

**RECIPIENT CONTRACT FOR
HOME INVESTMENT PARTNERSHIP AND AFFORDABLE HOUSING FUNDING**

THIS RECIPIENT CONTRACT ("Contract") is entered into by and between THE CITY OF FORT COLLINS, COLORADO, a municipal corporation (hereinafter referred to as "the City") and FORT COLLINS HOUSING AUTHORITY (hereinafter referred to as "Subrecipient"), and shall be effective on the date last signed below.

WITNESSETH:

WHEREAS, the City has applied for and received funds from the United States Government under Title 1 of the Housing and Community Development Act of 1974, Public Law 93-383 and under Title II of the Cranston-Gonzales National Affordable Housing Act; and

WHEREAS, the City wishes to engage the Subrecipient to assist the City in utilizing such funds.

NOW, THEREFORE, in consideration of the mutual promises of the parties, it is agreed as follows:

I. Scope of Services/Performance Monitoring.

- A. The Scope of Services to be rendered by the Subrecipient is attached as Exhibit A hereto and made a part of the Contract. Subrecipient agrees to perform the work described in Exhibit A, Scope of Services, in compliance with all provisions of this Contract. Subrecipient warrants and represents that it has the requisite authority and capacity to perform all terms and conditions on Subrecipient's part to be performed hereunder.
- B. The City will monitor the performance of the Subrecipient against goals and performance standards required herein. Substandard performance as determined by the City will constitute non-compliance with this Contract. If the Subrecipient does not take action to correct such substandard performance within a reasonable period of time after being notified by the City, the City may initiate contract suspension or termination procedures.

II. Term of Contract.

Except as provided in Section VI, H, below, this Contract shall be in effect as long as the Subrecipient retains control over properties which utilize Community Development Block Grant ("CDBG") and/or HOME Investment Partnership ("HOME") funds provided pursuant to this Contract for acquisition, construction or rehabilitation of affordable housing, including income generated from the funds. The City's obligation to provide funding under this Contract shall be from January 1, 2013 to December 31, 2014 and shall be contingent upon full compliance by Subrecipient with all terms and conditions set forth herein.

III. Payment.

If the Subrecipient is not in default hereunder, and subject to the City's receipt of the Department of Housing and Urban Development HOME funds and City of Fort Collins Affordable Housing Funds, and provided that the Contract and Scope of Services are eligible expenditures of HOME and Affordable Housing funds, the City agrees to pay the Subrecipient HOME funding of **ONE HUNDRED FIFTY SIX THOUSAND TWO HUNDRED FORTY AND NO/100 DOLLARS (\$156,240)** and Affordable Housing funds for administration of **SEVENTEEN THOUSAND FOUR HUNDRED THIRTY FOUR AND NO/100 DOLLARS (\$17,434)** for a total of **ONE HUNDRED SEVENTY THREE THOUSAND FIVE HUNDRED EIGHTY THREE AND NO/100 DOLLARS (\$173,583)**. Payment shall be made upon presentation of invoices which Subrecipient certified are true and correct copies of payments due on behalf of the Subrecipient, for an activity covered by this Contract and made in accordance and compliance with the Scope of Services. In no event shall the City's obligation to make payment to the Subrecipient hereunder exceed **ONE HUNDRED SEVENTY THREE THOUSAND FIVE HUNDRED EIGHTY THREE AND NO/100 DOLLARS (\$173,583)**. Payments may be made during the term of this Contract once a month in cases covering reimbursement for operation costs, otherwise upon presentation of vouchers accompanied by invoices or receipts showing date paid. Payment may be suspended by the City in the event of a default by Subrecipient. Payments may also be contingent upon certification of the Subrecipient's financial management system in accordance with the standards specified in Title 24, CFR, Part 85.

IV. Notices.

Notices required to be given under this Contract shall be hand delivered or sent by U.S. Mail or overnight commercial courier and directed to the following Contract representatives:

City of Fort Collins:

Affordable Housing Administrator
Social Sustainability Department
City of Fort Collins, P.O. Box 580
Fort Collins, CO 80522-0580
(970) 221-6812

Subrecipient:

Executive Director
Fort Collins Housing Authority
1715 W. Mountain Ave.
Fort Collins, Co 805021
(970)416-2917

V. Special Conditions.

A. Compliance with Federal Regulations. The Subrecipient agrees to comply with the requirements of Title 24 Code of Federal Regulations, Part 570, of the Housing and Urban Development regulations concerning Community Development Block Grants, Title II of the Cranston-Gonzales National Affordable Housing Act and all federal regulations and policies issued pursuant to these regulations. The Subrecipient further agrees to utilize funds available under this Contract to supplement rather than supplant funds otherwise available.

B. Compliance with Laws. The Subrecipient, in performance of this Agreement, agrees to comply with all applicable Federal, State and Local Laws and ordinances, and other policies and

guidelines established for the City of Fort Collins. Subrecipient agrees to comply with all provisions of the Americans with Disabilities Act and all regulations interpreting or enforcing such act.

