part 45), and A-128²(implemented at 24 CFR Part 44) as applicable, as they relate to the acceptance and use of Federal funds under this part. The applicable sections of 24 CFR Parts 84 and 85 are set forth at 570.502.

XI.

CONFLICT OF INTEREST

- A. No member of or delegate to the Congress of the United States, and no resident Commissioner, shall be admitted to any share or part of this Agreement or to any benefit direct or indirect which arises from the Agreement.

- B. No persons described in paragraph C who exercise or have exercised any functions with respect to NSP activities or who are in a position to participate in a decision making process or gain inside information with regard to NSP activities, may obtain a personal or financial interest or benefit from, or have any interest in any contract, subcontract, or agreement or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.
- C. The requirements of paragraph B apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the County, Subrecipient, and of any designated public agency, or subrecipient which receives funds under the NSP grant agreement with HUD.

XII.

ELIGIBILITY RESTRICTIONS FOR CERTAIN RESIDENT ALIENS

The Subrecipient agrees to abide by the provisions of 24 CFR 570.613 with respect to the eligibility restrictions for certain resident aliens. Certain newly legalized aliens, as described in 24 CFR Part 49, are not eligible to apply for benefits under covered activities funded by the programs listed in this part of the regulation. The County shall provide the Subrecipient with any guidelines necessary for compliance with that portion of the regulation.

XIII.

ARCHITECTURAL BARRIERS ACT AND AMERICANS WITH DISABILITIES ACT

The Subrecipient agrees to comply with any federal regulations issued pursuant to compliance with the Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) which requires certain Federal and Federally funded buildings and other facilities to be designed, constructed, or altered in accordance with the standards that insure accessibility to, and use by, physically handicapped people. The Subrecipient also agrees to comply with any federal regulations issued pursuant to compliance with the Americans with Disabilities Act (42 U.S.C. 12131 U.S.C. 155, 201, 218 and 225) which provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, State and local government services, and telecommunications. The County shall provide the Subrecipient with any guidelines necessary for compliance with that portion of the regulation in force during the term of this Agreement.

XIV.

MINORITY AND WOMEN'S BUSINESS ENTERPRISES

~~The Subrecipient shall comply with Executive Orders 11625, 12432, and 12138. Consistent with HUD's responsibilities under these Orders, the Subrecipient must make efforts to~~

encourage the use of minority and women's business enterprises in connection with funded activities.

XV.

DISCRIMINATION ON THE BASIS OF AGE OR HANDICAP

The Subrecipient shall not discriminate on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 61-1-07) and implementing regulations at 24 CFR part 146. The Subrecipient shall not discriminate against handicapped individuals under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8.

XVI.

RECORDS FOR AUDIT PURPOSES

Without limitation to any other provision of this Agreement, the Subrecipient shall maintain all records concerning the Project that will facilitate an effective audit to determine compliance with program requirements. Records shall be kept for three (3) years from the expiration date of the Agreement. The Subrecipient will give the County, HUD, and the Comptroller General of the United States, the General Accounting Office or any of their authorized representatives access to and the right to examine, copy or reproduce all records pertaining to the acquisition and construction of the Project and the operation of the Project. The right to access shall continue as long as the records are required to be maintained.

XVII.

DRUG FREE WORKPLACE ACT OF 1988

The Subrecipient shall comply with the Drug Free Workplace Act of 1988 and certify that it will maintain a drug-free workplace in accordance with the requirements of 24 CFR part 24, subpart F.

EXHIBIT B

**Certification for Contracts, Grants, Loans
and Cooperative Agreements**

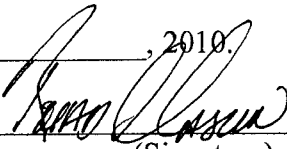
The undersigned certifies, to the best of his or her knowledge and belief that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, sub grants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making for entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Executed this 11TH date of AUGUST, 2010.
By 
(Signature)
RONALD M. CASTILLO
(Typed or Printed Name)
EXECUTIVE DIRECTOR
(Title, if any)

Covered Action: NEIGHBORHOOD STABILIZATION PROGRAM
(Type and Identity of Program, Project or Activity)

EHXIBIT C

TITLE 24--HOUSING AND URBAN DEVELOPMENT

PART 92_HOME INVESTMENT PARTNERSHIPS PROGRAM--Table of Contents

Subpart F_Project Requirements

Sec. 92.254 Qualification as affordable housing: Homeownership.

