

FIRST AMENDATORY AGREEMENT

THIS FIRST AMENDATORY AGREEMENT is made and entered into this ____ day of _____, 2011, by and between the **CITY AND COUNTY OF DENVER**, a municipal corporation of the State of Colorado (the "City"), and **DENVER NEIGHBORHOOD REVITALIZATION, INC.**, a Colorado non-profit corporation, whose address is 1555 California Street, 2nd Floor, Denver, Colorado 80202 (the "Contractor").

WITNESSETH:

A. The City and the Contractor entered into an Agreement dated August 18, 2009, to provide funds to be utilized for implementing program activities related to the Neighborhood Stabilization Program (NSP) (the "Agreement"); and

B. The City and Contractor desire to amend the Agreement by increasing the total compensation to be paid to the Contractor and amending the scope of services.

NOWHEREFORE, in consideration of the premises and the mutual covenants and agreements contained in the Agreement and herein contained the parties agree as follows:

1. The revised Scope of Services is attached hereto and incorporated herein as **Exhibit A-1**. All references to "Exhibit A" in the Agreement are hereby amended to read "Exhibit A-1."

2. Section 3 is deleted in its entirety and replaced with the following:

"3. **COMPENSATION:** The amount to be paid by the City to the Contractor shall not exceed Two Million, Two Hundred Five Thousand, Nine Hundred Five and 62/100 Dollars (\$2,205,905.62). 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 NSP Agreements referred to below. Funds will be released to the Contractor in accordance with the budget and other requirements of Exhibits A-1 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."

3. Section 7 is deleted in its entirety and replaced with the following:

"7. **CONTRACTOR'S INSURANCE:**

09-560-A

A. GENERAL CONDITIONS: Contractor agrees to secure, at or before the time of execution of this Agreement, the following insurance covering all operations, goods or services provided pursuant to this Agreement. Contractor shall keep the required insurance coverage in force at all times during the term of the Agreement, or any extension thereof, during any warranty period, and for three (3) years after termination of the Agreement. The required insurance shall be underwritten by an insurer licensed to do business in Colorado and rated by A.M. Best Company as "A" VIII or better. Each policy shall contain a valid provision or endorsement stating "Should any of the above-described policies be canceled or should any coverage be reduced before the expiration date thereof, the issuing company shall send written notice to Denver Risk Administrator, 201 West Colfax Avenue, Dept. 1105, Denver, Colorado 80202 via certified mail, return receipt requested. Such written notice shall be sent thirty (30) days prior to such cancellation or reduction unless due to non-payment of premiums for which notice shall be sent ten (10) days prior." If any policy is in excess of a deductible or self-insured retention, the City must be notified by the Contractor. Contractor shall be responsible for the payment of any deductible or self-insured retention. The City reserves the right to require the Contractor to provide a bond, at no cost to the City, in the amount of the deductible or self-insured retention to guarantee payment of claims. The insurance coverages specified in this Agreement are the minimum requirements, and these requirements do not lessen or limit the liability of the Contractor. The Contractor shall maintain, at its own expense, any additional kinds or amounts of insurance that it may deem necessary to cover its obligations and liabilities under this Agreement.

B. PROOF OF INSURANCE: Contractor shall provide a copy of this Agreement to its insurance agent or broker. Contractor certifies that the certificate of insurance (preferably an ACORD certificate of insurance) attached as **Exhibit E** complies with all insurance requirements of this Agreement. The City's acceptance of a certificate of insurance or other proof of insurance that does not comply with all insurance requirements set forth in this Agreement shall not act as a waiver of Contractor's breach of this Agreement or of any of the

City's rights or remedies under this Agreement. The City's Risk Management Office may require additional proof of insurance, including but not limited to policies and endorsements.

C. ADDITIONAL INSURED: For general liability, Contractor's insurer shall name the City as an additional insured.

D. WAIVER OF SUBROGATION: For all required coverages, Contractor's insurer shall waive subrogation rights against the City.

E. SUB-CONSULTANTS: All sub-consultants, subcontractors, independent contractors, suppliers or other entities providing goods or services required by this Agreement shall be subject to all of the requirements herein and shall procure and maintain the same coverages required of the Contractor. Contractor shall include all such sub-consultants, subcontractors, independent contractors, suppliers or other entities as insureds under its policies or shall ensure that all subconsultants maintain the required coverages. Contractor agrees to provide proof of insurance for all such sub-consultants, subcontractors, independent contractors, suppliers or other entities upon request by the City.