C. Proof of Lawful Presence

Subrecipient acknowledges that the City's Competitive Process funds are a "public benefit" within the meaning of C.R.S. § 24-76.5-102. As such, the Subrecipient shall ensure compliance with C.R.S. § 24-76.5-103 of State statute by performing the required verifications. Specifically, when required the Subrecipient shall ensure that:

a. if the public benefit provided by the funds flows directly to a natural person (*i.e.*, not a corporation, partnership, or other legally-created entity) 18 years of age or older, he/she must do the following:

i) complete the affidavit attached to this Agreement as Exhibit "C".

(ii) attach a photocopy of the front and back of one of the following forms of identification: a valid Colorado driver's license or Colorado identification card; a United States military card or military dependent's identification card; a United States Coast Guard Merchant Mariner identification card; or a Native American tribal document.

b. If an individual applying for the benefits identified herein executes the affidavit stating that he/she is an alien lawfully present in the United States, Subrecipient shall verify his/her lawful presence through the federal systematic alien verification or entitlement program, known as the "SAVE Program," operated by the U.S. Department of Homeland Security or a successor program designated by said department. In the event Subrecipient determines through such verification process that the individual is not an alien lawfully present in the United States, the Subrecipient shall not provide benefits to such individual with the City's Competitive Process funds.

The City acknowledges that the Scope of Services provided by Subrecipient herein may fall within several exceptions to the verification requirements of C.R.S. § 24-76.5-103 for non-profits. For example, certain programs, services, or assistance such as, but not limited to, soup kitchens, crisis counseling and intervention, short-term shelter or prenatal care are not subject to the verification requirements of C.R.S. § 24-76.5-103.

D. Prohibition Against Employing Illegal Aliens

This paragraph applies to all Subrecipients whose performance of work under this Contract does not involve the delivery of a specific end product other than reports that are merely incidental to the performance of said work. In compliance with C.R.S. § 8-17.5-101, Subrecipient represents and agrees that:

(a) As of the date of this Contract, Subrecipient does not knowingly employ or contract with an illegal alien who will perform work under this Contract; and Subrecipient will participate in the electronic employment verification program created in Public Law 104-208, as amended, and expanded in Public Law 108-156, as amended, and jointly

administered by the United States Department of Homeland Security and the Social Security Administration, or its successor program (the "E-verify Program") in order to confirm the employment eligibility of all employees who are newly hired for employment to perform work under this Contract.

(b) Subrecipient shall not knowingly employ or contract with an illegal alien to perform work under this Contract or enter into a contract with a subcontractor that fails to certify to Subrecipient that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Contract.

(c) Subrecipient has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under this Contract through either the E-verify Program or the employment verification program established by the State of Colorado, pursuant to Section 8-17.5-102(5)(c), C.R.S. (the "Department Program").

(d) Subrecipient is prohibited from using the E-verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while this Contract is being performed.

(e) If Subrecipient obtains actual knowledge that a subcontractor performing work under this Contract knowingly employs or contracts with an illegal alien, Subrecipient shall:

(i) Notify such subcontractor and the City within three days that Subrecipient has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and

(ii) Terminate the subcontract with the subcontractor if within three days of receiving the notice required pursuant to this section the subcontractor does not cease employing or contracting with the illegal alien; except that Subrecipient shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

(f) Subrecipient shall comply with any reasonable request by the Colorado Department of Labor and Employment (the "Department") made in the course of an investigation that the Department undertakes or is undertaking pursuant to the authority established in Subsection 8-17.5-102 (5), C.R.S.

(g) If Subrecipient violates any provision of this Contract pertaining to the duties imposed by Subsection 8-17.5-102, C.R.S. the City may terminate this Contract. If this Contract is so terminated, Subrecipient shall be liable for actual and consequential damages to the City arising out of Contractor's violation of Subsection 8-17.5-102, C.R.S.

(h) The City will notify the Office of the Secretary of State if Subrecipient violates this provision of this Contract and the City terminates the Contract for such breach.

VI. General Conditions.

A. General Compliance.

The Subrecipient agrees to comply with all applicable federal, state and local laws and regulations governing the funds provided under this Contract.

B. Independent Contractor.

Nothing contained in this Contract is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Subrecipient shall at all times remain an independent contractor with respect to the services to be performed under this Contract. The City shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation insurance as the Subrecipient is an independent Subrecipient.

C. Liability.

As to the City, Subrecipient agrees to assume the risk of all personal injuries, including death resulting therefrom, to persons, and damage to and destruction of property, including loss of use therefrom, caused by or sustained, in whole or in part, in connection with or arising out of the performance or nonperformance of this Contract by Subrecipient or by the conditions created thereby. Subrecipient further agrees to indemnify and save harmless the City, its officers, agents and employees, from and against any and all claims, liabilities, costs, expenses, penalties and attorney fees arising from such injuries to persons or damages to property or based upon or arising out of the performance or nonperformance of this Contract or out of any violation by Subrecipient of any statute, ordinance, rule or regulation.

D. Workers' Compensation.

The Subrecipient shall provide Workers' Compensation insurance coverage for all Subrecipient employees involved in the performance of this Contract.

