

AGREEMENT
PART I

THIS AGREEMENT (“Agreement”), in two parts, Part I and Part II, is made by and between the **CITY AND COUNTY OF DENVER**, a municipal corporation organized pursuant to the Constitution of the State of Colorado (the “City”), and **DENVER URBAN RENEWAL AUTHORITY**, a Colorado [a body corporate duly organized and existing as an urban renewal authority under the laws of the State of Colorado] (the “Contractor”), whose address is [1555 California St., Suite 200, Denver, Colorado 80202].

WITNESSETH

WHEREAS, the City desires to provide funds to [administer a single family rehab program for income-qualified Denver homeowners]; and

WHEREAS, the Contractor is ready, willing and able to provide such services;

NOW THEREFORE, in consideration of the premises, and the mutual covenants and obligations herein contained, and subject to the terms and conditions in Part II of this Agreement, the parties agree as follows:

1. SERVICES TO BE PROVIDED: The Contractor agrees to carry out the program services described in **Exhibit A** entitled “Scope of Services,” and **Exhibit B** entitled “Financial Administration,” and the budget contained therein, in a lawful, satisfactory and proper manner, and in accordance with written policies and procedures as may be prescribed by the U.S. Department of Housing and Urban Development (“HUD”) or the City. Exhibits A and B are attached hereto and incorporated herein by this reference as if fully set forth herein. Changes to the services described in Exhibit A may be approved in writing by the Director of the City’s Office of Economic Development (“OED”), or his or her designee, provided the changes do not (i) extend the term of this Agreement, (ii) increase the amount payable hereunder as identified in Section 3 below, or (iii) constitute a major modification of this Agreement under applicable federal law. In the event of any conflict between the terms and conditions contained in this document and those contained in Exhibits A and B, which cannot be resolved so as to give effect to both or all provisions, then the terms and conditions contained in this document shall be deemed to be controlling over those in Exhibits A and B.

2. **TIME OF PERFORMANCE:** This Agreement shall begin on [March 1, 2013], and end on [May 31, 2014], unless such time is extended by written agreement of the parties, executed in the same manner as this Agreement.

3. **COMPENSATION:** The amount to be paid by the City to the Contractor shall not exceed [Five Hundred Thousand] Dollars (\$500,000.00). The obligation of the City for payments under this Agreement is limited to monies appropriated by the U.S. Congress and the City Council and paid into the City Treasury as an applicable cost under the “Home Investment Partnership Agreements” referred to below. Funds will be released to the Contractor in accordance with the budget and other requirements set forth in Exhibits A and B. The parties agree that (i) the City does not by this Agreement irrevocably pledge present cash reserves for payment or performance in future fiscal years, and (ii) this Agreement is not intended to create a multiple-fiscal year direct or indirect debt or financial obligation of the City.

4. **RECORDS AND REPORTS:** Contractor will provide OED with records and reports as further detailed in Exhibits A and B.

5. **NO DISCRIMINATION IN EMPLOYMENT:** In connection with the performance of work under this Agreement, the Contractor agrees not to refuse to hire, discharge, promote or demote, or to discriminate in matters of compensation against any person otherwise qualified, solely because of race, color, religion, national origin, gender, age, military status, sexual orientation, marital status, or physical or mental disability; and further agrees to insert the foregoing provision in all subcontracts hereunder.

6. **DEFENSE & INDEMNIFICATION:** This indemnification provision applies only to the extent permitted by law:

A. Contractor hereby agrees to defend, indemnify, and hold harmless City, its appointed and elected officials, agents and employees against all liabilities, claims, judgments, suits or demands for damages to persons or property arising out of, resulting from, or relating to the work performed under this Agreement (“Claims”), unless and until such Claims have been specifically determined by the trier of fact to be due to the sole negligence or willful misconduct of the City. This indemnity shall be interpreted in the broadest possible manner to indemnify City for any acts or omissions of Contractor or its subcontractors either passive or active,

irrespective of fault, including City's concurrent negligence whether active or passive, except for the sole negligence or willful misconduct of City.

B. Contractor's duty to defend and indemnify City shall arise at the time written notice of the Claim is first provided to City regardless of whether Claimant has filed suit on the Claim. Contractor's duty to defend and indemnify City shall arise even if City is the only party sued by claimant and/ or claimant alleges that City's negligence or willful misconduct was the sole cause of claimant's damages.

C. Contractor will defend any and all Claims which may be brought or threatened against City and will pay on behalf of City any expenses incurred by reason of such Claims including, but not limited to, court costs and attorney fees incurred in defending and investigating such Claims or seeking to enforce this indemnity obligation. Such payments on behalf of City shall be in addition to any other legal remedies available to City and shall not be considered City's exclusive remedy.

D. Insurance coverage requirements specified in this Agreement shall in no way lessen or limit the liability of the Contractor under the terms of this indemnification obligation. The Contractor shall obtain, at its own expense, any additional insurance that it deems necessary for the City's protection.

E. This defense and indemnification obligation shall survive the expiration or termination of this Agreement.

7. CONTRACTOR'S INSURANCE: If the Contractor is a "public entity" within the meaning of the Colorado Governmental Immunity Act, §24-10-101 , et seq., C.R.S., as amended ("Act"), the Contractor shall maintain insurance, by commercial policy or self-insurance, as is necessary to meet the Contractor's liabilities under the Act. Proof of such insurance shall be provided upon request by the City.

7. AUDIT REQUIREMENTS: Non-profit organizations that expend \$500,000 or more in a year in federal awards shall have a single or program-specific audit conducted for that year in accordance with the provisions of OMB Circular A-133 and applicable federal regulations.

8. EXAMINATION OF RECORDS: The Contractor agrees that any duly authorized representative of the City or the United States shall, until the expiration of three (3)

years after the final payment under this Agreement, or such longer period as may be required due to an audit finding, upon reasonable notice, have access to and the right to examine any books, documents, papers and records of the Contractor, involving transactions related to this Agreement.

9. COUNTERPARTS OF THE AGREEMENT: This Agreement may be executed in counterparts, each of which shall be deemed to be an original of this Agreement, and all of which taken together shall constitute one and the same instrument.

10. ASSIGNMENT AND SUBCONTRACTING: The City shall not be obligated or liable under this Agreement to any party other than the Contractor named herein. The Contractor understands and agrees that it shall not assign or subcontract with respect to any of its rights, benefits, obligations or duties under this Agreement except upon prior written consent and approval of the City to such assignment or subcontracting; and, in the event any such assignment or subcontracting shall occur, such action shall not be construed to create any contractual relationship between the City and such assignee or subcontractor, and the Contractor herein named shall in any and all events be and remain responsible to the City according to the terms of this Agreement.

11. NO THIRD PARTY BENEFICIARY: It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the City and the Contractor, and nothing contained in this Agreement shall give or allow any such claim or right of action by any other or third person on such Agreements. It is the express intention of the City and the Contractor that any person other than the City or the Contractor receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

12. CONFLICT OF INTEREST: The parties agree that no employee of the City who is in a position to approve or establish the terms of this Agreement shall have any personal or beneficial interest whatsoever in the services or property described herein and the Contractor further agrees not to hire or contract for services any employee or officer of the City which would be in violation of the Revised Municipal Code Chapter 2, Article IV, Code of Ethics, or Denver City Charter provisions 1.2.9 and 1.2.12. This Agreement is further subject to the federal conflict of interest requirements set forth in Part II.

13. STATUS OF CONTRACTOR: It is understood and agreed that the status of the Contractor shall be that of an independent contractor and of a person retained on a contractual basis to perform professional or technical services for limited periods of time as described in Section 9.1.2(C) of the Charter of the City and it is not intended, nor shall it be construed, that the Contractor or its employees are employees or officers of the City under Chapter 18 of the Denver Revised Municipal Code or for any purpose whatsoever.

14. CONDITIONS:

A. This Agreement is subject to and incorporates herein the provisions attached hereto as Part II, General Conditions and all other attachments.

B. This Agreement is also subject to the Home Investment Partnerships Act, 42 U.S.C. 12701 et seq., as amended, and regulations issued by HUD at 24 C.F.R. Part 92, as amended, and the Home Investment Partnerships Agreements entered into by and between the City and HUD. Additionally, this Agreement is subject to the City's Charter and all applicable City ordinances, as the same may be amended from time to time.

16. LEGAL AUTHORITY:

A. Contractor assures and guarantees that it possesses the legal authority, pursuant to any proper, appropriate and official motion, resolution or action passed or taken, to enter into this Agreement.

B. The person or persons signing and executing this Agreement on behalf of Contractor, do hereby represent and warrant that he/she or they have been fully authorized by Contractor to execute this Agreement on behalf of Contractor and to validly and legally bind Contractor to all the terms, performances and provisions herein set forth.

C. The City shall have the right, at its option to either temporarily suspend or permanently terminate this Agreement, if there is a dispute as to the legal authority of either Contractor or the person signing the Agreement on behalf of the Contractor to enter into this Agreement. The City shall not be obligated to Contractor for any performance of the provisions of this Agreement in the event that the City has suspended or terminated this Agreement as provided in this Section.

17. TERMINATION: This Agreement may be terminated as provided in Part II.

18. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION:

A. The Contractor represents and warrants that it and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency.

B. The Contractor will not enter into any lower tier transaction with a person who is debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in a covered transaction unless authorized by the federal agency from which the transaction originated.

C. The Contractor shall include the certification contained in subparagraph A of this Section in any and all subcontracts hereunder and shall require any subcontractors or sub-consultants to comply with any and all applicable federal laws, rules and regulations, policies and procedures or guidance concerning the federal debarment, suspension, and exclusion program.

D. The Contractor will immediately notify OED in writing if at any time it learns that it failed to disclose that it or any of its principals were excluded at the time the parties executed this Agreement, or if due to changed circumstances the Contractor or any of its principals have subsequently been excluded by a federal agency.

E. The representation made in subparagraph A of this section is a material representation of fact upon which reliance was placed when this transaction was entered into.

19. PUBLICATIONS/ANNOUNCEMENTS: Contractors using radio or television announcements, newspaper advertisements, press releases, pamphlets, mail campaigns, or any other marketing methods funded by OED or publicizing activities funded by OED shall first receive approval from OED; however, the city acknowledges that brochures printed by Contractor prior to the date of this Agreement are acceptable. In any event, all such publicizing activities must include the following statement: “The funding source for this activity is the City and County of Denver, Office of Economic Development.”

20. CONTRACT MONITORING: The Contractor shall be subject to various monitoring and evaluation requirements to assure compliance with applicable federal requirements and that performance goals are being achieved. The Contractor’s performance may

be reviewed monthly, or more often, by the appropriate operational unit at OED which has program management responsibility. All records required to perform such monitoring shall be made available to the authorized OED staff by the Contractor. All reports submitted by the Contractor shall be utilized as part of the evaluation of Contractor's performance hereunder. All reviews shall be conducted in accordance with internal OED procedures. Procedures will be available to the Contractor prior to any review. The Contractor is further subject to a final program audit at the City's expense. The City Auditor reserves the right to select the audit firm. The Contractor shall provide all requested records to the auditing personnel. The Audit Guide will be the basis of the performance of the audit. The Contractor agrees to abide by the administrative procedures of OED regarding the resolution of audit exceptions.

21. ENFORCEMENT: If the Contractor materially fails to comply with the terms of this Agreement, or the terms any other agreement between the City and Contractor, the City may take one or more of the following actions:

A. Temporarily withhold cash payments pending correction of the deficiency by the Contractor or more severe enforcement action.

B. Disallow (that is deny use of funds) all or part of the cost of the activity or actions not in compliance.

C. Wholly or partially suspend or terminate the current award for the Contractor's program.

D. Pursue any other remedies that may be legally available.

E. The City may also suspend or terminate this Contract, in whole or in part, if Contractor materially fails to comply with any term of this Contract, including if Contractor becomes delinquent to the City on loan, contractual, or tax obligation as due, or with any rule, regulations, or provisions referred to herein; and the City may declare the Contractor ineligible for any further participation in City funding, in addition to other remedies as provided by law. In the event there is probable cause to believe the Contractor is non-compliant with any applicable rules, laws, regulations, or Contract terms or City loan obligation, and only after the City provides a 30 day notice to cure that remains uncured by Contractor, the City may withhold up to one hundred (100) percent of said Contract funds until such time as the Contractor 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 arising hereunder.

22. NO EMPLOYMENT OF ILLEGAL ALIENS TO PERFORM WORK UNDER THE AGREEMENT:

A. This Agreement is subject to Division 5 of Article IV of Chapter 20 of the Denver Revised Municipal Code, and any amendments (the "Certification Ordinance").