- (a) Acquisition with or without rehabilitation. Housing that is for acquisition by a family must meet the affordability requirements of this paragraph (a).
 - (1) The housing must be single family housing.
 - (2) The housing must be modest housing as follows:
 - (i) In the case of acquisition of newly constructed housing or standard housing, the housing has a purchase price for the type of single family housing that does not exceed 95 percent of the median purchase price for the area, as described in paragraph (a)(2)(iii) of this section.
 - (ii) In the case of acquisition with rehabilitation, the housing has an estimated value after rehabilitation that does not exceed 95 percent of the median purchase price for the area, described in paragraph (a)(2)(iii) of this section.
 - (iii) If a participating jurisdiction intends to use HOME funds for homebuyer assistance or for rehabilitation of owner-occupied single-family properties, the participating jurisdiction may use the Single Family Mortgage Limits under Section 203(b) of the National Housing Act (12 U.S.C. 1709(b)) (which may be obtained from the HUD Field Office) or it may determine 95 percent of the median area purchase price for single family housing in the jurisdiction, as follows. The participating jurisdiction must set forth the price for different types of single family housing for the jurisdiction. The 95 percent of median area purchase price must be established in accordance with a market analysis which ensured that a sufficient number of recent housing sales are included in the survey. Sales must cover the requisite number of months based on volume: For 500 or more sales per month, a one-month reporting period; for 250 through 499 sales per month, a two-month reporting period; for less than 250 sales per month, at least a three-month reporting period. The data must be listed in ascending order of sales price. The address of the listed properties must include the location within the participating jurisdiction. Lot, square and subdivision data may be substituted for the street address. The housing sales data must reflect all, or nearly all, of the one-family house sales in the entire participating jurisdiction. To determine the median, take the middle sale on the list if an odd number of sales and if an even number, take the higher of the middle numbers and consider it the median. After identifying the median sales price, the amount should be multiplied by .95 to determine the 95 percent of the median area purchase price. This information must be submitted to the HUD Field Office for review.
- (3) The housing must be acquired by a homebuyer whose family qualifies as a low-income family and the housing must be the principal

residence of the family throughout the period described in paragraph (a)(4) of this section.

- (4) Periods of affordability. The HOME-assisted housing must meet the affordability requirements for not less than the applicable period specified in the following table, beginning after project completion. The per unit amount of HOME funds and the affordability period that they trigger are described more fully in paragraphs (a)(5)(i) (resale) and (ii) (recapture) of this section.

Homeownership assistance HOME amount per-unit	Minimum period of affordability in years
Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000	15

- (5) Resale and recapture. To ensure affordability, the participating jurisdiction must impose either resale or recapture requirements, at its option. The participating jurisdiction must establish the resale or recapture requirements that comply with the standards of this section and set forth the requirements in its consolidated plan. HUD must determine that they are appropriate.

(i) Resale. Resale requirements must ensure, if the housing does not continue to be the principal residence of the family for the duration of the period of affordability, that the housing is made available for subsequent purchase only to a buyer whose family qualifies as a low-income family and will use the property as its principal residence. The resale requirement must also ensure that the price at resale provides the original HOME-assisted owner a fair return on investment (including the homeowner's investment and any capital improvement) and ensure that the housing will remain affordable to a reasonable range of low-income homebuyers. The period of affordability is based on the total amount of HOME funds invested in the housing.