E. Insurance and Bonding.

The Subrecipient shall carry sufficient insurance coverage to protect Contract assets from loss due to theft, fraud and/or undue physical damage, and as a minimum, shall purchase blanket fidelity bond covering all of Subrecipient's employees in an amount equal to cash advances from the City. Specifically, the Subrecipient will protect the City's investment by providing Property Insurance, Workers Compensation and Employer's Liability Insurance, if applicable, Commercial General Liability Insurance and All Risk Property Damage Insurance.

F. Grantor Recognition.

The Subrecipient shall ensure recognition of the role of the City in providing services through this Contract. All activities, facilities and items utilized pursuant to this Contract shall be prominently labeled as to funding source. In addition, the Subrecipient will include a reference to the support provided herein in all publications made possible with funds made available under this Contract. Such labeling and/or reference shall include the following

credit line: "This project is partially supported by Community Development Block Grant and/or HOME funding from the City of Fort Collins."

G. Amendments.

The City or Subrecipient may amend this Contract at any time, provided that such amendments make specific reference to this Contract and are executed in writing, signed by a duly authorized representative of both organizations. Such amendments shall not invalidate this Contract, nor relieve or release the City or Subrecipient from its obligations under this Contract, except as expressly provided therein.

The City may, in its discretion, amend this Contract to conform with federal, state or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the Scope of Services, or schedule of the activities to be undertaken as part of this Contract, such modifications will be incorporated only by written amendment signed by both the City and Subrecipient.

H. Suspension or Termination and Default.

1. Subrecipient may terminate this Contract at any time by giving written notice to the City of such termination and specifying the effective date thereof at least thirty (30) days before the effective date of such termination. Partial terminations of the Scope of Service in Section I. above may only be undertaken with the prior approval of City. If the Subrecipient terminates this Contract prior to completion of Scope of Services, all funds previously paid to Subrecipient by the City pursuant to this Contract must be repaid to the City upon such termination.
2. The City may also suspend or terminate this Contract, in whole or in part, if Subrecipient materially fails to comply with any term of this Contract, or with any of the rules, regulations or provisions referred to herein; and the City may declare the Subrecipient ineligible for any further participation in City Competitive Process contracts for funding, in addition to other remedies as provided by law. In the event there is probable cause to believe the Subrecipient is in noncompliance with any applicable laws, rules, or regulations, the City may withhold up to one hundred (100) percent of said Contract funds until such time as the Subrecipient is found to be in compliance by the City or is otherwise adjudicated to be in compliance, or to exercise the City's rights under any security interest of the City arising hereunder.
3. In the event of any termination pursuant to this section, the Subrecipient shall remit to the City all monies previously paid by the City to the Subrecipient under this Contract, and, all finished or unfinished documents, data, studies, surveys, maps, models, photographs, reports or other materials prepared by Subrecipient under this Contract shall, at the option of the City, become the property of the City, provided, however, that Subrecipient shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents or materials prior to the termination.

4. This Contract, and the City's obligations under it, will automatically terminate in the event of suspension or non-receipt of HOME/Affordable Housing funds by the City.
5. Default is defined in this contract as noncompliance with requirements as contained in the contract, use of funds for something other than the stated purpose or material breach of the terms and conditions of funding.
6. Remedies: In the event of termination for cause, the City may pursue any remedies available to it at law or in equity, including, without limitation, damages, specific performance, and criminal remedies. All representations made by the Subrecipient to the City either in this Agreement or for the purpose of inducing the City to execute this Agreement are hereby sworn to the City to be true, correct, honest and forthright and are made under penalty of perjury.

VII. Administrative Requirements.

A. Financial Management.

1. Accounting Standards.

The Subrecipient agrees to comply with 24 CFR Part 85 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls and maintain necessary source documentation for all costs incurred.

2. Cost Principles.

The Subrecipient shall administer its program in conformance with OMB Circulars A-122, "Cost Principles for Non-Profit Organizations", or A-21, "Cost Principles for Educational Institutions", or A-87, "Cost Principles for State, Local, and Indian Tribal Governments", as applicable; for all costs incurred whether charged on a direct or indirect basis.

B. Documentation and Record-keeping.

1. Records to be Maintained.

The Subrecipient shall maintain all records required by the federal regulations specified in 24 CFR Part 570.506 and that are pertinent to the activities to be funded under this Contract. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken including the location of the Project, the form of assistance provided and the per-unit subsidy;
- b. When applicable, records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;

- c. Records required to determine the eligibility of activities, including minimum and maximum per-unit subsidy limits, household income, and lease requirements and tenant protections for each household;
- d. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with CDBG/HOME assistance;
- e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG/HOME program;
- f. Financial records, and as required by 24 CFR Part 570.502, and 24 CFR Part 85, including documents to substantiate sources and uses of all funds in the Project, and disbursement of all funds; and
- g. Other records necessary to document compliance with Subpart K of 24 CFR 570 including Section 3 actions, affirmative marketing and minority-owned and female owned business data, displacement records, Davis-Bacon records, lead paint compliance records and records supporting exceptions to the conflict of interest prohibition.