B. The Contractor certifies that:

(1) At the time of its execution of this Agreement, it does not knowingly employ or contract with an illegal alien who will perform work under this Agreement.

(2) It will participate in the E-Verify Program, as defined in § 8-17.5-101(3.7), C.R.S., to confirm the employment eligibility of all employees who are newly hired for employment to perform work under this Agreement.

C. The Contractor also agrees and represents that:

(1) It shall not knowingly employ or contract with an illegal alien to perform work under the Agreement.

(2) It shall not enter into a contract with a subcontractor that fails to certify to the Contractor that it shall not knowingly employ or contract with an illegal alien to perform work under the Agreement.

(3) It has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under this Agreement, through participation in the E-Verify Program.

(4) It is prohibited from using the E-Verify Program procedures to undertake pre-employment screening of job applicants while performing its obligations under the Agreement, and that otherwise requires the Contractor to comply with any and all federal requirements related to use of the E-Verify Program including, by way of example, all program requirements related to employee notification and preservation of employee rights.

(5) If it obtains actual knowledge that a subcontractor performing work under the Agreement knowingly employs or contracts with an illegal alien, it will notify such subcontractor and the City within three (3) days. The Contractor will also then terminate such subcontractor if within three (3) days after such notice the subcontractor does not stop

employing or contracting with the illegal alien, unless during such three-day period the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

(6) It will comply with any reasonable request made in the course of an investigation by the Colorado Department of Labor and Employment under authority of § 8-17.5-102(5), C.R.S, or the City Auditor, under authority of D.R.M.C. 20-90.3.

D. The Contractor is liable for any violations as provided in the Certification Ordinance. If Contractor violates any provision of this section or the Certification Ordinance, the City may terminate this Agreement for a breach of the Agreement. If the Agreement is so terminated, the Contractor shall be liable for actual and consequential damages to the City. Any such termination of a contract due to a violation of this section or the Certification Ordinance may also, at the discretion of the City, constitute grounds for disqualifying Contractor from submitting bids or proposals for future contracts with the City.

23. USE, POSSESSION OR SALE OF ALCOHOL OR DRUGS: The Contractor shall cooperate and comply with the provisions of Executive Order 94 concerning the use, possession or sale of alcohol or drugs. Violation of this provision can result in the City terminating the Agreement or barring the Contractor from City facilities or from participating in City operations. The Contractor shall cooperate and comply with the provisions of 24 CFR § 21 regarding a Drug-Free Workplace.

24. ELECTRONIC SIGNATURES AND ELECTRONIC RECORDS:

Contractor consents to the use of electronic signatures by the City. The Agreement, and any other documents requiring a signature hereunder, may be signed electronically by the City in the manner specified by the City. The Parties agree not to deny the legal effect or enforceability of the Agreement solely because it is in electronic form or because an electronic record was used in its formation. The Parties agree not to object to the admissibility of the Agreement in the form of an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature, on the ground that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

Exhibit B: Financial Administration
Exhibit C: Certificate of Insurance
Part II

Contract Control Number:

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at Denver, Colorado as of

SEAL

CITY AND COUNTY OF DENVER

ATTEST:

By _____

APPROVED AS TO FORM:

REGISTERED AND COUNTERSIGNED:

By _____


By _____

By _____



Contract Control Number:

Contractor Name:

By: 

Name: Patricia Gage
(please print)

Title: Chair
(please print)

ATTEST: [if required]

By: _____

Name: _____
(please print)

Title: _____
(please print)



Contract Control Number: OEDEV-201310126-00

Contractor Name: _____

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at
Denver, Colorado as of

SEAL

CITY AND COUNTY OF DENVER

ATTEST:

By _____

APPROVED AS TO FORM:

REGISTERED AND COUNTERSIGNED:

DOUGLAS J. FRIEDNASH, Attorney
for the City and County of Denver

By _____

By _____

By _____



EXHIBIT A

SCOPE OF SERVICES

OFFICE OF ECONOMIC DEVELOPMENT
DIVISION OF BUSINESS AND HOUSING SERVICES (BHS)

CPS#2: SINGLE FAMILY REHAB
DENVER URBAN RENEWAL AUTHORITY
HOMEOWNERSHIP REHAB PROGRAMS
2013 HOME

I. INTRODUCTION

The purpose of this contract agreement is to provide a HOME grant for \$500,000 through the Office of Economic Development's Division of Business and Housing Services (BHS). These funds will be provided to the Denver Urban Renewal Authority to be utilized for Denver Urban Renewal Authority Homeownership Rehab Program, which consists of: the Single Family Rehabilitation Program (SFR).

Funding Source: Amount: CFDA # 14.239
CDBG \$
HOME \$ 500,000
HOPWA \$

HUD Matrix Code: 14A: Rehabilitation: Single -Unit Residential
HUD Eligible Activity: 570.202 (a)(1): Improvements to single family residential property
Accomplishment Code: 10: Housing Units
Proposed Number of outcomes: 18 units

CDBG - Only
HUD National Objective (include brief excerpt from regulation): N/A

HOME - Only
HUD Eligible Cost: 92.205(a)(1): Rehabilitation of non-luxury housing with suitable amenities.

Organization: Denver Urban Renewal Authority

EIN#: 846-01-1088

DUNS#: 073405623

CCR (Central Contractor Registration) Expiration Date: 12/31/2013

Address: 1555 California St. #200
Denver, CO 80202- 4200

Contact Person: Taryn Lewis

Phone: 303-534-3872

Email: tlewis@renewdenver.org

Organization Type: [X] Non-profit [] For-profit

Is the organization a Faith-based/Community Initiative? [] Yes [X] No

Is the organization woman owned? [] Yes [X] No

Contract Relationship:

[X] Subrecipient [] Vendor [] Beneficiary [] Community Based Development Organization [] CHDO

EXHIBIT A

Council District(s): CW for SFR with 9 Target Neighborhoods

Neighborhood(s): CW for SFR with 9 Target Neighborhoods

Census Tracts: (only required for Low Mod Area)

The Federal Funding Accountability and Transparency Act (FFATA)

- 1. In your business or organization's preceding completed fiscal year, did your business or organization (the legal entity to which this specific CCR record, represented by a DUNS number, belongs) receive (1) 80 percent or more of your annual gross revenues in U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements; and (2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?: NO

If YES, continue to question 2.

- 2. Does the public have access to information about the compensation of the executives in your business or organization (the legal entity to which this specific CCR record, represented by a DUNS number, belongs) through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?:

If YES, stop here. If NO, continue to question 3.

- 3. Please provide the names and amounts of the five most highly compensated officers or executives.

Is the purpose of this activity to:

- Help prevent homelessness? [] Yes [x] No
Help the homeless [] Yes [x] No
Help those with HIV/AIDS [] Yes [x] No
Primarily help persons with disabilities [] Yes [x] No
Address public housing needs [] Yes [x] No

Contract Period: 6/1/2013-11/30/2014

- Will program income be generated by this activity? [x] Yes [] No
Will activity be carried out by an entity/agency other than the City & County of Denver? [x] Yes [] No

If yes, please list entity: Denver Urban Renewal Authority

II. ACTIVITY DESCRIPTION

1. Description of Activity: To provide low and no interest rehabilitation loans to income qualified homeowners

Program Requirements and Responsibilities

A. GENERAL

The SFR program is designed to make loans up to \$24,999(of which a minimum of \$5,000 must be utilized for improvements to the exterior of the home) available to low and moderate income home owners who occupy their home as their principal residence. Loans may be made in an amount not to exceed \$35,000 to address critical repairs and lead based paint abatement that requires funds in excess of \$24,999. Critical repairs to include major building systems (plumbing heating and electrical), structural issues, windows and roofing. Interest rates for the SFR loans will be either no interest deferred payment loans, or one- percent interest loans amortized over 20 years.

EXHIBIT A

Loans will be secured by a mortgage lien on the property. The mortgage lien will be similar to any security agreement for a long-term home improvement loan.

The administrative overhead for managing the SFR program will be paid at a rate of 10% of the total SFR program budget.

B. MAXIMUM USE OF SFR FUNDS

SFR clients will be allowed use of SFR funds in a cumulative amount not to exceed \$35,000. Funds in excess of \$24,999 may be utilized to undertake lead based paint abatement activities and other critical repairs as noted above required as a part of rehabilitation activities, to a maximum cumulative loan amount of \$35,000.

C. DURA RESPONSIBILITIES

DURA's responsibilities for program implementation will include:

1. Maintain a list of certified contractors;
2. Advertise annually for contractors;
3. Develop and implement a fair marketing campaign to advertise and market the program to gain broader participation in the community;
4. Work with OED to identify target or priority areas
5. Accept applications from eligible homeowners and maintain records;
6. Determine applicant eligibility and collect source documentation. Income shall be determined based on the IRS definition of adjusted gross income as defined for reporting on IRS Form 1040;
7. Verify homeowners insurance;
8. Verify location within 100 year floodplain, and if required, floodplain insurance;
9. Perform due diligence and underwrite each loan. Approved Deferred loans must not to exceed 125% Loan To Value. Approved Payback loans must not exceed 97% Loan to Value
10. Determine rehabilitation needs and develop comprehensive work specifications;
11. Structure contractor bidding and selection process in a competitive manner;
12. Prepare loan documentation;
13. Monitor rehabilitation activity;
14. Disburse loan proceeds;
15. Service the loans;
 - A. Provide ongoing servicing for loans and grants provided to homeowners under these programs, including collection of payments, mailing out late/default notices, etc.
 - B. Fund management activities include quarterly reporting on fund status (loan status, program income (loan repayments) and unused funds to be loaned or granted).
16. Ensure compliance with all program guidelines and federal regulations;
17. Schedule and conduct a final inspection. When a conflict between DURA, the homeowner and/or the contractor arises, an OED inspector will participate in the final inspection.
18. Conduct follow-up survey with participants who received assistance.
19. Develop Implementing Guidelines

Eligible Priority Items that must be addressed (if necessary):

1. Lead-based paint mitigation or abatement in properties built before 1-1-1978
2. Roofs
3. Unstable foundations
4. Mechanical, i.e. faulty furnaces, water heaters, etc.
5. Electrical
6. Plumbing
7. Sewer system failure, or broken sewer piping between house and city main sewer
8. Windows, doors, storm windows, insulation and weather-stripping
9. Exterior paint
10. Unsafe or unsanitary conditions, i.e. dilapidated porches, unsanitary kitchens, unsafe steps and railings
11. Infestation

Other Eligible Items:

1. Handicap accessibility such as ramps and retrofitted bathrooms and kitchens
2. Sidewalks and driveways that are hazardous to occupants
3. Floor coverings that cause severe tripping hazards
4. Interior paint
5. Fencing

EXHIBIT A

Ineligible Items:

1. Construction or rehabilitation of garages;
2. Luxury type of improvements (i.e. swimming pools, hot tubs, etc.);
3. Improvements that are not a permanent part of the property such as free standing refrigerators or stoves;
4. Existing debt service;
5. Public improvements

Other Related Rehabilitation Costs:

It may be necessary to correct items that were improperly installed /finished on previous DURA funded contracts with homeowners using funds related to any of the current or previous programs which are no longer covered by material or work warranties. In such cases, it will be DURA's responsibility to determine if the malfunction or inoperable system is a direct result of maintenance neglect by the homeowner or by the installation or workmanship of the contractor or sub-contractors.

If deemed maintenance neglect, DURA will not be under any obligation to remedy the situation and the homeowner shall incur the repair costs. However, if DURA determines it is a direct result of material failure or faulty installation or workmanship by the contractor or sub-contractor, it will then become incumbent of DURA to take all the steps necessary to remedy the situation. Any related costs over \$500 will require approval by the Executive Director or their designee of DURA with a notice forwarded to the OED Program Specialist.

Property Eligibility:

In addition to the required services listed above, all assisted properties shall meet the following criteria/guidelines:

- Prior to commitment of funding and before any construction contracts are signed to perform rehabilitation work on the property, an environmental review that results in a determination that the property is in compliance with the National Environmental Compliance Act will be conducted.
- Eligible properties must be single family detached or duplex homes
- Total debt on property may not exceed 97% (payback loans) or 125 % (deferred loans) LTV.
- Improved properties shall be rehabbed according to DURA rehab guidelines/specifications and in compliance with all applicable housing building and maintenance codes, fire prevention and other public standards.
- The post improvement value of the properties must not exceed 95 percent of the median purchase price for Denver as defined by HUD.