(A) Except as provided in paragraph (a)(5)(i)(B) of this section, deed restrictions, covenants running with the land, or other similar mechanisms must be used as the mechanism to impose the resale requirements. The affordability restrictions may terminate upon occurrence of any of the following termination events: foreclosure, transfer in lieu of foreclosure or assignment of an FHA insured mortgage to HUD. The participating jurisdiction may use purchase options, rights of first refusal or other preemptive rights to purchase the housing before foreclosure to preserve affordability. The affordability restrictions shall be revived according to the original terms if, during the original affordability period, the owner of record before the termination event, obtains an ownership interest in the housing.

(B) Certain housing may be presumed to meet the resale restrictions (i.e., the housing will be available and affordable to a reasonable range of low-income homebuyers; a low-income homebuyer will occupy the housing as the family's principal residence; and the

original owner will be afforded a fair return on investment) during the period of affordability without the imposition of enforcement mechanisms by the participating jurisdiction. The presumption must be based upon a market analysis of the neighborhood in which the housing is located. The market analysis must include an evaluation of the location and characteristics of the housing and residents in the neighborhood (e.g., sale prices, age and amenities of the housing stock, incomes of residents, percentage of owner-occupants) in relation to housing and incomes in the housing market area. An analysis of the current and projected incomes of neighborhood residents for an average period of affordability for homebuyers in the neighborhood must support the conclusion that a reasonable range of low-income families will continue to qualify for mortgage financing. For example, an analysis shows that the housing is modestly priced within the housing market area and that families with incomes of 65% to 80% of area median can afford monthly payments under average FHA terms without other government assistance and housing will remain affordable at least during the next five to seven years compared to other housing in the market area; the size and amenities of the housing are modest and substantial rehabilitation will not significantly increase the market value; the neighborhood has housing that is not currently owned by the occupants, but the participating jurisdiction is encouraging homeownership in the neighborhood by providing homeownership assistance and by making improvements to the streets, sidewalks, and other public facilities and services. If a participating jurisdiction in preparing a neighborhood revitalization strategy under Sec. 91.215(e)(2) of its consolidated plan or Empowerment Zone or Enterprise Community application under 24 CFR part 597 has incorporated the type of market data described above, that submission may serve as the required analysis under this section. If the participating jurisdiction continues to provide homeownership assistance for housing in the neighborhood, it must periodically update the market analysis to verify the original presumption of continued affordability.

- (ii) Recapture. Recapture provisions must ensure that the participating jurisdiction recoups all or a portion of the HOME assistance to the homebuyers, if the housing does not continue to be the principal residence of the family for the duration of the period of affordability. The participating jurisdiction may structure its recapture provisions based on its program design and market conditions. The period of affordability is based upon the total amount of HOME funds subject to recapture described in paragraph (a)(5)(ii)(A)(5) of this section.
 - (A) The following options for recapture requirements are acceptable to HUD. The participating jurisdiction may adopt, modify or develop its own recapture requirements for HUD approval. In establishing its recapture requirements, the participating jurisdiction is subject to the limitation that when the recapture

requirement is triggered by a sale (voluntary or involuntary) of the housing unit, the amount recaptured cannot exceed the net proceeds, if any. The net proceeds are the sales price minus superior loan repayment (other than HOME funds) and any closing costs.