2. Retention.

The Subrecipient shall retain all records pertinent to expenditures incurred under this Contract for a period of five (5) years after the termination of all activities funded under this Contract, or after the resolution of all Federal audit findings, whichever occurs later. Records for non-expendable property acquired with funds under this Contract shall be retained for five (5) years after final disposition of such property. Records for any displaced person must be kept for five (5) years after he/she has received final payment.

3. Client Data.

The Subrecipient shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to: client name, address, income level or other basis for determining eligibility, and description of service provided, racial and ethnic data and single head-of-household data. In addition, data will be retained for affordability and income targeting for each household. Such information shall be made available to City monitors or their designees for review upon request.

4. Property Records.

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 with the "changes in use" restrictions specified in 24 CFR Parts 570.503(b)(8).

5. National Objectives.

When CDBG funding is used, the Subrecipient agrees to maintain documentation that demonstrates that the activities carried out with funds provided under this Contract meet one or more of the CDBG program's national objectives: (1) benefit low/moderate income persons, (2) aid in the prevention or elimination of slums or blight, or (3) meet community development needs having a particular urgency, as defined in 24 CFR Part 570.208, specific documentation of which shall be maintained in the project file.

6. Close-outs.

The Subrecipient's obligations to the City shall not end until all close-out requirements are completed including repayment of any outstanding loans and completion of the affordability period. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and receivable accounts to the City), and determining the custodianship of records.

7. Audits and Inspections.

- a. All Subrecipient records with respect to any matters covered by this Contract shall be made available to the Subrecipient, the City, their designee or the Federal Government, at any time during normal business hours, as often as the Subrecipient or City deems necessary, to audit, examine and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the City within thirty (30) days after receipt by the City. Failure of the Subrecipient to comply with the above requirements will constitute a violation of this contract and may result in the withholding of future payments.
- b. Subrecipient acknowledges that the federal funds subgranted to it are subject to the Single Audit of the City. The City, the U.S. Department of Housing and Urban Development, the Comptroller General of the U.S. or any of their duly authorized representatives or auditors, shall have access to any books, documents, papers and records of the Subrecipient or its auditors which are directly pertinent to the Contract for the purpose of the City's Single Audit. All financial records pertaining to this Contract upon completion shall remain the property of the City.
- c. If Subrecipient expends \$500,000 or more of federal awards (including, but not limited to funds received from the City pursuant to this Contract), within any of its fiscal years during which this Contract is in force, Subrecipient

agrees to have a Single Audit performed, at no cost to the City, in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133. In the event that the expenditures of \$500,000 or more indicated above are all pursuant to this Contract, Subrecipient may elect to have a program-specific audit conducted in accordance with said Act and Circular. Said audit shall be submitted to the Office of the Controller of the City within nine (9) months after the end of Subrecipient's fiscal year for which the audit is performed.

C. Monitoring and Evaluation.

The City reserves the right and is required to monitor and evaluate the progress and performance of the Subrecipient to assure that the terms of this Contract are being satisfactorily met in accordance with City and other applicable monitoring and evaluating criteria and standards. Subrecipient shall cooperate with City relating to such monitoring and evaluation, and make available to the City any documents or other information requested by the City or relevant to the City's monitoring and evaluation.

D. Reporting and Payment Procedures.

1. Budgets.

The specific use of the funds provided to Subrecipient under this and other City grant programs, is included in Exhibit A (Scope of Services), and a detailed contract budget, as submitted under the Sources and Uses attachment with the Competitive Process application for Subrecipient's proposed project, is incorporated herein by this reference. The City and the Subrecipient may revise the budget from time to time in accordance with existing City policies, by amendment of this Contract.

2. Program Income.

The Subrecipient shall report to the City yearly all program income, as defined at 24 CFR 570.500(a) generated by activities carried out with CDBG and/or HOME funds made available under this Contract, including, but not limited to, any rental income or income derived from the sale of the Project Property. The use of Program Income by the Subrecipient shall comply with the requirements set forth at 24 CFR 570.504. By way of further limitations, the Subrecipient may use such income during the Contract period for activities described in the attached Scope of Services and shall report any such Program Income received and the portion attributed to the Project, and reduce requests for additional funds by the amount of any such Program Income balances on hand. All program income not used in accordance with this Section shall be returned to the City at the end of the Contract period. Any interest earned on cash advances from the U.S. Treasury is not Program Income and shall be remitted promptly to the City.

3. Indirect Costs.

If indirect costs are charged, the Subrecipient will develop an indirect cost allocation plan for determining the appropriate City share of administrative costs and shall submit such plan to the City for approval prior to submission of requests for any payments for the same.

4. Payment Procedures.

The City will pay to the Subrecipient funds available under this Contract based upon information submitted by the Subrecipient and consistent with any approved budget and City policy concerning payments. With the exception of certain advances, payments will be made for eligible expenses actually incurred by the Subrecipient, and not to exceed actual cash requirements. Payments will be adjusted by the City in accordance with advance fund and program income balances available in Subrecipient accounts. In addition, the City reserves the right to liquidate funds available under this Contract for costs incurred by the City on behalf of the Subrecipient.