Ineligible properties are:

- Properties containing more than 2 units
- Properties intended for investment
- Properties intended for recreational use
- Properties where a portion of the residence is specifically designed for a commercial use or properties where 50% or more of the total area of the residence is used in a trade or business.

Beneficiary Eligibility:

An eligible beneficiary is one that satisfies all of the following criteria:

- Must not have previously received financing through this loan program for the previous 10 years
- Must be current on loan payments and up to date on real estate taxes
- Must have a gross household income at or below 80% area median income levels for payback and 50% or below AMI for deferred as adjusted for the City and County of Denver area listed by HUD (income verifications to be conducted using the IRS definition of adjusted gross income as defined for reporting on IRS Form 1040). Income calculations must be conducted no more than 6 months prior to start of rehabilitation
- Must not have liquid assets in excess of \$25,000
- Must have occupied the property as an owner occupant for no less than 6 months prior to start of rehabilitation

D. LIENS

Liens shall be placed on all properties receiving SFR assistance. The remaining balance of the SFR note shall become due and payable in accordance with the loan agreement, and the principal balance will be returned to DURA upon transfer of the title out of the borrower's name to that of another party, through sale, divestiture or refinancing (under certain circumstances) of the property. SFR liens will be released at the time of repayment of the loan.

E. RESOURCE FOCUSING

The SFR program shall be prioritized in the following neighborhoods:

EXHIBIT A

1. Barnum
2. Barnum West
3. Lincoln Park
4. Globeville
5. Sun Valley
6. Elyria/Swansea
7. Villa Park
8. West Colfax
9. Westwood

Households that reside in target neighborhoods shall receive waitlist priority. Priority will also be given to disabled and/or elderly (as defined by HUD) clients regardless of neighborhood. Once all waitlisted clients from target neighborhoods have received applications, non-target neighborhood waitlisted clients will be prioritized by date of listing on waitlist.

By mutual agreement programmatic modifications may be made with written approval by the OED Housing Director and DURA Executive Director or signature designee.

F. LOAN SERVICING

DURA is authorized to enter into agreement with lending institutions to service outstanding amortizing loans. Such agreements must provide for monthly reporting of all loans outstanding, including payments received during the reporting period, total payments made to date, and balance owed. Loan proceeds will be recaptured by DURA according to the loan program guidelines. HUD affordability guidelines are listed below and shall be the minimum requirement for recapture. DURA may add further time to recapture funds over this minimum.

ACTIVITY	AVERAGE PER-UNIT HOME	MINIMUM AFFORDABILITY PERIOD
Rehabilitation or Acquisition of Existing Housing	<\$15,000	5 years
	\$15,000 - \$40,000	10 years
	>\$40,000	15 years

DATA COLLECTION

DURA will maintain statistical data on all borrowers including but not limited to: name of borrow(s); street address, census tract and council district, ethnicity, race and gender of borrower; age of head of household; household size; female head of household; and household income. DURA shall also maintain data on every loan, including the amount of the loan, source of funding and program year.

DURA will maintain statistical data on all construction contracts awarded during the previous year including the name of the contractor, street address, city, state, zip code; the contractor's federal identification number; the race and gender of the contractor; and the dollar amount of contracts awarded to the contractor.

2. Funds will be used to

The focus of the SFR program is the rehabilitation of owner-occupied single family detached and duplex homes throughout the City and County of Denver (City). Other units such as triplexes, condominiums and townhouses may be considered with written approval of the OED Program Specialist. In all cases, the borrower must qualify as a low-income to low to moderate income homeowner, within the limits defined annually by the U.S. Department of Housing and Urban Development (HUD) for households with annual incomes at or below 80% of the area median. Funding sources will be \$500,000 in HOME funds.

3. Implementation Plan and Timeline

The following table outlines the implementation plan and time lines for this contract.

Task	Projected Beginning & End Dates
Close approximately 3-5SFR Brochure and Flyer Drop-off: Target neighborhood libraries, recreation	06/1/2013-8/31/2014

EXHIBIT A

centers and health clinics. Place yard signs in front of active DURA SFR jobs Present “DURA Does That” and/or Home Maintenance Program to 1 homebuyer class Outreach to Denver Water, Xcel Energy and Neighborhood Inspection Services Distribute brochures to all City Council offices	
Close approximately 3-5SFR/ /loans with contract funds Present “DURA Does That” and/or Home Maintenance Program to 1 homebuyer class Place yard signs in front of active DURA SFR jobs Participate in Denver Human Services Fair Brochure and Flyer Drop-off: Target neighborhood libraries, recreation centers and health clinics.	09/1/2013-11/30/2013
Close approximately 3-5SFR loans with contract funds Brochure and Flyer Drop-off: Target neighborhood libraries, recreation centers and health clinics. Present “DURA Does That” and/or Home Maintenance Program to 1 homebuyer class Place yard signs in front of active DURA SFR jobs Annual contractor advertising	12/1/2013-2/28/2014
Close approximately 3-5 SFR loans with contract funds Present “DURA Does That” and/or Home Maintenance Program to 1 homebuyer class Place yard signs in front of active DURA SFR jobs Brochure and flier drop off in Target Neighborhoods (health clinics, libraries, community and recreation centers)	3/1/2014-5/31/2014

4. Objective & Outcome and Indicators

Objective (select one)

- Enhance Suitable Living Environment
- Create Decent Housing
- Promote Economic Activity

Outcomes (select one)

- Availability/Accessibility
- Affordability
- Sustainability

Indicators

The following indicators will be used to measure the success of the contract/activity.

EXHIBIT A

Indicators – must be measurable
Indicators – must be measurable
SFR Program
Number of units brought from substandard to standard condition: 18 at approx. 3-5/quarter
Number of units brought into compliance with lead safe housing rule (24 CFR part 35): 18
Amount of money leveraged: Partner with and accept referrals from Veterans Green Jobs, LEAP, Northeast Denver Housing Corporation, Rebuilding Together, City and County of Denver Wastewater.
Number of neighborhoods assisted: 55 with 9 Target Neighborhoods shown in Section E

III. Budget

Please refer to the Cost Allocation Plan and budget narrative for a detailed estimated description and allocation of funds.

If program income is generated, how will income be used? *(Please refer to attached Option Sheet)* _____

Are non-personnel costs being funded? Yes No

IV. Reporting

Data collection is required and must be completed demonstrating income eligibility and achievements met towards meeting the indicators contained in the Scope of Services. All disbursement of funds is contingent based on the ability to collect the required information.

Regardless of when the executed contract was received by the Contractor, Contractor is responsible for submitting a report from the start date of the contract; **even if no activity was conducted or expensed – Contractor should report “No Activity” or outline those activities reimbursed with grant funds. If the Contractor completes the project and all money is drawn a final report will be submitted indicating “final report” and no further reports are required.**

Contractor will email the following report(s) to BHS and CPM (Contracts & Performance Management):

Outcome Performance Measurement Report

Frequency:

Monthly by the 15th day Quarterly: 15 days after the end of the quarter Other: _____

Business Support Office HUD Performance Indicators Report

Frequency:

Monthly by the 15th day Quarterly: 15 days after the end of the quarter Other: _____

Homeowner/Homebuyer Completion Report

Frequency:

Monthly by the 15th day Quarterly: 15 days after the end of the quarter Other: _____

CHDO Report

Frequency:

Monthly by the 15th day Quarterly: 15days after the end of the quarter Other: _____

Revolving Loan Program Income Report

EXHIBIT A

Frequency:

- Monthly by the 15th day Quarterly: 15days after the end of the quarter

BHS will provide the format of the performance report to the Contractor. The information reported must include progress on the indicators included in this Scope of Services. The report includes current and cumulative (year-to-date) indicator information. Information on the overall progress of the program and/or project should be reported in the narrative section of the report. If the project is not being performed in a timely manner then an explanation should be included in the narrative section of the report.

Income and Demographic Reporting Requirements

For programs that must fulfill the limited clientele activities, income data must be collected to verify that at least 51 percent of program participants are low- or moderate-income persons. The income limitations are set by HUD annually and BHS will provide the income limitations.

Select what method of income verification will be used to demonstrate income compliance:

- Self-Certification Verification with supporting income documentation Not Applicable

HOME funded contracts only:

If income will be verified, select the definition to be used to determine annual household income:

- Part 5 income IRS Form 1040

BHS has a form entitled "STATEMENT OF HOUSEHOLD INCOME/DEMOGRAPHICS" that may be used to collect income and demographic information or an existing form incorporating the required data may be used. This information must be retained and be made available to BHS staff or designee upon request. The minimum data required for each program participant is as follows:

1. Unique identifier – name and address
2. Identify whether the head of household is female or/or disabled
3. Total number of household members
4. Total income of the household
5. Number of household members served by the program
6. The **ethnicity** – Hispanic or Latino OR Not Hispanic or Latino of each applicant served
7. The **race** of each household member served –
 - a. White
 - b. Black/African American
 - c. Asian
 - d. American Indian/Alaska Native
 - e. Native Hawaiian/Other Pacific Islander
 - f. American Indian/Alaska Native & White
 - g. Asian & White
 - h. Black/African American & White
 - i. American Indian/Alaska Native & Black / African American
 - j. Other Multi-race (Please explain)

NOTE: each applicant member served by the program is required to select **BOTH** an ethnicity and a race category!

8. Individual signature on "STATEMENT OF HOUSEHOLD INCOME/DEMOGRAPHICS" form attesting to the accuracy of the information submitted.

Program Budget and Cost Allocation Plan Summary Instructions

ONLY ENTER AMOUNTS IN THE GREEN OR YELLOW CELLS!