- (1) Recapture entire amount. The participating jurisdiction may recapture the entire amount of the HOME investment from the homeowner.
- (2) Reduction during affordability period. The participating jurisdiction may reduce the HOME investment amount to be recaptured on a prorata basis for the time the homeowner has owned and occupied the housing measured against the required affordability period.
- (3) Shared net proceeds. If the net proceeds are not sufficient to recapture the full HOME investment (or a reduced amount as provided for in paragraph (a)(5)(ii)(A)(2) of this section) plus enable the homeowner to recover the amount of the homeowner's downpayment and any capital improvement investment made by the owner since purchase, the participating jurisdiction may share the net proceeds. The net proceeds are the sales price minus loan repayment (other than HOME funds) and closing costs. The net proceeds may be divided proportionally as set forth in the following mathematical formulas:
 - (4) Owner investment returned first. The participating jurisdiction may permit the homebuyer to recover the homebuyer's entire investment (downpayment and capital improvements made by the owner since purchase) before recapturing the HOME investment.
 - (5) Amount subject to recapture. The HOME investment that is subject to recapture is based on the amount of HOME assistance that enabled the homebuyer to buy the dwelling unit. This includes any HOME assistance that reduced the purchase price from fair market value to an affordable price, but excludes the amount between the cost of producing the unit and the market value of the property (i.e., the development subsidy). The recaptured funds must be used to carry out HOME-eligible activities in accordance with the requirements of this part. If the HOME assistance is only used for the development subsidy and therefore not subject to recapture, the resale option must be used.
- (6) Special considerations for single-family properties with more than one unit. If the HOME funds are only used to assist a low-income homebuyer to acquire one unit in single-family housing containing more than one unit and the assisted unit will be the principal residence of the homebuyer, the affordability requirements of this section apply only to the assisted unit. If HOME funds are also used to assist the low-income homebuyer to acquire one or more of the rental units in the single-family housing, the

affordability requirements of Sec. 92.252 apply to assisted rental units, except that the participating jurisdiction may impose resale or recapture restrictions on all assisted units (owner-occupied and rental units) in the single family housing. If resale restrictions are used, the affordability requirements on all assisted units continue for the period of affordability. If recapture restrictions are used, the affordability requirements on the assisted rental units may be terminated, at the discretion of the participating jurisdiction, upon recapture of the HOME investment. (If HOME funds are used to assist only the rental units in such a property then the requirements of Sec. 92.252 would apply and the owner-occupied unit would not be subject to the income targeting or affordability provisions of Sec. 92.254.)

- (7) Lease-purchase. HOME funds may be used to assist homebuyers through lease-purchase programs for existing housing and for housing to be constructed. The housing must be purchased by a homebuyer within 36 months of signing the lease-purchase agreement. The homebuyer must qualify as a low-income family at the time the lease-purchase agreement is signed. If HOME funds are used to acquire housing that will be resold to a homebuyer through a lease-purchase program, the HOME affordability requirements for rental housing in Sec. 92.252 shall apply if the housing is not transferred to a homebuyer within forty-two months after project completion.
- (8) Contract to purchase. If HOME funds are used to assist a homebuyer who has entered into a contract to purchase housing to be constructed, the homebuyer must qualify as a low-income family at the time the contract is signed.
- (9) Preserving affordability of housing that was previously assisted with HOME funds.
 - (i) To preserve the affordability of HOME-assisted housing a participating jurisdiction may use additional HOME funds for the following costs:
 - (A) The cost to acquire the housing through a purchase option, right of first refusal, or other preemptive right before foreclosure, or at the foreclosure sale. (The foreclosure costs to acquire housing with a HOME loan in default are eligible. However, HOME funds may not be used to repay a loan made with HOME funds.)
 - (B) The cost to undertake any necessary rehabilitation for the housing acquired.
 - (C) The cost of owning/holding the housing pending resale to another homebuyer.

- (D) The cost to assist another homebuyer in purchasing the housing.
 - (ii) When a participating jurisdiction uses HOME funds to preserve the affordability of such housing, the additional investment must be treated as an amendment to the original project. The housing must be sold to a new eligible homebuyer in accordance with the requirements of Sec. 92.254(a) within a reasonable period of time.
 - (iii) The total amount of the original and additional HOME assistance may not exceed the maximum per unit subsidy amount established under Sec. 92.250. Alternatively to charging the cost to the HOME program under Sec. 92.206, the participating jurisdiction may charge the cost to the HOME program under Sec. 92.207 as a reasonable administrative cost of its HOME program, so that the additional HOME funds for the housing are not subject to the maximum per-unit subsidy amount. To the extent administrative funds are used, they may be reimbursed, in whole or in part, when the housing is sold to a new eligible homebuyer.
- (b) Rehabilitation not involving acquisition. Housing that is currently owned by a family qualifies as affordable housing only if:
- (1) The estimated value of the property, after rehabilitation, does not exceed 95 percent of the median purchase price for the area, described in paragraph (a)(2)(iii) of this section; and
 - (2) The housing is the principal residence of an owner whose family qualifies as a low-income family at the time HOME funds are committed to the housing.
- (c) Ownership interest. The ownership in the housing assisted under this section must meet the definition of "homeownership" in Sec. 92.2.
- (d) New construction without acquisition. Newly constructed housing that is built on property currently owned by a family which will occupy the housing upon completion, qualifies as affordable housing if it meets the requirements under paragraph (a) of this section.