5. Progress Reports.

The Subrecipient shall submit regular Progress Reports to the City on a quarterly basis until Project completion and on a yearly basis thereafter or as required by the Scope of Services. Quarterly reports shall include a narrative description of progress, percentage of work completed, funds expended, and any issues or problems. During any required period of affordability, the recipient will submit a yearly occupancy report and the City may require submission of a yearly audit.

E. Procurement.

1. Compliance.

The Subrecipient shall comply with current City policy concerning the purchase of equipment and shall maintain an inventory record of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpended program income, property, equipment, etc.) shall revert to the City upon termination of this Contract, except as otherwise specifically provided.

2. Applicable Standards.

The Subrecipient shall procure materials in accordance with the requirements of 24 CFR Part 85.36, covering procurement, and shall subsequently follow 24 CFR Parts 85.31 and 85.32, covering utilization and disposal of property.

3. Relocation, Acquisition and Displacement.

The Subrecipient agrees to comply with 24 CFR 570.606 and 92.353 relating to the acquisition and disposition of all real property utilizing grant funds and to the

displacement of persons, businesses, non-profit organizations and farms occurring as a direct result of any acquisition of real property utilizing grant funds.

4. Property Acquired With Program Funds.

Subrecipient agrees to use all personal assets and all real property, acquired or improved, in whole or in part, with CDBG/HOME funds, as set forth in Exhibit A. In the event Subrecipient ceases to use a personal asset or real property acquired or improved, with CDBG/HOME funds, and described in Exhibit A, the Subrecipient shall return the personal asset or real property to the City, or pay to the City a sum equal to its fair market value, less any portion of the value attributable to expenditures of non-CDBG/HOME funds for the acquisition of, or improvement to, the asset or property. The Subrecipient shall transfer to the City any CDBG/HOME funds on hand at the time of expiration of this Contract and any accounts receivable of CDBG/HOME funds.

VIII. Personnel and Participant Conditions.

A. Civil Rights.

1. Compliance.

The Subrecipient agrees to comply with Chapter 13, Article II, of the City Code and Title 24, Article 34, Parts 3 through 7, C.R.S., and with Title VI of the Civil Rights Act of 1964, as amended, Title VIII of the Civil Rights Act of 1968, as amended, Section 104(b) and Section 109 of Title 1 of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans With Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and with Executive Order 11246, as amended by Executive Orders 11375, 11478 and 12086.

2. Nondiscrimination.

The Subrecipient will not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital status, or status with regard to public assistance in accordance with 24 CFR 92.350. The Subrecipient will take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation and selection for training, including apprenticeship. The Subrecipient agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. The Subrecipient will serve all eligible beneficiaries without regard to religion and may not restrict housing to people of a particular religion or by reason of their participation (or lack thereof) in religious activities.

3. Land Covenants.

This Contract is subject to the requirements of Title VI of the Civil Rights Act of 1964 as amended and 24 CFR 570 Part 1. In regard to the sale, lease or other transfer of land acquired, cleared or improved with assistance provided under this Contract, the Subrecipient shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination as herein defined, in the sale, lease or rental, or in the use or occupancy of such land, or in any improvements erected or to be erected thereon, providing that the Subrecipient and the United States are beneficiaries of and entitled to enforce such covenants. The Subrecipient, in undertaking its obligation to carry the program assisted hereunder, agrees to take such measures as are necessary to enforce such covenant and will not itself so discriminate.

4. Section 504.

The Subrecipient agrees to comply with any federal regulations issued pursuant to Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 706), which prohibits discrimination against the handicapped in any federally-assisted program. The City shall provide the Subrecipient with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Contract. All common spaces must be made accessible in accordance with the Uniform Federal Accessibility Standards.

B. Affirmative Action.

1. Approved Plan.

The Subrecipient agrees that it shall be committed to carry out pursuant to the City's specifications an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1965. The City shall provide Affirmative Action guidelines to the Subrecipient to assist in the formulation of such program. The Subrecipient shall submit a plan for an Affirmative Action Program for approval as soon as possible after the awarding of funds.

2. W/MBE.

The Subrecipient will use its best efforts to afford minority and women-owned business enterprises the maximum practicable opportunity to participate in the performance of this Contract. As used in this Contract, the term "minority and female business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans and American Indians. The Subrecipient may rely on written representations by Subrecipients

regarding their status as minority and female business enterprises in lieu of an independent investigation.

3. Access to Records.

The Subrecipient shall furnish and cause each of its sub-Subrecipients to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the City, HUD, or its agent, or other authorized federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

4. Notifications.

The Subrecipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the Subrecipient's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5. EEO/AA Statement.

The Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

6. Subcontract Provisions.

The Subrecipient will include the provisions of Paragraphs VIII A, Civil Rights, and B, Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each sub-Subrecipient or vendor.