	Column B	Column C	Column D	Column H	Column I	Column M	Column N	Column O	Column P	Column Q	Column R	Column S	Column T	Column U	Column V
	Agency Total (All Funding Sources): Total	Project Costs OED Funding 1 OEDEV-201100001-00 Total %		Project Costs OED Funding 2 GE00002 Total %		Total Project Costs requested from OED Total %		Other City & County of Denver Funding Total %		Other Federal Funding Total %		Other Non-Federal Funding Total %		AGENCY TOTAL Total %	
Lines 10-11:															
TOTAL SALARIES: Please enter the TOTAL AMOUNT the agency anticipates expending in salary costs for all staff that will be funded directly through this contract or leveraged funds in line 10, Column B. In Columns C, H, O, Q and S, enter the dollar amounts this contract and each other funding source will be charged for these salaries. Example: Total agency salary expenses of \$250,000 for this project/program over the contract term, 50% of staff time is spent on activities funded through OED contract GE00001, 10% on activities funded through OED contract GE00002, and 10% through a contract with another city agency, and 30% through a non-federal contract with the City of Lakewood, enter \$125,000 in Column B, \$25,000 in Column H, \$25,000 in Column O and \$75,000 in Column S. Provide a detailed breakdown of the individual positions, supported amounts and calculation methodology in the budget narrative.	Enter the agency budget TOTAL for those personnel supported with this grant or leveraged funds. This figure will include funds from this contract as well as all other funding sources. If completing a budget modification, please update Agency totals to reflect any new (or reduced) funds. If completing a budget modification, unhide Columns E - G and Columns J - L as needed.	Enter the total amount of salary expense for all staff involved in this project which will be charge to these contract funds. The allocation (%) will be automatically calculated.		If necessary, enter the amount of salaries of staff involved in this project which is supported by funds from a second Denver OED contract. The allocation (%) will be automatically calculated. Contact your OED Contract Administrator if you have more than two contracts with OED (including BHS and DOSP).		Do not enter! Total and allocation will calculate based on figures in in previous Columns (C through L)		Enter the amount of staff salaries you intend to pay with funds from other City and County of Denver funding not obtained through OED. Possible funding agencies may include but are not limited to Human Services, Mayor's Office of Education and Children, Office of Cultural Affairs, etc. Please enter total of all Non-OED City funds. The allocation (%) will be automatically calculated.		Enter the total amount for employee salaries you intend to pay with other Federal funding not granted through the City & County of Denver. This could be through the state or other local governments, through non-profit grantors, or directly through the federal government, etc. The allocation (%) will be automatically calculated.		Enter the total amount for staff salaries you intend to pay with funds from non-federal, non-city funding. This may include donations, fees, revenue, grants through non-profit organizations, state or local governments. The allocation (%) will be automatically calculated.		Do not enter! Total and allocation will calculate based on figures in the previous Columns (C through T) and should match Agency Total in Column B. If the totals do not match, please ensure you are including all funds that support this project accurately.	
TOTAL FRINGE BENEFITS: In in Column B, please enter the total dollar amount of fringe benefits anticipated based on the total salary provided in line 10 and described the budget narrative. In Columns C, H, O, Q and S, enter the dollar amounts this contract and each other funding source will be charged for fringe benefits based on the salary allocations. Example: Total agency Fringe expenses of \$55,000 for this project/program over the contract term, 50% of staff time is spent on activities funded through OED contract GE00001, 10% on activities funded through OED contract GE00002, 10% through another City Contract and 30% through a non-federal contract with the City of Lakewood, enter \$27,500 in Column B, \$5,500 in column H, \$5,500 in Column O and \$16,500 in Column S. Provide a detail breakdown of the types of benefits (FICA, Colorado Unemployment Insurance, Health Insurance, Long Term Disability, etc.), amounts and calculation methodology in the budget narrative.	Enter the agency budget TOTAL for fringe benefits of personnel supported with this contract or leveraged funds. This figure will include funds from this contract as well as all other funding sources. When completing a budget modification, please update Agency totals to reflect any new (or reduced) funds. If completing a budget modification, unhide Columns E - G and Columns J - L as needed.	Enter the amount of fringe benefits you intend to pay with funds from this contract for the fringe benefits associated with staff involved in this project. The allocation (%) will be automatically calculated.		If necessary, enter the amount of fringe benefits of staff involved in this project which is supported by funds from a second Denver OED contract.. The allocation (%) will be automatically calculated. Contact your OED Contract Administrator if you have more than two contracts with OED (including BHS and DOSP).		Do not enter! Total and allocation will calculate based on figures in in previous Columns (C through L)		Enter the amounts you intend to pay with funds from all OTHER Denver (non-OED) grants for the fringe benefits associated with staff involved in this project. The allocation (%) will be automatically calculated.		Enter the amounts you intend to pay with funds from all OTHER Federal grants for the fringe benefits associated with staff involved in this project. The allocation (%) will be automatically calculated.		Enter the amounts you intend to pay with funds from all OTHER Non-federal grants for the fringe benefits associated with staff involved in this project. The allocation (%) will be automatically calculated.		Do not enter! Total and allocation will calculate based on figures in the previous Columns (C through T) and should match Agency Total in Column B. If the totals do not match, please ensure you are including all funds that support this project accurately.	
Line 12:															
Total Personnel Costs: Do not enter! Figures will calculate based on amounts entered above.	Do not enter! Totals and allocations calculate based on amounts entered above.			Do not enter! Totals and allocations calculate based on amounts entered		Do not enter! Figures will calculate based on amounts entered above.						Do not Enter!		Do not Enter!	
Lines 14 - 21:															
Non-Personnel: Those project costs not related to personnel or fringe benefits. Please limit budget line items to the following and refer to the budget narrative for more description of what may be included in each line item. Please use the budget narrative to describe each sub-item you are including in these totals, the amount budgeted for each and calculation methodology. Participant Direct Costs can include tuition, customer travel, events, OJT, etc. Subcontractor Costs: List each subcontractor that provides services that are supported with or provide leverage to these funds. Other Direct Costs: Include office supplies, staff travel, staff development, etc.. Facility Costs: Include rent, utilities, insurance, phone, equipment leases, etc. Indirect Cost Allocation: Please include the total amount of your indirect costs based on the approved indirect allocation rate. Include the approval letter with your narrative.	Enter the agency budget TOTAL for non-personnel expenses supported with this contract or leveraged funds. This figure will include funds from this contract as well as all other funding sources. When completing a budget modification, please update Agency totals to reflect any new (or reduced) funds. If completing a budget modification, unhide Columns E - G and Columns J - L as needed.	Enter the amounts you intend to pay with funds from this grant for non-personnel expenses incurred through and related to this project. The allocation (%) will be automatically calculated.		Enter the amount of non-personnel expenses incurred this project which is supported by funds from a second Denver OED contract.. The allocation (%) will be automatically calculated.		Do not enter! Total and allocation will calculate based on figures in in previous Columns (C through L)		Enter the amounts you intend to pay with funds from all OTHER Denver (non-OED) funding for the non-personnel costs associated with this project. The allocation (%) will be automatically calculated.		Enter the amounts you intend to pay with funds from all OTHER Federal grants for the non-personnel costs associated with or incurred by this project. The allocation (%) will be automatically calculated.		Enter the amounts you intend to pay with funds from all OTHER non-federal funding for the non-personnel costs associated with or incurred by this project. The allocation (%) will be automatically calculated.		Do not enter! Total and allocation will calculate based on figures in the previous Columns (C through T) and should match Agency Total in Column B. If the totals do not match, please ensure you are including all funds that support this project accurately.	
Line 22:															
Total Non-Personnel: Do not enter! Totals and allocations will calculate based on amounts entered above.	Do not enter! Totals and allocations calculate based on amounts entered above.			Do not enter! Totals and allocations calculate based on amounts entered		Do not enter! Totals and allocations will calculate based on amounts entered above.						Do not Enter!		Do not Enter!	
Line 24:															

Program Budget and Cost Allocation Plan Summary Instructions

ONLY ENTER AMOUNTS IN THE GREEN OR YELLOW CELLS!

	Column B	Column C	Column D	Column H	Column I	Column M	Column N	Column O	Column P	Column Q	Column R	Column S	Column T	Column U	Column V
	Agency Total (All Funding Sources): Total	Project Costs OED Funding 1 OEDEV-201100001-00 Total %		Project Costs OED Funding 2 GE00002 Total %		Total Project Costs requested from OED Total %		Other City & County of Denver Funding Total %		Other Federal Funding Total %		Other Non-Federal Funding Total %		AGENCY TOTAL Total %	
Total Project Cost: Do not enter! Totals and allocations will calculate based on amounts entered above.	Do not enter! Totals and allocations calculate based on amounts entered above.		Do not enter! Totals and allocations calculate based on amounts entered		Do not enter! Totals and allocations will calculate based on amounts entered above.				Do not enter!		Do not enter!				
Line 26: Program Income: Please enter the amount of income you anticipate to generate through the activities funded through this contract, if applicable. (examples, Client fees, facility rental. This may also be included in Column S "Other Non-Federal Income" It is acceptable to list it twice, the Program Income line item is not included in any other calculations.	Enter the anticipated agency TOTAL program income generated from activities related to this grant. When completing a budget modification, please update Agency totals to reflect any new (or reduced funds).	Enter the anticipated program income generated directly from activities related to this grant.	Enter the anticipated program income generated directly from activities related to other OED grants. Contact your OED Contract Administrator if you have more than two contracts with OED (including BHS and DOSP).	Do not enter! Total and allocation will calculate based on figures in in previous Columns (C through L)			Enter the anticipated program income generated directly from activities related to other Denver funding	Enter the anticipated program income generated directly from activities related to other federal funding	Enter the anticipated program income generated directly from activities related to other non-federal funding	Do not enter! Total and allocation will calculate based on figures in the previous Columns (C through T) and should match Agency Total in Column B.					
Lines 28 - 30: Non-Project Costs: Please enter the total Agency costs of Personnel (Salary + Fringe) and Non-Personnel costs that are not directly related to this project or contract budget in column B and provide dollar amounts as allocated in the appropriate funding source column.	Enter the agency budget TOTAL for expenses not directly related to this grant. This figure will include funds all other funding sources that supports all of your organization's other activities. Do not include amounts included above in "Indirect Cost Allocation". When completing a budget modification, please update Agency totals to reflect any new (or reduced) funds.	Do not Enter! Please include only project costs in this contract budget. Include any indirect costs as part of an approved indirect allocation rate or as a direct personnel or non-personnel expense above.	Do not Enter! Please include only project costs in this contract budget. Include any indirect costs as part of an approved indirect allocation rate or as a direct personnel or non-personnel expense above.	Do not enter! Total and allocation will calculate based on figures in in previous Columns (C through L)			Enter the amounts you intend to pay from all OTHER Denver (Non-OED) grants for all other expenses incurred by your organization that are not directly related to this project. Do not include amounts included above in "Indirect Costs / Indirect Allocation". The allocation (%) will be automatically calculated.	Enter the amounts you intend to pay from all OTHER Federal sources (non-Denver) for all other expenses incurred by your organization that are not directly related to this project. Do not include amounts included above in "Indirect Costs / Indirect Allocation". The allocation (%) will be automatically calculated.	Enter the amounts you intend to pay from all OTHER non-Federal sources (non-Denver) for all other expenses incurred by your organization that are not directly related to this project. Do not include amounts included above in "Indirect Costs / Indirect Allocation". The allocation (%) will be automatically calculated.	Do not enter! Total and allocation will calculate based on figures in the previous Columns (C through T) and should match Agency Total in Column B. If the totals do not match, please ensure you are including all funds that support this project accurately.					
Line 31 - 33: Total Non-Project Cost and Grand Total: Do Not Enter! Totals and allocations will calculate based on amounts entered above.	Do Not Enter! Totals and allocations calculate based on amounts entered above.		Do Not Enter! Totals and allocations calculate based on amounts entered above.		Do Not Enter! Totals and allocations calculate based on amounts entered above.			Do not enter! Totals and allocations calculate based on amounts above.		Do not enter! Totals and allocations calculate based on amounts above.					

Program Budget and Cost Allocation Plan Summary

Contractor Name: Denver Urban Renewal Authority/SFR

Program Year: 2013 - 2014 (SFR)

Project : _____

Contract Dates: JUNE 1, 2013 to November 30, 2014 (SFR)

Budget Category	Agency Total (All Funding Sources)	RHAMP 201309720		Emergency Home Repair 201309718		Single Family Rehab 2012xxxxxx		Total Project Costs requested from OED		Other City & County of Denver Funding (Add applicable funding as necessary)		Other Federal
		Amount	%	Amount	%	Amount	%	Subtotal	%	Amount	%	
PERSONNEL COSTS	Total											
Total Salaries	\$546,667.00	30,000	5.49%	37,500	6.86%	50,000	9.15%	117,500	21.49%	13,500	2.47%	
Total Fringe Benefits	\$119,665.41		0.00%		0.00%		0.00%	-	0.00%		0.00%	
Total Personnel Costs	666,332.41	30,000	4.50%	37,500	5.63%	50,000	7.50%	117,500	17.63%	13,500	2.03%	-
NON-PERSONNEL:	Total											
Participant Direct Costs			#DIV/0!		#DIV/0!		#DIV/0!	-	#DIV/0!		#DIV/0!	
Subcontractor Costs-Single Family Rehab.	\$1,500,000.00		0.00%		0.00%	450,000	30.00%	450,000	30.00%		0.00%	475,000
Subcontractor Costs-Emergency Home Repair	\$400,000.00		0.00%	212,500	53.13%		0.00%	212,500	53.13%		0.00%	187,500
Subcontractor Costs-Energy Efficiency Program	\$136,500.00		0.00%		0.00%		0.00%	-	0.00%	136,500	100.00%	
Subcontractor Costs-RHAMP	\$170,000.00	170,000	100.00%		0.00%		0.00%	170,000	100.00%		0.00%	
Other Direct Costs			#DIV/0!		#DIV/0!		#DIV/0!	-	#DIV/0!		#DIV/0!	
Facility Costs	\$116,142.00		0.00%		0.00%		0.00%	-	0.00%		0.00%	
Indirect Cost Allocation	\$133,484.00		0.00%		0.00%		0.00%	-	0.00%		0.00%	
Total Non-Personnel Costs	2,456,126.00	170,000	6.92%	212,500	8.65%	450,000	18.32%	832,500	33.89%	136,500	5.56%	662,500
Total Project Cost	3,122,458.41	200,000	6.41%	250,000	8.01%	500,000	16.01%	950,000	30.42%	150,000	4.80%	662,500
Program Income (through funded activities)			#DIV/0!		#DIV/0!		#DIV/0!	-	#DIV/0!		#DIV/0!	
Non-Project:	Total											
Personnel Costs:			#DIV/0!		#DIV/0!		#DIV/0!	-	#DIV/0!		#DIV/0!	
Non-Personnel Costs:			#DIV/0!		#DIV/0!		#DIV/0!	-	#DIV/0!		#DIV/0!	
Total Non-Project Costs	-	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-	#DIV/0!	-
Grand Total	3,122,458.41	200,000	6%	250,000	8.01%	500,000	16.01%	780,000	24.98%	150,000	4.80%	662,500