FORT BEND COUNTY NSP SINGLE FAMILY HOUSING
PRE-CONSTRUCTION CHECKLIST

Name of Subrecipient/Developer: _____

All documents to be submitted for review by CD

Check all that apply	Doc #	INITIAL PRE-CONSTRUCTION Item	Status/ Notes
<input type="checkbox"/>	1	Final Detailed Construction Budget for each house from Contractor	
<input type="checkbox"/>	2	Liability insurance naming County as Loss Payee	
<input type="checkbox"/>	3	Construction contract between subrecipient, property owner (where applicable) and the contractor with NSP requirements.	
<input type="checkbox"/>	4	Contractor Federal Tax ID	
<input type="checkbox"/>	5	Written notice of award to selected contractor	
<input type="checkbox"/>	6	Construction Draw documents (eg. G702 & 703)	
<input type="checkbox"/>	7	Full set of Plans, Specifications, and Drawings for each model for review by CD	
<input type="checkbox"/>	8	Construction Schedule	
<input type="checkbox"/>	9	Proof of line of credit or construction loan from contractor	
<input type="checkbox"/>	10	Borrower's agreement with Approved Inspectors with County as third party beneficiary of Inspection reports.	
<input type="checkbox"/>	11	Relocation Plan with required URA notices and affidavits, if applicable	
<input type="checkbox"/>	12	List of subcontractors and their written agreements with contractor, if applicable	
<input type="checkbox"/>	13	Payment and performance bond for the full value of the construction contract	
<input type="checkbox"/>	14	Certification of non-disbarment from HUD list for each contractor and subcontractor	
<input type="checkbox"/>	15	Experience chart showing other similar projects in unit number and value that the contractor has completed.	
<input type="checkbox"/>	16	Notice To Proceed	
<input type="checkbox"/>	17	Survey for each property	
<input type="checkbox"/>	18	Section 3 plan for contractor and subcontractors	
<input type="checkbox"/>	19	County approved environmental review	
<input type="checkbox"/>	20	NSP mortgage and note or applicable instruments	

Submitted: _____
Executive Director

Date

Approved: _____
CD Director or Designee

Date

Real Estate Development Process for Fort Bend Community Revitalization Projects

Introduction

The Neighborhood Stabilization Program was funded by Congress and is being administered by HUD to stabilize neighborhoods and communities that have been negatively impacted by foreclosures and abandoned properties.

There are several tools and products created by HUD to assist Grant Recipients, Sub-recipients or Developers increase their knowledge of the NSP regulations. HUD offers the NSP Listserve which allows participation in NSP subject matter webinars, provides the NSP Resource Exchange and offers a catalog of Frequently Asked Questions (FAQ) about NSP grant management and implementation.

General Responsibilities

Respective responsibilities of the Fort Bend County Community Development Department and Fort Bend CORPS are as follows:

- (1) Fort Bend CORPS is responsible for (a) creating a concept or idea that meets the goals and objectives of the NSP and is in compliance with the NSP program regulations; (b) hiring and managing appropriate staff and professional consultants to administer the program in accordance with the NSP program regulations; and (c) hiring and managing a general contractor(s) responsible for reconstructing housing in compliance with local building codes and other applicable housing standards.

Fort Bend CORPS is responsible for all risks associated with the reconstruction of single-family housing activities. Such risks include but are not limited to project cost overruns and project costs associated with change orders that exceed the original project budget approved by the Community Development Department. The Director of the Community Development Department can approve a revised project budget subject to written submission by Fort Bend CORPS.