C. Employment Restrictions.

1. Prohibited Activity.

The Subrecipient is prohibited from using funds provided herein or personnel employed in the administration of the program for political activities; sectarian or religious activities; lobbying, political patronage and nepotism activities. In addition (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; and (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 any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant loan or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

2. OSHA.

Where employees are engaged in activities not covered under the Occupational Safety and Health Act of 1970, they shall not be required or permitted to work, be trained or receive services in buildings or surroundings or under working conditions which are unsanitary, hazardous or dangerous to the participants' health or safety.

3. Right to Know.

Participants employed or trained for inherently dangerous occupations, e.g., fire or police jobs, shall be assigned to work in accordance with reasonable safety practices. The Subrecipient will comply with all applicable "Right to Know" Acts.

4. Labor Standards.

- a. The Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours and Safety Standards Act, the Copeland "Anti-Kickback" Act (40 U.S.C. 276, 327-333) and all other applicable federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Contract. The Subrecipient shall maintain documentation which demonstrates compliance with wage and hour requirements of this part. Such documentation shall be made available to the City for review upon request.
- b. The Subrecipient agrees that, except with respect to the rehabilitation or construction of residential property designed for residential use for less than eight (8) units, all contractors engaged under contracts in excess of Two Thousand Dollars (\$2,000) for construction, renovation or repair of any building or work financed in whole or in part with assistance provided under this Contract, and/or with respect to the rehabilitation or construction of residential property where there are more than 12 HOME-assisted units, the Subrecipient shall comply with federal requirements adopted by the City pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 3, 1, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journeymen; provided, that if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the Subrecipient of its obligation, if any, to require payment of the higher wage.

5. "Section 3" Clause.

a. Compliance.

Compliance with the provisions of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701, the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder prior to the execution of this Contract, shall be a condition of the federal financial assistance provided under this Contract and binding upon the City, the Subrecipient and any sub-Subrecipients. Failure to fulfill these requirements shall subject the City, the Subrecipient and any sub-Subrecipients, their successors and assigns, to those sanctions specified by the Contract through which federal assistance is provided. The Subrecipient certifies and agrees that no contractual or other disability exists which would prevent compliance with these requirements.

Construction Standards: For properties undergoing construction and rehabilitation, all units must meet all City codes and ordinances at the time of completion. Certificates of Occupancy must be submitted at Project completion. For new construction of multifamily projects with four or more units, all of the units in buildings with elevators and all of the ground floor units in buildings without elevators must meet the design and construction requirements of the Fair Housing Act.

The Subrecipient further agrees to comply with these "Section 3" requirements and to include the following language in all subcontracts executed under this Contract:

The work to be performed under this contract is a project assisted under a program providing direct federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the areas of the project.

The Subrecipient certifies and agrees that no contractual or other disability exists which would prevent compliance with the requirements.

b. Notifications.

The Subrecipient agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or workers' representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

c. Subcontracts.

The Subrecipient will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the Subrecipient is in violation of regulations issued by the City. The Subrecipient will not subcontract with any sub-Subrecipient where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR 135 and will not let any subcontract unless the sub-Subrecipient has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. Conduct.

1. Assignability.

This contract has been awarded based on the specific qualifications and representations of the Subrecipient. Therefore, the Subrecipient shall not assign or transfer: (a) any interest in this Contract; (b) any of its rights or obligations under this Contract, or (c) its interest in any property obtained using the funds provided under this Contract (including but not limited to the Project Property as described in (Exhibit A), without the prior **written** consent of the City; provided, however, that claims for money due or to become due to the Subrecipient from the City under this Contract may be assigned to a bank, trust company or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the City. For assignments and transfers requiring City consent, the Subrecipient must give the City no less than thirty (30) days advance notice of the proposed assignment or transfer.

2. Conflict of Interest.

The Subrecipient agrees to abide by the provisions of 24 CFR 570.611 with respect to conflict of interest, and covenants that it presently has no financial interest and shall not acquire any financial interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Contract. The Subrecipient further covenants that in the performance of this Contract, no person having such a financial interest shall be employed or retained by the Subrecipient hereunder. These conflict of interest provisions apply to any person who is an employee, agent, consultant, officer or elected official or appointed official of the City, or of any designated public agencies or Subrecipients which are receiving funds under the HOME and/or CDBG Entitlement Grants.

3. Subcontracts.

a. Approvals.

The Subrecipient shall not enter into any subcontracts with any agency or individual in the performance of this Contract without the written consent of the City prior to the execution of such contract.

b. Monitoring.

The Subrecipient will monitor all subcontracted services on a regular basis to assure compliance with both this Contract and the applicable subcontract. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c. Content.

The Subrecipient shall cause all of the provisions of this Contract in its entirety to be included in and made a part of any subcontract executed in the performance of this Contract.

d. Selection Process.

The Subrecipient shall undertake to ensure that all subcontracts let in the performance of this Contract shall be awarded in a fair and open competition basis. Executed copies of all subcontracts shall be forwarded to the City, along with documentation concerning the selection process.

4. Copyright.

If this Contract results in any copyrightable material, the City reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work for government purposes.