	A	B	C	D	H	I	M	N	O	P	Q	R	S	T	U	V
1	Program Budget and Cost Allocation Plan Summary															
2	Contractor Name:	<u>Sample Program</u>										Program Year:	<u>2011-12</u>			
3	Project:	<u>Employment Training</u>														
4	Contract Dates:	<u>July 1, 2011</u>	to	<u>June 30, 2012</u>	Return to OED Project Specialist:											
6	Budget Category	Agency Total (All Funding Sources)	Project Costs OED Funding 1 OEDEV-201100001- 00	Project Costs OED Funding 2 GE00002	Total Project Costs requested from OED	Other City & County of Denver Funding (Add applicable funding as necessary)	Other Federal Funding	Other Non-Federal Funding	Agency Total							
9	PERSONNEL COSTS	Total	Amount	%	Amount	%	Subtotal	%	Amount	%	Amount	%	Amount	%	Amount	%
10	Total Salaries	\$250,000.00	125,000	50.00%	25,000	10.00%	150,000	60.00%	25,000	10.00%		0.00%	75,000	30.00%	250,000	100.00%
11	Total Fringe Benefits	\$55,000.00	27,500	50.00%	5,500	10.00%	33,000	60.00%	5,500	10.00%		0.00%	16,500	30.00%	55,000	100.00%
12	Total Personnel Costs	305,000.00	152,500	50.00%	30,500	10.00%	183,000	60.00%	30,500	10.00%	-	0.00%	91,500	30.00%	305,000	100.00%
14	NON-PERSONNEL:	Total	Amount	%	Amount	%	Subtotal	%	Amount	%	Amount	%	Amount	%	Amount	%
15	Participant Direct Costs	\$75,000.00	37,500	50.00%	7,500	10.00%	45,000	60.00%	7,500	10.00%		0.00%	22,500	30.00%	75,000	100.00%
16	Subcontractor Costs (specify subcontractor)	\$50,000.00	25,000	50.00%	-	0.00%	25,000	50.00%	5,000	10.00%		0.00%	20,000	40.00%	50,000	100.00%
17	Subcontractor Costs (specify subcontractor)	\$25,000.00	12,500	50.00%	-	0.00%	12,500	50.00%	2,500	10.00%	10,000	40.00%		0.00%	25,000	100.00%
18	Subcontractor Costs (specify subcontractor)	\$5,000.00	2,500	50.00%		0.00%	2,500	50.00%	500	10.00%	1,000	20.00%	1,000	20.00%	5,000	100.00%
19	Other Direct Costs	\$10,000.00	5,000	50.00%	1,000	10.00%	6,000	60.00%	1,000	10.00%	2,000	20.00%	1,000	10.00%	10,000	100.00%
20	Facility Costs	\$50,000.00	25,000	50.00%	5,000	10.00%	30,000	60.00%	5,000	10.00%		0.00%	15,000	30.00%	50,000	100.00%
21	Indirect Cost Allocation	\$43,450.00	21,725	50.00%	3,465	7.97%	25,190	57.97%	4,345	10.00%	1,430	3.29%	12,485	28.73%	43,450	100.00%
22	Total Non-Personnel Costs	258,450.00	129,225	50.00%	16,965	6.56%	146,190	56.56%	25,845	10.00%	14,430	5.58%	71,985	27.85%	258,450	100.00%
24	Total Project Cost	563,450.00	281,725	50.00%	47,465	8.42%	329,190	58.42%	56,345	10.00%	14,430	2.56%	163,485	29.01%	563,450	100.00%
26	Program Income (through funded activities)			#DIV/0!		#DIV/0!	-	#DIV/0!		#DIV/0!		#DIV/0!		#DIV/0!	-	#DIV/0!
28	Non-Project:	Total	Amount	%	Amount	%	Subtotal	%	Amount	%	Amount	%	Amount	%		
29	Personnel Costs:	\$80,000.00		0.00%		0.00%	-	0.00%		0.00%	20,000	25.00%	60,000	75.00%	80,000	100.00%
30	Non-Personnel Costs:	\$40,000.00		0.00%		0.00%	-	0.00%		0.00%	10,000	25.00%	30,000	75.00%	40,000	100.00%
31	Total Non-Project Costs	120,000	-	0.00%	-	0.00%	-	0.00%	-	0.00%	30,000	25.00%	90,000	75.00%	120,000	100.00%
33	Grand Total	683,450.00	281,725	41%	47,465	6.94%	329,190	48.17%	56,345	8.24%	44,430	6.50%	253,485	37.09%	683,450	100.00%
34																
35																
36																
37																

SUGGESTED ALLOCATION BASES

The following are suggested allocation bases that might be used to direct charge joint costs to Federal awards and other activities of the organization. The allocation base selected by the non-profit organization must be 1) reasonable and consistently applied, 2) supported by accurate and current data, 3) appropriate to the particular cost being distributed, and 4) must result in an accurate measure of the benefits provided to each activity of the organization.

TYPE OF SERVICE	SUGGESTED BASIS FOR ALLOCATION
Accounting	Number of transactions processed
Auditing	Direct Audit Hours
Budgeting	Direct hours of identifiable services of employees of central budget
Building lease management	Number of leases
Data Processing	System usage.
Disbursing service	Number of checks or warrants issued.
Employees Retirement system administration	Number of employees contributing
Insurance management Service	Dollar value of insurance premiums.
Legal Services	Direct hours
Mail and messenger	Number of documents handled or service employees served
Motor pool costs including automotive management	Miles driven and/or days used
Office machines and equipment maintenance repairs	Direct hours
Office space use and related costs (heat, light, janitor service, etc)	Sq. Ft. of space occupied
Organization and management services	Number of employees
Payroll services	Number of employees
Personnel administration	Number of employees
Printing and reproduction	Direct hours, job basis, pages printed, etc.
Procurement Services	Number of transactions processed
Local telephone	Number of telephone instruments
Health services	Number of employees
Fidelity bonding program	Employees subject to bond or penalty amounts

NOTE : Any method of allocation can be used which will produce an equitable and rational distribution of costs. The essential consideration in selecting a method or base is that it is the one best suited for assigning the pool of costs to cost objectives in accordance with benefits derived; a traceable cause and effect relationship; or logic and reason. When an allocation can be made by assignment of a cost grouping directly to the function benefited, the allocation shall be made in that manner. When the expenses in a cost grouping are more general in nature, the allocation shall be made through the use of a selected base which produces results that are equitable to the Federal Government and the organization.

Single Family Rehabilitation Budget Narrative

A. Personnel: List each position by title as outlined in the Cost Allocation Plan (Budget) Spreadsheet. Show the annual salary rate and the percentage of time to be devoted to the project. Compensation paid for employees engaged in grant activities must be consistent with that paid for similar work within the applicant organization and match the figures provided in the Budget Spreadsheet.

Name/Position Computation Cost

Housing Manager – Taryn Lewis \$112,000/year: \$28,000 total allocation – (25% of time spent on project) City Contract share - \$7,360 (26%) – 7%
Provides outreach to the community. Oversees staff and manages implementation of Single Family Rehabilitation Program. Approves applicant eligibility and contractor payments. Conducts outreach and markets program (affirmative marketing and fair housing information to prospective homeowners).

Construction Supervisor – Don Eloe \$96,246/year: \$24,062 total allocation – (25% of time spent on project) City Contract share - \$10,000 (42%) – 10%
Supervises Rehabilitation Specialists and manages SFR case load. Carries case load and meets with clients, inspect home, prepares descriptions of work, bids work, executes contracts and oversees construction work on homes. Manages communication between homeowners and contractors. , Reviews and signs off on contractor payment requests.

Senior Loan Specialist – Brenda Bruce \$73,000/year: \$47,450 total allocation – (65% of time spent on project) City Contract share - \$16,800 (35%) – 23%
Explains program requirements to potential clients, takes applications from client, collects documents from client, performs loan underwriting, prepares closing packets, notes and deeds of trust, conducts loan closings, processes contractor payment requests and file closeout.

Rehabilitation Specialist – Rick Eddy \$62,032/year: \$41,127 total allocation – (65% of time spent on project) City Contract share - \$15,840 (39%) – 26%
Meets with homeowners, inspects property to determine rehab issue, prepares description of work and bid documents, receives bids and conducts construction contract closings. Monitors construction and inspects work prior to payment. Conducts lead assessments on properties.

All proposed program staff to be hired / employed by collaborating partner organizations should be included under the consultant / contracts cost category.

TOTAL PERSONNEL COST: \$140,639 = (\$50,000 Administrative Fee)

B. Fringe Benefits: Fringe benefits should be based on actual known costs or an established formula. Fringe benefits expenses are only for the personnel listed in budget category (A) and only for the percentage of time devoted to the project as described above and in the Budget Spreadsheet. Below is a list of common benefit expenses. Include all benefits your agency provides employees if more are offered than those listed below.

TOTAL FRINGE BENEFITS: \$-0-

C. Office Expenses: List items by type (office supplies, postage, copying paper, and other expendable items such as books, handheld tape recorders) and show the basis for computation. Generally, supplies include any materials that are expendable or consumed during the course of the project.

<u>Item</u>	<u>Computation</u>	<u>Cost</u>
Office Supplies (paper, pens, etc.)		

Postage

TOTAL SUPPLIES COSTS: \$-0-

Include a justification for all office expenses.

D. Communication: List items by type (cell phones, landlines, internet, etc.) and show the basis for computation.

Item	Computation	Cost
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TOTAL COMMUNICATION COSTS: \$ -0-

Include a justification for each item under communication.

E. Insurance: Itemize insurance expenses of project and include justification.

TOTAL INSURANCE COSTS: \$-0-

F. Travel Staff: Itemize travel expenses of project personnel by purpose (e.g., staff to training, field interviews, advisory group meeting, etc.). Show the basis of computation (e.g., six people to 3-day training at \$X airfare, \$X lodging, \$X subsistence). If the application includes putting on training, travel and meals for trainees should be listed separately from travel and meals of the applicant's staff. Show the number of trainees and unit costs involved. Identify the location of travel, if known. Indicate source of Travel Policies applied. Applicant or Federal Travel Regulations.

Note: Only travel of employees should be included in this category. Travel of partners or volunteers should be included in the "consultants/contracts" category.

Location	Item	Computation	Cost
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Purpose of Travel: Local Mileage
Provide estimated number of miles, cost per mile, and total.

TOTAL TRAVEL COSTS: \$-0-

G. Travel Client: Itemize client travel expenses of project by type and purpose (e.g., bus tokens, field interviews, advisory group meeting, etc.). Show the basis of computation (e.g., ten people travel to and from counseling sessions at \$X bus tokens).

TOTAL TRAVEL CLIENT COSTS: \$-0-

H. Equipment Rental: List rented or leased equipment costs. Explain how the equipment rental is necessary for the success of the project and include a narrative describing the procurement method to be used. If including vehicle costs (if allowed), include a justification for why it would be most cost-effective to lease or purchase a vehicle.

Item	Computation	Cost
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TOTAL EQUIPMENT COSTS: \$-0-

I. Facilities: List leased or rented facilities. Include a narrative describing the use of the facility. For example, provide the square footage and the cost per square foot for rent, and provide a monthly rental cost and how many months to rent.

<u>Facility</u>	<u>Computation</u>	<u>Cost</u>
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TOTAL FACILITIES COSTS: \$-0-

J. Educational Materials: List training materials used by the program, employee training by type and purpose.

<u>Item</u>	<u>Computation</u>	<u>Cost</u>
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TOTAL EDUCATIONAL MATERIALS COSTS: \$-0-

K. Meetings/Events: List meetings/ events costs and include a narrative that describes the purpose of each meetings/ events.

L. Professional Services: For each Professional Services enter the name, service to be provided, hourly or daily fee (8-hour day), and estimated time on the project. Indicate whether applicant's formal, written Procurement Policy or the Federal Acquisition Regulations are followed.

Name of Consultant Service Provided Computation Cost

Describe in detail the purpose of each consultant, their function in the organization, and why it is essential to have an outside professional services brought in. Professional services should be hired when no one in the organization has that level of expertise and the training provided is necessary to carry out the objectives of the program.

TOTAL PROFESSIONAL/CONSULTANT SERVICES COSTS: \$-0-

M. Subcontractor:

Provide the total amount of the subcontract as well as a narrative that states what will be accomplished through the contract. A fully executed subcontract must be provided to OED.

All subcontractor agreements are between the homeowner and the contractor.

TOTAL SUBCONTRACTOR COSTS: \$-0-

N. Construction Costs: Itemize and describe construction costs for the project.

Construction Cost A will be used for [explanation of how it will be used to complete the project]. Cost: \$450,000. These funds will be paid to general and subcontractors performing emergency home repairs.

TOTAL CONSTRUCTION COSTS: \$ 450,000

O. Other Direct Expenses: List items (e.g., reproduction, telephone, janitorial or security services, and investigative or confidential funds) by major type and the basis of the computation.