- (2) The Community Development Department is responsible for approval of all Fort Bend CORPS projects and project budgets and monitoring all Fort Bend CORPS projects including approval of the amount of NSP funds to be included in the project budget(s).

The Community Development Department is also responsible for ensuring that all Fort Bend CORPS projects meet local building code requirements.

The Community Development Department shall (1) approve all Fort Bend CORPS project plans and specifications, (2) approve all contracts to be executed by Fort Bend

CORPS, (3) conduct inspections of all Fort Bend CORPS projects, (4) perform monitoring of all Fort Bend CORPS NSP-funded activities, (5) review and approve all monthly requisitions and (6) close out all Fort Bend CORPS projects upon completion.

During reconstruction the general contractor will be paid for work completed that has been verified by the Community Development Department's construction inspections.

Fort Bend CORPS shall conduct a pre-construction meeting including the homeowner and the general contractor selected by Fort Bend CORPS. The following information shall be covered during the pre-construction meeting:

- Material Selection Review Process
- Voluntary Relocation
- Voluntary Demolition
- Storage of Personal Items and Furnishings
- Correspondence Procedures
- Process for Changes (Change Orders, Clarifications and Contract Modifications)
- Payment Procedure Review
- Documents Required Under the Contract
 - Permits
 - Warranties (material, product and labor)
 - Hazard Insurance
- Acceptable Work Hours
- Execution of Notice to Proceed
- Grievance Process

Fort Bend CORPS shall obtain the signature of the homeowner, the contractor and Fort Bend CORPS certifying that each was represented at the pre-construction meeting and that the items listed above were discussed. Fort Bend CORPS shall submit a copy of this certification to the Community Development Department.

Plans and Specifications

Fort Bend CORPS is responsible for assuring that the plans and specifications or work write-ups meet all applicable local building codes. These documents must be submitted for review and approval by the Community Development Department before reconstruction begins.

Plans and specifications or work write-ups generally include but are not limited to the following:

- (1) Working drawings and materials specifications for construction (including landscaping, fencing, etc.).
- (2) Rehab work write-ups that show type of work, size of project and materials specification.

(3) For structures built before 1978, the plans and specifications and rehab work write-ups must address remediation of any lead-based paint or other environmental hazards. Fort Bend CORPS must first check with the Community Development Department for required methods of lead hazard evaluation, inspection, testing and abatement.

Total Project Development Costs (Project Budget)

Fort Bend CORPS is responsible for creating the total project development costs for their project. Fort Bend CORPS must provide development costs information to the Community Development Department so that cost reasonableness or cost certification can be determined.

NSP funds are available, up to the amount requested, for funding hard and soft costs that are in the project budget. If there is a gap in the project financing or if there are cost overruns or change orders, it is the responsibility of Fort Bend CORPS to secure the additional funding required to cover all project costs.

Payment Of Property Taxes

Fort Bend CORPS shall discuss the continued payment of real property taxes with each homeowner before and after the reconstruction of his/her home. Fort Bend CORPS shall make the homeowner aware of their ongoing responsibility to pay real property taxes.

Homeowner's and Hazard Insurance

Fort Bend CORPS must inform each homeowner that he/she must acquire and have in place homeowner's and hazard insurance with the Community Development Department listed as additional insured and loss payee while construction is occurring and as a condition of closing and that same policy must remain in effect during the entire period of affordability. Proof of each homeowner's insurance binder must be provided to the Community Development Department for review and approval before closing occurs on each home.

Bid or Quote Solicitations

Fort Bend CORPS is subject to the procurement regulations and processes of the Community Development Department including the use of sealed bids or quotes for reconstruction work. Fort Bend CORPS is responsible for preparing the bid or quote documents. Fort Bend CORPS is responsible for managing the bid or quote solicitation process.

The solicitation must be published in a newspaper of general circulation and efforts must also be made to solicit minority owned businesses.