5. Religious Organization.

The Subrecipient agrees that funds provided under this Contract will not be utilized for religious activities, to promote religious interests, or for the benefit of a religious organization in accordance with the federal regulations specified in 24 CFR 570.200(j). The Subrecipient cannot require a beneficiary to participate in inherently religious activities. However, a faith-based organization may retain its independence to carry out its mission, including allowing a Board of Directors to be selected based on religious practice.

5. Fair Housing.

All housing (for sale or rent) assisted with funding through the City must be made available without discrimination based on race, color, national origin, age, sex,

religion, familial status or disability according to Title VIII of the Civil Rights Act of 1968 as amended, Title VI of the Civil Rights Act of 1964 as amended, the Age Discrimination Act of 1975, Executive Orders 11063 and 12259 – Equal Opportunity in Housing, Section 504 of the Rehabilitation Act of 1973, and Title II of the Americans with Disabilities Act.

IX. Environmental Conditions.

When applicable, no funds shall be obligated or expended until an Environmental Review is completed and accepted by HUD and the City of Fort Collins.

A. Air and Water.

The Subrecipient agrees to comply with the following laws and regulations, along with any other environmental or public health related laws or regulations, insofar as they apply to the performance of this Contract:

- Clear Air Act, 42 U.S.C., 1857, et seq.;
- Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251, et seq., as amended 1318 relating to inspection, monitoring, entry, reports and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder;
- Environmental Protection Agency (EPA) regulations pursuant to 40 CFR, Part 50, as amended;
- National Environmental Policy Act of 1969; and
- HUD Environmental Review Procedures (24 CFR Part 58).

B. Flood Disaster Protection.

The Subrecipient agrees to comply with the requirements of the Flood Disaster Protection Act of 1973 (P.L. 2234) in regard to the sale, lease or other transfer of land acquired, cleared or improved under the terms of this Contract, as it may apply to the provisions of this Contract. Compliance measures may include, but are not limited to, maintaining flood insurance, structural adaptation or other mitigation as required.

C. Lead-based Paint.

The Subrecipient agrees that any construction or rehabilitation of residential structures with assistance provided under this Contract shall be subject to HUD Lead-based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, and in particular Subpart 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, and shall be inspected for lead hazards prior to purchase or rehabilitation.

D. Historic Preservation.

The Subrecipient agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Contract.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty (50) years or older or that are included on a federal, state or local historic property list. Properties adjacent to the planned development site may also be subject to review.

X. Entire Agreement/Governing Law.

The provisions set forth in Items I-IX, all attachments to this Contract; the applicant's corresponding application for the City's Competitive Process, the applicant's verbal presentation before the CDBG Commission, the Promissory Note(s), the Deed(s) of Trust, the Agreement of Restrictive Covenants for Real Property and any other applicable legal documents, constitute the entire agreement between the parties hereto and no statement, promise, conditions, understanding, inducement or representation, oral or written, express or implied, which is not contained herein shall be binding or valid. This Contract shall be binding upon the parties, their agents, representatives, successors and assigns. This Contract shall be governed under the laws of the State of Colorado.

XI. Authority to Sign

The persons executing this Contract on behalf of the Subrecipient represent that one or both of them has the authority to execute this Contract and to bind the Subrecipient to its terms.

IN WITNESS WHEREOF, the parties have executed this Contract as of the date of the most recent signatory.

THE CITY OF FORT COLLINS, COLORADO
A Municipal Corporation

By: [Signature] Date 01/29/13
Darin A. Attebery, City Manager

ATTEST:

Wanda Nelson
City Clerk



APPROVED AS TO FORM:

[Signature]
Sr. Assistant City Attorney

FORT COLLINS HOUSING AUTHORITY
A Public Housing Agency

By: [Signature] Date 1/24/2013
Title: Board president

By: [Signature] Date 1/24/2013
Executive Director

Fed. I.D. Number: 84-0691948

EXHIBIT A

SCOPE OF SERVICES

1. Project Description and Objectives: The Fort Collins Housing Authority will receive a grant of \$173,674 to operate a Tenant-based Rental Assistance program for residents of Fort Collins, CO. The project will serve up to 10 low-income households with rent assistance and/or security deposit assistance for no more than 24 months per household. Each household assisted will receive a minimum of \$1,000 in assistance (per HUD HOME TBRA guidelines). Any households which receive less than \$1,000 in assistance will not be covered by this grant. The maximum amount of monthly rental assistance for any household is the difference between 30 percent of the household's adjusted monthly income and the Fort Collins payment (rent) standard (see below).

The allocation is conditional that the funding be used as follows:

\$156, 240 HOME funds for rental assistance payments

\$17, 434 AH funds for administrative costs

2. Affirmative Marketing: On file

3. Low and Moderate Income Benefit. Applicants will be certified as income eligible prior to signing a contract for TBRA for the household. Income limits are attached to this document as Exhibit "B-1" and may be amended by the parties as necessary. The grantee shall determine annual income of the Project beneficiaries using Section 8 Housing Program income definitions as per 24 CFR Part 813. All recipients of TBRA grant funds will qualify as low-income. Household income will be recertified annually.