Description	Computation	Cost
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TOTAL OTHER DIRECT COSTS: \$-0-

Include a full description of products and other costs and how they will be used by the organization to promote the objectives of the program. Provide details on who will develop products and how they will be distributed. Provide justifications for other costs included that are not included elsewhere in the budget narrative and vital to fulfilling the objectives of the program.

P. Indirect Costs: Indirect costs are allowed only if the applicant has a federally-approved indirect cost rate and if permitted by the grant program. A copy of the rate approval (a fully executed, negotiated agreement) must be attached as well as a full description of which direct costs are used to calculate indirect costs.

Description	Computation	Cost
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TOTAL INDIRECT COSTS: \$ -0-

Q. Match Amount \$324,687

Please refer to the solicitation for specific program requirements on match. If you provide match voluntarily, you can discuss it in the project narrative but should not include it in the budget or budget narrative. **Funding from DOSP Residential Energy Efficiency Program, and DURA program fund contribution.**

Total Amount Requested from OED: \$500,000

EXHIBIT B

FINANCIAL ADMINISTRATION:

1.1 Compensation and Methods of Payment

- 1.1.1 Disbursements shall be processed through the Office of Economic Development (OED) - Financial Management Unit (FMU) and the City and County of Denver's Department of Finance.
- 1.1.2 The method of payment to the Contractor by OED shall be in accordance with established FMU procedures for line-item reimbursements. The Contractor must submit expenses and accruals to OED on or before the last day of each month for the previous month's activity. Voucher requests for reimbursement of costs should be submitted on a regular and timely basis in accordance with OED policies. Vouchers should be submitted within thirty (30) days of the actual service, expenditure or payment of expense, except for the final voucher for reimbursement.
- 1.1.3 The Contractor shall submit the final voucher for reimbursement no later than **forty-five (45) days after the end of the contract period.**
- 1.1.4 The Contractor shall be reimbursed for services provided under this Agreement according to the approved line-item reimbursement budget attached to and made a part of this Agreement (Exhibit A).

1.2 Vouchering Requirements

- 1.2.1 In order to meet Federal Government requirements for current, auditable books at all times, it is required that all vouchers be submitted monthly to OED in order to be paid.
 - a. The first exception will be that expenses cannot be reimbursed until the funds under this contract have been encumbered.
 - b. The second exception will be that costs cannot be reimbursed until they total a minimum of \$35 unless it is a final payment voucher, or the final voucher for the fiscal year (ending December 31).
- 1.2.2 No more than six (6) vouchers may be submitted per contract per month, without prior approval from OED.
- 1.2.3 All vouchers for all Agreements must be correctly submitted within forty-five (45) days of the Agreement end date to allow for correct and prompt closeout.
- 1.2.4 City and County of Denver Forms shall be used in back-up documents whenever required in the Voucher Processing Policy.

- 1.2.5 Only allowable costs determined in accordance with the OMB cost principles applicable to the organization incurring the cost will be reimbursed.
- 1.2.6 The reimbursement request, or draw request, for personnel and non-personnel expenses should be submitted to the City on a monthly basis, no later than the last day of the following month for expenses incurred in the prior month. The request for reimbursement should include:
- a. Amount of the request in total and by line item;
 - b. Period of services for current reimbursement;
 - c. Budget balance in total and by line item;
 - d. Authorization for reimbursement by the contract signatory (i.e., executive director or assistant director).
- 1.2.7 If another person has been authorized by the Contractor to request reimbursement for services provided by this contract, then the authorization should be forwarded in writing to OED prior to the draw request.
- 1.2.8 The standardized OED “Expense Certification Form” should be included with each payment request to provide the summary and authorization required for reimbursement.

1.3 Payroll

- 1.3.1 A summary sheet should be included to detail the gross salary of the employee, amount of the salary to be reimbursed, the name of the employee, and the position of the employee. If the employee is reimbursed only partially by this contract, the amount of salary billed under other contracts with the City or other organizations should be shown on the timesheet as described below. Two items are needed for verification of payroll: (1) the amount of time worked by the employee for this pay period; and (2) the amount of salary paid to the employee, including information on payroll deductions.
- 1.3.2 The amount of time worked will be verified with timesheets. The timesheets must include the actual hours worked under the terms of this contract, and the actual amount of time worked under other programs. The total hours worked during the period must reflect all actual hours worked under all programs including leave time. The employee’s name, position, and signature, as well as a signature by an appropriate supervisor, or executive director, must be included on the timesheets. If the timesheet submitted indicates that the employee provided services payable under this contract for a portion of the total time worked, then the amount of reimbursement requested must be calculated and documented in the monthly reimbursement request.

- 1.3.3 A payroll register or payroll ledger from the accounting system will verify the amount of salary. Copies of paychecks are acceptable if they include the gross pay and deductions.

1.4 Fringe Benefits

- 1.4.1 Fringe benefits paid by the employer can be requested by applying the FICA match of 7.65 percent to the gross salary paid under this contract. Fringe benefits may also include medical plans, retirement plans, worker's compensation, and unemployment insurance. Fringe benefits that exceed the FICA match may be documented by 1) a breakdown of how the fringe benefit percentage was determined prior to first draw request; or, 2) by submitting actual invoices for the fringe benefits. If medical insurance premiums are part of the estimates in item #1, one-time documentation of these costs will be required with the breakdown. Payroll taxes may be questioned if they appear to be higher than usual.

1.5 General Reimbursement Requirements

- 1.5.1 Invoices: All non-personnel expenses need dated and readable invoices. The invoices must be from a vendor separate from the Contractor, and must state what goods or services were provided and the delivery address. Verification that the goods or services were received should also be submitted, this may take the form of a receiving document or packing slips, signed and dated by the individual receiving the good or service. Copies of checks written by the Contractor, or documentation of payment such as an accounts payable ledger which includes the check number shall be submitted to verify that the goods or services are on a reimbursement basis.
- 1.5.2 Mileage: A detailed mileage log with destinations and starting and ending mileage must accompany mileage reimbursement. The total miles reimbursed and per mile rate must be stated. Documentation of mileage reimbursement to the respective employee must be included with the voucher request.
- 1.5.3 Pager/Cell Phone: Written statement from executive director will be required certifying that cell phone is necessary and reasonable to run the program. And, if the monthly usage charge is exceeded in any month, a detailed phone log will be required for the amount of the overage.
- 1.5.4 Administration and Overhead Cost: Other non-personnel line items, such as administration, or overhead need invoices, and an allocation to this program documented in the draw request. An indirect cost rate can be applied if the Contractor has an approved indirect cost allocation plan. The approved indirect cost rate must be submitted to and approved by OED.
- 1.5.5 Service Period and Closeout: All reimbursed expenses must be incurred during the time period within the contract. The final payment request must be received

by OED within forty-five (45) days after the end of the service period stated in the contract.

2.1 Program Income

- 2.1.1 Program income includes, without limitation, income from fees for services performed, from the use or rental of real or personal property acquired with contract funds, from the sale of commodities or items fabricated under a contract agreement, and from payments of principal and interest on loans made with contract funds.
- 2.1.2 Program income may be deducted from total allowable costs to determine net allowable costs and may be used for current reimbursable costs under the terms of this contract. Program income which was not anticipated at the time of the award may be used to reduce the award contribution rather than to increase the funds committed to the project. **ALL PROGRAM INCOME GENERATED DURING ANY GIVEN PERIOD SUBMITTED FOR PAYMENT SHALL BE DOCUMENTED ON THE VOUCHER REQUEST.**
- 2.1.3 The Contractor, at the end of the program, may be required to remit to the City all or a part of any program income balances (including investments thereof) held by the Contractor (except **AS APPROVED IN WRITING BY OED, INCLUDING** those needed for immediate cash needs, cash balances of a revolving loan fund, cash balances from a lump sum drawdown, or cash or investments held for section 108 security needs), unless otherwise directed in writing by OED.

3.1 Financial Management Systems

The Contractor must maintain financial systems that meet the following standards:

- 3.1.1 Financial reporting must be accurate, current, and provide a complete disclosure of the financial results of financially assisted activities and be made in accordance with federal financial reporting requirements.
- 3.1.2 Accounting records must be maintained which adequately identify the source and application of the funds provided for financially assisted activities. The records must contain information pertaining to contracts and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income. Accounting records shall provide accurate, separate, and complete disclosure of fund status.
- 3.1.3 Effective internal controls and accountability must be maintained for all contract cash, real and personal property, and other assets. Adequate safeguards must be provided on all property and it must be assured that it is used solely for authorized purposes.

- 3.1.4 Actual expenditures or outlays must be compared with budgeted amounts and financial information must be related to performance or productivity data, including the development of cost information whenever appropriate or specifically required.
- 3.1.5 Applicable Office of Management and Budget (OMB) cost principles, agency program regulations, and the terms of the agreement will be followed in determining the reasonableness, allowability and allocability of costs.
- 3.1.6 Source documents such as cancelled checks, paid bills, payrolls, time and attendance records, contract documents, etc., shall be provided for all disbursements. The Contractor will maintain auditable records, i.e., records must be current and traceable to the source documentation of transactions.
- 3.1.7 The Contractor shall maintain separate accountability for OED funds as referenced in 24 C.F.R. 85.20 and OMB Circular A-110.
- 3.1.8 The Contractor must properly report to Federal, State, and local taxing authorities for the collection, payment, and depositing of taxes withheld. At a minimum, this includes Federal and State withholding, State Unemployment, Worker's Compensation (staff only), City Occupational Privilege Tax, and FICA.
- 3.1.9 A proper filing of unemployment and worker's compensation (for staff only) insurance shall be made to appropriate organizational units.
- 3.1.10 The Contractor shall participate, when applicable, in OED provided staff training sessions in the following financial areas including, but not limited to (1) Budgeting and Cost Allocation Plans; (2) Vouchering Process.

4.1 Audit Requirements

- 4.1.1 If the Contractor expends five hundred thousand dollars (\$500,000) or more of federal awards in the Contractor's fiscal year, the Contractor shall ensure that it, and its sub recipients(s), if any, comply with all provisions of the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507) and revised OMB Circular A-133 "Audits of States, Local Governments, and Non-Profit Organizations."
- 4.1.2 A copy of the final audit report must be submitted to the OED Financial Manager within the earliest of thirty (30) calendar days after receipt of the auditor's report; or nine (9) months after the end of the period audited.
- 4.1.3 A management letter, if issued, shall be submitted to OED along with the reporting package prepared in accordance with the Single Audit Act Amendments and OMB Circular A-133. If the management letter is not received by the subrecipient at the same time as the Reporting Package, the Management Letter is also due to OED within thirty (30) days after receipt of the Management Letter, or nine (9) months after the end of the audit period, whichever is earlier.

If the Management Letter has matters related to OED funding, the Contactor shall prepare and submit a Corrective Action Plan to OED in accordance with the Single Audit Act Amendments and OMB Circular A-133, as set forth in 24 C.F.R. Part 45 for each applicable management letter matter.

- 4.1.4 All audit related material and information, including reports, packages, management letters, correspondence, etc., shall be submitted to **OED Financial Management Unit**.
- 4.1.5 The Contractor will be responsible for all Questioned and Disallowed Costs.
- 4.1.6 The Contractor may be required to engage an audit committee to determine the services to be performed, review the progress of the audit and the final audit findings, and intervene in any disputes between management and the independent auditors. The Contractor shall also institute policy and procedures for its sub recipients that comply with these audit provisions, if applicable.

5.1 Budget Modification Requests

- 5.1.1 Minor modifications to the services provided by the Contractor or changes to each line item budget equal to or less than a ten percent (10%) threshold, which do not increase the total funding to the Contractor, will require only notification to OED with the next monthly draw. Minor modifications to the services provided by Contractor, or changes to each line item budget in excess of the ten percent (10%) threshold, which do not increase the total funding to Contractor, may be made only with prior written approval by OED. Such budget and service modifications will require submittal by Contractor of written justification and new budget documents. All other contract modifications will require an amendment to this Agreement executed in the same manner as the original Agreement.
- 5.1.2 The Contractor understands that any budget modification requests under this Agreement must be submitted to OED prior to the last Quarter of the Contract Period, unless waived in writing by the OED Director.

6.1 Procurement

- 6.1.1 The Contractor shall follow the City Procurement Policy to the extent that it requires that at least three (3) documented quotations be secured for all purchases or services (including insurance) supplies, or other property that costs more than five thousand dollars (\$5,000) in the aggregate.
- 6.1.2 The Contractor will maintain records sufficient to detail the significant history of procurement. These records will include, but are not limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

- 6.1.3 If there is a residual inventory of unused supplies exceeding five thousand dollars (\$5,000) in total aggregate upon termination or completion of award, and if the supplies are not needed for any other federally sponsored programs or projects the Contractor will compensate the awarding agency for its share.