Contract Awards

All contracts awarded by Fort Bend CORPS must be sent to the Community Development Department for review and approval prior to execution.

Change Orders

If a change in the scope of work is needed during reconstruction, the contractor shall submit a written change order request to Fort Bend CORPS. Fort Bend CORPS shall forward the request to the Community Development Department. All change orders must be approved by the Community Development Department in writing before they are implemented and paid. If NSP funds are not available for payment of the change order, Fort Bend CORPS will be responsible for payment of the change order with other funds.

No "side deals" or "arrangements" are to be allowed by Fort Bend CORPS between the homeowner(s) and the general contractor.

Punch List, Final Inspection And Final Draw

Fort Bend CORPS will notify the Community development Department when the house construction is complete and ready for the final inspection. During the final inspection a punch list is developed of any items that are incomplete. The Community Development Department, Fort Bend CORPS and the homeowner(s) must collectively approve the punch list after the final inspection. Upon satisfactory completion of all punch list items and all applicable paper work, the Community Development Department will issue a notice of final completion to Fort Bend CORPS. The final draw, which will occur after the satisfactory completion of all punch list items, will include the payment of all remaining construction funds.

Warranties

The general contractor hired by Fort Bend CORPS must provide a one-year warranty on all completed reconstruction. Major system and appliance warranties (heating/cooling system, roof, plumbing, refrigerators, washer/dryers, etc.) shall be provided to the homeowner.

Accounting/Recordkeeping/Project Files

Fort Bend CORPS is responsible for maintaining accurate project records and project files. Fort Bend CORPS must be able to provide the Community Development Department a complete accounting of all NSP project funds and any other non-NSP funds that also funded the project. In addition, the Community Development Department is

responsible for monitoring all NSP funded projects including reviewing project files, conducting project site visits, etc. Monitoring activities occur during project activity and during the project close-out phase.

Affordability Period and Resale Restrictions

Fort Bend CORPS is responsible for becoming familiar with the resale or recapture provisions associated with using NSP funds as well as advising homeowners about the period of affordability and the resale or recapture provisions associated with the reconstruction of his/her home.

The Community Development Department is responsible for determining the period of affordability for each house being reconstructed. The Community Development Department is also responsible for advising Fort Bend CORPS of the determination of the period of affordability for each house as well as the resale or recapture provisions associated with the reconstruction of the house.

Originating Lien Documents

The Community Development Department is responsible for approving all proposed lien documents before being filed by Fort Bend CORPS. The approval process includes receiving and approving all language and financial information that will be a part of proposed lien documents or covenants.

Fort Bend CORPS is responsible for ensuring that a lien, in the full amount of NSP grant, is recorded on each house that has been reconstructed by Fort Bend CORPS. Fort Bend CORPS is also responsible for fully explaining to each homeowner the purpose of the lien and the required regulatory period of affordability associated with having NSP grant used to reconstruct their house.

Fort Bend CORPS is also responsible for discussing with each homeowner what happens to their house in the event of death by the homeowner as it pertains to the required regulatory period of affordability. Fort Bend CORPS is responsible for providing each homeowner with a form that each homeowner must sign acknowledging that he/she fully understands the purpose behind the lien placement and the period of affordability requirements.

Dispute Resolution and Grievance Process

Disputes between the homeowner, the contractor and FB CORPS staff may arise from time to time during the life of the reconstruction project. FB CORPS shall follow its written grievance process. This process shall outline the procedures the grieving party shall follow to resolve the question, dispute or disagreement. In those instances where a mutually satisfactory agreement cannot be reached between the parties, FB CORPS' shall

refer the matter in writing to the Community Development Department Director for resolution.

If the question, dispute or disagreement cannot be resolved by the Community Development Director, the Community Development Director will forward the complaint and documentation of the attempts to resolve the issue to the FBC County Attorney for resolution.

If the question, dispute or disagreement can not be resolved by Fort Bend County Attorney, the issue will be forwarded to Fort Bend County Commissioners Court as necessary.