4. Affordability: Rental: For each fiscal year allocation, at least 90 percent of the families assisted through HOME TBRA and the households occupying assisted units in HOME rental developments (taken together) must be at or below 60 percent of the area median income. Units assisted with TBRA may be publicly or privately owned. Rents must be reasonable based on rents that are charged for comparable unassisted rental units. Only units within the City limits of Fort Collins are eligible for TBRA assistance. Units must comply with City Code as to occupancy standards. The Fort Collins Housing Authority must also review and approve rent increases by landlords renting to tenants participating in the TBRA program. The lease must be disapproved if the rent is not reasonable.

5. Payment (rent) standard: The payment (rent) standard should represent the rent plus utility cost of moderately priced units that meet HUD HQS in the City of Fort Collins. The payment (rent) standard is established by bedroom size, based either on local market conditions or on the Section 8 Fair Market Rent for Fort Collins.

6. Deed Restriction: Not Applicable

7. Tenant and Participants Protection: The lease between a tenant and an owner of rental housing must be for not less than one year, unless by mutual agreement between the tenant and the owner. . The lease may not contain any of the prohibited lease terms listed in 24 CFR Part 92.253(b). Standards must be established for when a landlord may elect to terminate or refuse to renew the lease of a TBRA household. These standards must be in writing and included within the lease and/or in the contract. In addition, all leases must comply with applicable state or local tenant-landlord laws.

8. Contract Administration. The City is responsible for providing the following information to the grantee yearly as it becomes available: income limits, rent limits, utility allowances and any changes to HUD requirements that may affect the management of the project. The grantee shall be responsible for the timely completion of the Scope of Services requirements.

9. City Monitoring. The City of Fort Collins HOME Program Administrator will monitor this project.

10. Housing Standards. All assisted units will, at a minimum, meet HUD's Housing Quality Standards (24 CFR, Section 982.401 and 92.251, incorporated by reference), including lead-based paint requirements at 24 CFR Part 35 and all applicable local and state building codes and standards.

11. Time of Performance. The Project shall commence upon the full and proper execution of this Contract and shall be completed on or before December 31, 2014. However, the Project time of Performance may be extended by letter, subject to mutual agreement of the City and the grantee. To initiate this process, a written request shall be submitted to the City by the Subrecipient at least sixty (60) days prior to December 31, 2014 and shall include a full justification for the extension request. In no case may the Contract be extended beyond December, 2016 according to HOME regulations {four years}.

EXHIBIT B-1
INCOME LIMITS

2013 Income Limits

Income Limits (effective date 12/11/2012)
2013 Median Income for a Family of 4: **\$75,800**
(Fort Collins/Loveland Metropolitan Statistical Area)
City of Fort Collins

Household Members

Income	1	2	3	4	5	6	7	8
100% of AMI	53,125	60,685	68,250	75,800	81,940	88,000	94,060	100,125
80% of AMI	42,500	48,550	54,600	60,650	65,550	70,400	75,250	80,100
60% of AMI	31,875	36,410	40,950	45,480	49,160	52,800	56,430	60,075
50% of AMI	26,560	30,340	34,125	37,900	40,970	44,000	47,030	50,060
30% of AMI	15,940	18,650	20,475	22,740	24,580	26,400	28,210	30,030

AMI = Area Median Income

51-80%: Low Income (HOME High Income Limit)
31-50%: Very Low Income (HOME Low Income Limit)
0-30%: Extremely Low Income

EXHIBIT B-2

HOME Rents (current as of 2/15/2012) [includes utilities]
2012 Fair Market Rents as of 2/15/2012

	0-bdrm	1-bdrm	2-bdrm	3-bdrm	4-bdrm
Low HOME	584	700	849	997	1,127
High HOME	584	700	849	1,236	1,389
FAIR MARKET	513	615	746	1,086	1,226
50% Rent Limit	680	728	875	1,010	1,127
65% Rent Limit	864	927	1,114	1,279	1,408

EXHIBIT C

AFFIDAVIT TEMPLATE FOR PROOF OF LEGAL PRESENCE

AFFIDAVIT PURSUANT TO C.R.S.24-76.5-103

I, _____, swear or affirm under penalty of perjury under the laws of the State of Colorado that (check one):

_____ I am a United States citizen, or

_____ I am a Permanent Resident of the United States, or

_____ I am lawfully present in the United States pursuant to Federal law.

I understand that this sworn statement is required by law because I have applied for a public benefit. I understand that state law requires me to provide proof that I am lawfully present in the United States prior to receipt of this public benefit. I further acknowledge that making a false, fictitious, or fraudulent statement or representation in this sworn affidavit is punishable under the criminal laws of Colorado as perjury in the second degree under Colorado Revised Statute 18-8-503 and it shall constitute a separate criminal offense each time a public benefit is fraudulently received.

Signature

Date

INTERNAL USE ONLY: Valid Forms of Identification

- current Colorado driver's license, minor driver's license, probationary driver's license, commercial driver's license, restricted driver's license, instruction permit
- current Colorado identification card
- U.S. military card or dependent identification card
- U.S. coast guard merchant mariner card
- Native American tribal document