7.1 Bonding

- 7.1.1 OED may require adequate fidelity bond coverage, in accordance with 24 C.F.R. 84.21, where the subrecipient lacks sufficient coverage to protect the Federal Government's interest.

8.1 Records Retention

- 8.1.1 The Contractor must retain for five (5) years financial records pertaining to the contract award. The retention period for the records of each fund will start on the day the single or last expenditure report for the period, except as otherwise noted, was submitted to the awarding agency.
- 8.1.2 The awarding agency and the Comptroller General of the United States, or any of their authorized representatives, shall have the right of access, upon reasonable notice, to any pertinent books, documents, papers, or other records which are pertinent to the contract, in order to make audits, examinations, excerpts, and transcripts.

9.1 Contract Close-Out

- 9.1.1 All Contractors are responsible for completing required OED contract close-out forms and submitting these forms to their appropriate OED Contract Specialist within sixty (60) days after the Agreement end date, or sooner if required by OED in writing.
- 9.1.2 Contract close out forms will be provided to the Contractor by OED within thirty (30) days prior to end of contract.
- 9.1.3 OED will close out the award when it determines that all applicable administrative actions and all required work of the contract have been completed. If Contractor fails to perform in accordance with this Agreement, OED reserves the right to unilaterally close out a contract, "unilaterally close" means that no additional money may be expended against the contract.

10.1 Collection of amounts due

- 10.1.1 Any funds paid to a Contractor in excess of the amount to which the Contractor is finally determined to be entitled under the terms of the award constitute a debt to the Federal Government and the City. If not paid within a reasonable period after demand, OED may 1) Make an administrative offset against other requests for reimbursements, 2) Withhold advance payments otherwise due to the Contractor, or 3) other action permitted by law.

**PART II
SUPPLEMENTARY GENERAL CONDITIONS (HOME)**

**ARTICLE I
FEDERAL REQUIREMENTS**

The following conditions take precedence over any conflicting conditions in the Agreement.

Sec. 100. Definitions. As used in this Agreement:

A. “City” means City and County of Denver or a person authorized to act on its behalf.

B. “Contractor” means a person or entity that has entered into an Agreement with the City under which the person or entity will receive federal funds under the Home Investment Partnership Program (“HOME”). “Subcontractor” means any person or entity that enters into an agreement or contract with a Contractor.

C. “OED” means the City’s Office of Economic Development or a person authorized to act on its behalf.

D. “HUD” means the Secretary of Housing and Urban Development or a person authorized to act on his behalf.

E. “Construction contract or agreement” means a contract for construction, rehabilitation, alteration and/or repair, including painting and decorating.

Sec. 101. Cranston-Gonzales National Affordable Housing Act. This Agreement is subject to Title II of the Cranston-Gonzales National Affordable Housing Act of 1990 (42 U.S.C. 12701-12839), and HUD regulations at 24 C.F.R. Part 92.

Sec. 102. Uniform Administrative Requirements. This Agreement is subject to the requirements of U.S. Office of Management and Budget (OMB) Circular Nos. A-87, A-110, A-122, A-128, and A-133, and applicable sections of 24 C.F.R. Part 84 as they relate to the acceptance and use of Federal funds.

Sec. 103. Nondiscrimination Under Title VI of the Civil Rights Act of 1964.

A. This Agreement is subject to the requirements of the Fair Housing Act (42 U.S.C. 3601-20) and implementing regulations at 24 C.F.R. Part 100, and Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and implementing regulations at 24 C.F.R. Part 1, prohibiting discrimination on the basis of race, color, or national origin in any program or activity receiving federal financial assistance.

B. In the sale, lease or other transfer of land acquired, cleared or improved with assistance provided under this Agreement, the Contractor shall cause or require a covenant running with the land to be inserted in the deed or lease for such transfer, prohibiting discrimination upon the basis of race, color, religion, sex or national origin, in the sale, lease or rental, or in the use or occupancy of such land or any improvements erected or to be erected thereon, and providing that the Contractor and the United States are beneficiaries of and entitled to enforce such covenant. The Contractor agrees to take such measures as are necessary to enforce such covenant and will not itself so discriminate.

Sec. 104. Nondiscrimination in Housing Under Title VIII of the Civil Rights Act of 1968. This Agreement is subject to the requirements of Title VIII of the Civil Rights Act of 1968 (P.L. 90-284), and implementing regulations, prohibiting housing discrimination on the basis of race, color, religion, sex, disability/handicap, familial status, or national origin. The Contractor agrees to carry out the services under this Agreement in a manner so as to affirmatively further fair housing.

Sec. 105. Nondiscrimination Under Age Discrimination Act of 1975. This Agreement is subject to the requirements of the Age Discrimination Act of 1975 (42 U.S.C. 6101-07) and implementing regulations of the U.S. Department of Health and Human Services. Except as provided in the Act, no person shall, on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving funds under this Agreement. The Contractor will include the provisions of the above clause in every subcontract which is paid for in whole or in part with assistance provided under this Agreement.

Sec. 106. Compliance with Section 109 of the Housing and Community Development Act of 1974. This Agreement is subject to Section 109 of the Housing and Community Development Act of 1974, as amended, and implementing regulations (24 C.F.R. Part 6 and Section 570.602), providing that no person shall be excluded from participation (including employment), denied program benefits or subjected to discrimination on the basis of race, color, national origin, religion or sex under any program or activity funded in whole or in part under Title I of the Act.

Sec. 107. Nondiscrimination and Equal Opportunity in Housing Under Executive Order 11063. This Agreement is subject to Executive Order 11063, issued November 20, 1962, as amended by Executive Order 12259, issued December 31, 1980, and implementing regulations at 24 C.F.R. Part 107, requiring equal opportunity in housing by prohibiting discrimination on the basis of race, color, religion, sex or national origin in the sale or rental of housing built with federal assistance.

Sec. 108. Nondiscrimination on the Basis of Handicap Under Rehabilitation Act of 1973. This Agreement is subject to Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as amended, and regulations at 24 C.F.R. Part 8, providing that no otherwise qualified individual shall, solely by reason of a handicap, be excluded from participation (including

employment), denied program benefits or subjected to discrimination under any program or activity receiving federal funds.

Sec. 109. "Section 3" Compliance in the Provision of Training, Employment and Business Opportunities.

A. The work to be performed under this contract is subject to the requirements of section 3 of Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3 shall, to the greatest extent feasible, be directed to low and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 C.F.R. Part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.

C. The Contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Contractor's commitments under this section 3 clause, and will post copies of this notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The Contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. Part 135. The Contractor will not subcontract with any subcontractor where the Contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. Part 135.

E. The Contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the Contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. Part 135 require employment opportunities to be directed, were not filled to circumvent the Contractor's obligations under 24 C.F.R. Part 135.

F. Noncompliance with HUD's regulations in 24 C.F.R. Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD-assisted contracts.

Sec. 110. Relocation Assistance and Property Acquisition Requirements. This Agreement is subject to the relocation and acquisition requirements of the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970, as amended, and implementing regulations at 49 C.F.R. Part 24; Section 104(d) of the Housing & Community Development Act, as amended, and implementing regulations at 24 C.F.R. Part 42; and 24 C.F.R. 92.353 and 92.634. The Contractor must comply with the City's Anti Displacement and Relocation Assistance Plan on file.

Sec. 111. Conflict of Interest. The provisions of 24 C.F.R. 92.356 regarding "Conflict of Interest" are expressly incorporated herein by this reference.

Sec. 112. Political Activity Prohibited. None of the funds provided under this Agreement shall be used directly or indirectly for any partisan political activity, or to further the election or defeat of any candidate for public office.

Sec. 113. Lobbying Prohibited. None of the funds provided under this Agreement shall be used for publicity or propaganda purposes designed to support or defeat legislation pending before the U.S. Congress.

Sec. 113(a). Prohibition on Use of Federal Funds for Lobbying; Requirements for Disclosure Statements, and Certification. Section 319, P.L. 101-121. Any contractor, subcontractor and/or grantee receiving federal appropriated funds certifies by signing this Agreement, in two parts Part I, and Part II and signing and/or entering into any other agreement in connection with this Agreement, to the best of his or her knowledge and belief, that:

A. 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 any agency, a Member of Congress, an officer or employee of Congress, or an employee of a member 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.

B. 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.

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

certify and disclose accordingly.

This certification is a 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 or 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.

Sec. 114. Copyrights. If this Agreement results in a book or other copyright material, the author is free to copyright the work but HUD and the City reserve a royalty-free, nonexclusive and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, all copyrighted material and all material which can be copyrighted.

Sec. 115. Patents. Any discovery or invention arising out of or developed in the course of work under this Agreement shall be promptly and fully reported to HUD for determination as to whether patent protection on such invention or discovery should be sought, and how the rights under any patent shall be allocated and administered in order to protect the public interest.

Sec. 116. Program Income. Unless otherwise specified in Part I of this Agreement, all program income as defined by HUD at 24 C.F.R. Part 570.500(a) shall be returned to the City. Any program income on hand when this Agreement expires, or received after this Agreement expires shall be paid to the City.

ARTICLE II

DISBURSEMENTS AND ACCOUNTING

Sec. 201. Eligible and Ineligible Costs. Costs under this Agreement are governed by OMB Circular A-87 or A-122 as applicable. All costs incurred by the Contractor using monies under this Agreement must be reasonable and relate clearly to the specific purposes and end product of the Agreement. To be eligible for reimbursement, expenditures must: (A) Be necessary and reasonable for proper and efficient performance of the contractual requirements and in accordance with the approved budget; (B) Be no more liberal than policies, procedures and practices applied uniformly to activities of the City, both Federally assisted and non-Federally assisted; (C) Not be allocable to or included as a cost of any other Federally financed program; (D) Be net of all applicable credits, such as purchase discounts, rebates or allowances, sales of publications or materials, or other income or refunds; and (E) Be fully documented.

The following costs or expenditures by the Contractor are specifically ineligible for reimbursement: bad debts, contingency reserves, contributions and donations, entertainment and fines and penalties.

Sec. 202. Documentation of Costs. All costs must be supported by properly

executed payrolls, time records, invoices, contracts or vouchers, or other documentation evidencing in proper detail the nature and propriety of the charges. All checks, payrolls, invoices, contracts, vouchers, orders or other accounting documents pertaining in whole or in part to this Agreement shall be clearly identified and readily accessible.

Sec. 203. Charges Against Project Account.

A. Payments under the Agreement shall be made on an actual basis for services that are performed and fully documented as having been performed. The City shall not reimburse or pay any expenditures, costs or payments that are inconsistent with the last approved budget. The budget for this Agreement may be revised upon written request of the Contractor, and written approval from the Community Development Administration.

B. At any time prior to final payment, the City may have the invoices and statements of costs audited. Each payment shall be subject to reduction for amounts which are found by the City not to constitute allowable costs. Any payment may be reduced for overpayments, or increased for underpayments, on preceding invoices or vouchers.

C. In the absence of error or manifest mistake, all payments when approved shall be evidence of the services performed, except that all payments made by the City to the Contractor are subject to correction in accordance with the audit findings of the City or HUD. The Contractor shall promptly repay the City the amounts determined to be due on the basis of such audit.

D. Prior to final payment, the Contractor shall first furnish the City evidence in affidavit form that all claims, liens, or other obligations incurred by it and all of its subcontractors or agents in connection with the performance of their services have been properly paid and settled.

E. Contract funds remaining unspent by the Contractor at the termination of the Agreement for any cause shall be returned to the City within the time specified by the City. Interest shall accrue in the favor of the City at the rate of eight percent (8%) per annum on such funds thereafter.

Sec. 204. Method of Payment and Disbursements. The Contractor must submit properly executed invoices and requests for payment to OED. The City agrees to establish a payment procedure that will provide funds in a timely and regular manner. When disbursing funds for construction, the City may withhold the final ten percent (10%) of the money made available under the Agreement pending final payment. The Contractor agrees to disburse funds within seventy-two (72) hours of receiving payment from the City.

Sec. 205. Travel Expenses. Reimbursement for travel and related subsistence, local mileage and parking, is limited to those costs and amounts for which the City reimburses City employees for official travel. First class air-fare is not allowable. Any travel outside of the

Denver metropolitan area must be specifically authorized in advance by the City.

Sec. 206. Designation of Depository. The Contractor shall designate a commercial bank which is a member of the Federal Deposit Insurance Corporation (“FDIC”) for deposit of funds under this Agreement. Any balance deposited in excess of FDIC insurance coverage must be collaterally secured. The Contractor is encouraged to use minority or female-owned banks.

Sec. 207. Refunds. The Contractor agrees to refund to the City any payment or portions of payments which HUD and/or the City determine were not properly due to the Contractor.

ARTICLE III **CONSTRUCTION CONTRACTS AND LABOR STANDARDS**

Sec. 301. Lead-Based Paint Hazards. The construction or rehabilitation of residential structures with assistance provided under this Agreement is subject to the HUD Lead-Based Paint Regulations, 24 C.F.R. Part 570.608. The Contractor is responsible for the inspections and certifications required.

Sec. 302. Davis-Bacon Act. Except for the rehabilitation of residential property that contains less than twelve (12) units, the Contractor and all subcontractors hired under contracts for more than \$2,000.00 for the construction or repair of any building or work financed in whole or in part with assistance provided under this Agreement, shall comply with the Davis-Bacon Act, 40 U.S.C. 276a to 276a-5, and applicable regulations of the Department of Labor under 29 C.F.R. Part 5, requiring the payment of wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor. The current Davis-Bacon wage rate schedule must be included in all bid and contract documents, as well as the “Federal Labor Standards Provisions,” Form HUD-4010.

Sec. 303. Contract Work Hours and Safety Standards Act. All federally assisted construction contracts of more than \$2,000.00 and all other contracts employing mechanics or laborers of more than \$2,500.00 must comply with the Contract Work Hours and Safety Standards Act of 1962 (40 U.S.C. 327, *et seq.*) and Department of Labor regulations (29 C.F.R. 5), requiring that wages be paid at not less than one and one-half times the basic wage rates for all hours worked in excess of forty in a work week. No mechanic or laborer shall be required to work under conditions which are unsanitary, hazardous or dangerous to health and safety.

Sec. 304. Anti-Kickback Act. If this Agreement involves construction or repair, then it is subject to the Copeland “Anti-Kickback” Act of 1934 (40 U.S.C. 276c) and Department of Labor regulations (29 C.F.R. Part 5), prohibiting and prescribing penalties for “kickbacks” of wages. Wages must be paid at least once a week in accordance with the requirements of 29 C.F.R. 5.5.

Sec. 305. Equal Employment Opportunity Under Executive Order No. 11246,

as Amended. If this Agreement involves a federally assisted construction project in excess of \$10,000.00 then it is subject to Executive Order No. 11246, as amended by Executive Orders 11375 and 12086, HUD regulations at 24 C.F.R. Part 130, and the Department of Labor Regulations at 41 C.F.R. Chapter 60.

The Contractor agrees that it will be bound by the equal opportunity clause set forth below and other provisions of 41 C.F.R. Chapter 60, with respect to its own employment practices when it participates in federally assisted construction work, provided that if the Contractor so participating is a State or local government, the equal opportunity clause set forth below is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the Agreement.

The Contractor agrees that it will incorporate into any contract for construction work, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 C.F.R. Chapter 60, which is paid for in whole or in part with funds obtained pursuant to this Agreement, the following equal opportunity clause:

“During the performance of this Agreement, the Contractor agrees as follows:

(1) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to, the following: Employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all employment is without regard to race, color, religion, sex or national origin.

(3) The Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement, or other contract or understanding, a notice to be provided by the Contract Compliance Officer advising the said labor union or workers’ representatives of the Contractor’s commitment under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The Contractor will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and the rules, regulations and relevant orders of the

Secretary of Labor.

(5) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records and accounts by the Department and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

(6) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this Agreement or with any of such rules, regulations or orders, this Agreement may be cancelled, terminated or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts or federally assisted construction contract procedures authorized in Executive Order No. 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.

(7) The Contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions or paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The subcontract or purchase orders shall include such terms and conditions as the Department may direct as a means of enforcing such provisions including sanctions for non-compliance; provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Department, the Contractor may request the United States to enter into such litigation to protect the interest of the United States.

The Contractor further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work; provided, that if the Contractor so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government, which does not participate in work on or under the Agreement.

The Contractor agrees that it will assist and cooperate actively with the Department and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations and relevant orders of the Secretary of Labor; that it will furnish the Department and the Secretary of Labor such information as they may require for the supervision of such compliance; and that it will otherwise assist the Department in

and the discharge of its primary responsibility for securing compliance.

The Contractor further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order No. 11246 of September 24, 1965, with a contractor debarred from or who has not demonstrated eligibility for Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontracts by the Department or the Secretary of Labor pursuant to Part II, Subpart D, of the Executive Order. In addition, the Contractor agrees that if it fails or refuses to comply with the requirements contained herein, the City may take any or all of the following actions: Cancel, terminate or suspend, in whole or in part this grant, contract, agreement or loan; refrain from extending any further assistance to the Contractor under the program with respect to which the failure or refusal occurred until satisfactory assurance of future compliance has been received from such Contractor; and refer the case to the Department of Justice for appropriate legal proceedings.”

ARTICLE IV **ENVIRONMENTAL AND HISTORIC CONDITIONS**

Sec. 401. Environmental Clearance. No funds under this Agreement may be obligated or spent for acquisition or construction until Contractor has received written environmental clearance from OED. Any special environmental and historic conditions imposed by the City must be incorporated into the design and construction of the project.

Sec. 402. Compliance with Clean Air and Water Acts. If this Agreement provides assistance in excess of \$100,000, then the Contractor and all subcontractors must comply with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 U.S.C. 1857(h)), Section 508 of the Clean Water Act, (33 U.S.C. 1368), the Federal Water Pollution Control Act, (33 U.S.C. 1251, *et seq.*), Executive Order 11738, and Environmental Protection Agency regulations (40 C.F.R. Part 15), which prohibit the use of facilities included on the EPA List of Violating Facilities.

Sec. 403. Additional Environmental and Historic Conditions. This Agreement is also subject to the following statutes, executive orders and regulations, when the Contractor is so instructed by the City or the United States of America.

A. National Environmental Policy Act of 1969 (42 U.S.C. 4321, *et seq.*), HUD regulations (24 C.F.R. Part 58) and the Council on Environmental Quality regulations (40 C.F.R. Parts 1500-1508) providing for establishment of national policy and procedures for environmental quality;

B. National Historic Preservation Act of 1966 (16 U.S.C. 470, *et seq.*),

requiring consideration of the effect of a project on any site or structure that is included in or eligible for inclusion in the National Register of Historic Places;

C. Executive Order 11593, Protection and Enhancement of the Cultural Environment, May 13, 1971 (36 FR 8921, *et seq.*), requiring that federally-funded projects contribute to the preservation and enhancement of sites, structures and objects of historical, architectural or archaeological significance;

D. Reservoir Salvage Act of 1960 (16 U.S.C. 469, *et seq.*) as amended by the Archaeological and Historical Data Preservation Act of 1974, (16 U.S.C. 469, *et seq.*), providing for the preservation of historic and archaeological data that would be lost due to federally-funded development and construction activities;

E. Flood Disaster Protection Act of 1973, (42 U.S.C. 4001, *et seq.*), relating to mandatory purchase of flood insurance in areas having special flood hazards;

F. Executive Order 11988, Flood Plain Management, May 24, 1977 (42 FR 26951, *et seq.*) prohibiting certain activities in flood plains unless there is no practical alternative, in which case the action must be designed to minimize potential damage;

G. Executive Order 11990, Protection of Wetlands, May 24, 1977 (42 FR 26961, *et seq.*), requiring review of all actions affecting a wetland;

H. Safe Drinking Water Act of 1974, (42 U.S.C. 201, 300f, *et seq.*), prohibiting federal financial assistance for any project which the Environmental Protection Agency determines may contaminate an aquifer which is the sole or principal drinking water source for an area;

I. Endangered Species Act of 1973, (16 U.S.C. 1531, *et seq.*), requiring that actions funded by the federal government do not jeopardize endangered and threatened species;

J. Wild and Scenic Rivers Act of 1968, (16 U.S.C. 1271, *et seq.*), prohibiting federal assistance in the construction of any water resources project that would have a direct and adverse affect on the National Wild and Scenic Rivers System;

K. Clean Air Act, (42 U.S.C. 7401, *et seq.*), prohibiting federal assistance for any activity which does not conform to the State implementation plan for national primary and secondary ambient air quality standards;

L. Farmland Protection Policy Act of 1981, (7 U.S.C. 4201, *et seq.*) relating to the effects of federally assisted programs on the conversion of farmland to non-agricultural uses;

M. HUD Environmental Criteria and Standards, (24 C.F.R. Part 51) providing

national standards for noise abatement and control, acceptable separation distances from explosive or fire prone substances and suitable land uses for airport runway clear zones.

ARTICLE V **TERMINATION**

Sec. 501. Termination Due to Loss of Funding. This Agreement is funded with monies provided by the U.S. Department of Housing and Urban Development. If such funds or any part thereof are not appropriated by City Council or paid into the City Treasury, the City may immediately terminate this Agreement.

Sec. 502. Termination for Cause.

A. The City may terminate this Agreement whenever the Contractor materially fails to perform any of its obligations under this Agreement in a timely and proper manner, or is otherwise in default, and shall fail to cure such default within a period of ten (10) days (or such longer period as the City may allow) after receipt from the City of a notice specifying the default.

B. If the City has sustained damages due to the Contractor's breach of this Agreement, the City may withhold payment as a set off until the amount of damages due to the City is determined.

Sec. 503. Termination for Convenience. The City may terminate this Agreement at any time the City desires. The City shall effect such termination by giving written notice of termination to the Contractor and specifying the effective date thereof, at least twenty (20) days before the effective date of such termination.

Sec. 504. Payment After Termination. The Contractor shall be reimbursed only for that portion of work satisfactorily completed at the effective date of the termination.

Sec. 505. Return of HOME funds. Upon termination of this Agreement for any reason, or upon expiration of this Agreement, any HOME funds on hand and any accounts receivable attributable to the use of HOME funds must be immediately returned to the City. If HOME funds are spent on a project that is terminated before completion, the funds must be repaid to the City's HOME Investment Trust Fund.

ARTICLE VI **MISCELLANEOUS**

Sec. 601. Personnel. The Contractor represents that it has or will secure all personnel required in performing its services under this Agreement. All services required of the Contractor will be performed by the Contractor or under its supervision, and all personnel engaged in the work shall be fully qualified and authorized or permitted under State and local

laws to perform such services.

Sec. 602. Subject to Local Laws. This Agreement shall be construed and enforced in accordance with Colorado law, and the Charter and Revised Municipal Code of the City and County of Denver. Venue for any legal action relating to this Agreement shall lie in the District Court in and for the City and County of Denver, Colorado.

Sec. 603. Contractual Relationship. The Contractor shall not be considered for any purpose whatsoever to be an agent or an employee of the City. It is understood and agreed that the status of the Contractor shall be that of an independent contractor.

Sec. 604. When Rights and Remedies Not Waived. Payment by the City shall not be construed to be a waiver of any breach which may then exist on the part of the Contractor, and no assent, expressed or implied, to any breach shall be deemed a waiver of any other breach.

Sec. 605. Sales and Use Taxes. The Contractor or any subcontractor is not exempt from payment of the City Sales Tax or Use Tax. In accordance with applicable State and local law, the Contractor will pay, and/or require subcontractors to pay, all sales and use taxes on tangible personal property, including that built into a project or structure, acquired under this Agreement.

Sec. 606. Patented Devices, Materials, and Processes. If the Contractor employs any design, device, material or process covered by letter of patent or copyright, it shall provide for such use by suitable legal agreement with the patentee or owner. The Contractor shall defend, indemnify and save harmless the City from any and all claims for infringement by reason of the use of any such patented design, device, material or process, or any trademark or copyright, and shall indemnify the City for any costs, expenses, and damages which the City may be obliged to pay by reason of any infringement.

Sec. 607. Titles and Subheadings. The titles and subheadings used in this Agreement are for the convenience of reference only and shall not be taken as having any bearing on the interpretation of this Agreement.

Sec. 608. Notices. All notices shall be given by certified mail. Notices to the City shall be separately addressed to the Mayor and the Director of OED. Either of the parties may designate in writing substitute addresses or persons to receive notices.

Sec. 609. Published Information and Announcements. The contractor agrees to coordinate with OED to assure that the activity financed in whole or in part by this agreement is properly referenced by the contractor in press releases, brochures, annual reports, speeches and other published information and announcements.