F. WORKERS' COMPENSATION/EMPLOYER'S LIABILITY INSURANCE: The parties recognize and agree that the Contractor is engaged in an independent occupation and profession and is free from control and direction in the performance of the services contracted for herein consistent with that mandated by C.R.S. 8-40-202(2)(a). It is understood and agreed by the parties that the City does not (1) require the Contractor to work exclusively for the City, provided that the Contractor may have elected to work exclusively for the City for the period of time specified in the term of this Agreement; (2) establish a quality standard for the Contractor, provided that the parties agree that while the City may provide plans regarding its expectancy of the work to be performed by the Contractor, the City will not oversee the actual work of the Contractor or instruct the Contractor as to how the work will be performed; (3) pay a salary or hourly wage to the Contractor instead of the fixed contract rate stated herein; (4) terminate the work of the Contractor for cause during the term of this Agreement unless the Contractor violates the terms of the Agreement or fails to produce a

work product or result that meets the specific terms provided in the Agreement; (5) provide any training for the Contractor other than minimal orientation to the site or other parameters of the Contractor activity; (6) provide tools or benefits to the Contractor; (7) dictate the time of performance; except that the Agreement completion date together with the range of negotiated and mutually agreeable work hours has been established herein; (8) pay the Contractor personally instead of making City warrants payable to the professional name of the Contractor, except that in this Agreement the Contractor is an individual and sole proprietor; and (9) combine the regular operation of the City in any way with the professional or business operations of the Contractor instead of maintaining office operations separately and distinctly.

G. GENERAL LIABILITY: Contractor shall maintain limits of \$1,000,000 for each occurrence claim, \$1,000,000 for each personal and advertising injury claim, \$2,000,000 products and completed operations for each occurrence, and \$2,000,000 policy aggregate.

H. AUTOMOBILE LIABILITY: Contractor represents, as material representations upon which the City is relying, that Contractor does not own any motor vehicles and that in performing Services under the Agreement, Contractor's owners, officers, directors, and employees, if it has any, use their personal vehicles. Contractor shall ensure that any person operating a motor vehicle in performing Services under the Agreement shall keep in full force Personal Auto Liability coverage with minimum required limits.

I. ADDITIONAL PROVISIONS:

(1) For all general liability, the policies must provide the following:

- (a) If any aggregate limit is reduced by twenty-five percent (25%) or more by paid or reserved claims, the Contractor shall notify the City within ten (10) days and reinstate the aggregates required;
- (b) Unlimited defense costs in excess of policy limits;

- (c) Contractual liability covering the indemnification provisions of this Agreement;
- (d) A severability of interests provision;
- (e) Waiver of exclusion for lawsuits by one insured against another;
- (f) A provision that coverage is primary; and
- (g) A provision that coverage is non-contributory with other coverage or self-insurance provided by the City.

(2) In the event the Contractor is unable to obtain inclusion in the policies of any such additional provisions at reasonable cost, the Contractor may request from the City's Department of Risk Management approval of an alternative to such additional provision, provided that approval of such alternative shall be in the Department's sole discretion.

(3) For all general liability, if the policy is a claims-made policy, then the retroactive date must be on or before the date of this Agreement or the first date when any goods or services were provided to the City, whichever is earlier.

4. Section 22 is deleted in its entirety and replaced with the following:

“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 subconsultant or 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 subconsultant or subcontractor performing work under the Agreement knowingly employs or contracts with an illegal alien, it will notify such subconsultant or subcontractor and the City within three (3) days. The Contractor will also then terminate such subconsultant or subcontractor if within three (3) days after such notice the subconsultant or subcontractor does not stop employing or contracting with the illegal alien, unless during such three-day period the subconsultant or subcontractor provides information to establish that the subconsultant or 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.”

5. Section 30 is added to the Agreement and reads as follows:

“30. **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.”

6. The requirements of Exhibit B of the Agreement, “Financial Administration,” apply only insofar as they apply to a “developer” pursuant to the U.S. Department of Housing and Urban Development’s regulations. Therefore, the Contractor need not comply with the requirements of paragraph 4.1 of Exhibit B (Audit Requirements) or with the requirements of paragraph 2.1 of Exhibit B (Program Income).

7. Except as herein amended, the Agreement is affirmed and ratified.

[BALANCE OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have executed, through their respective lawfully empowered representatives, this Amendatory Agreement as of the day and year first above written.

ATTEST:

CITY AND COUNTY OF DENVER

By: _____
STEPHANIE Y. O'MALLEY,
Clerk & Recorder, Ex-Officio Clerk
of the City & County of Denver

By: _____
Mayor

RECOMMENDED AND APPROVED:

APPROVED AS TO FORM:
City Attorney for the
City & County of Denver

By:  _____
Office of Economic Development

By:  _____
Assistant City Attorney

REGISTERED AND COUNTERSIGNED:

By: _____
Manager of Finance
Contract Control No. GE9A020(1)

By: _____
Auditor

"CITY"

**DENVER NEIGHBORHOOD
REVITALIZATION, INC., a**
Colorado non-profit corporation
Tax Identification No. 27-0232125

By:  _____

Name: TOYA M. NELSON
(please print)

Title: CHAIR

"CONTRACTOR"

EXHIBIT A-1

SCOPE OF SERVICES

EXHIBIT A-1
SCOPE OF SERVICES

OFFICE OF ECONOMIC DEVELOPMENT
BUSINESS AND HOUSING SERVICES

DENVER NEIGHBORHOOD REVITALIZATION, INC.
NEIGHBORHOOD STABILIZATION PROGRAM

I. INTRODUCTION

The purpose of this amendatory agreement is to increase the total amount of funding and revise provisions for the Neighborhood Stabilization Program granted through the Office of Economic Development Business and Housing Services (BHS) to **DENVER NEIGHBORHOOD REVITALIZATION, INC., (DNRI)** (the "Contractor"). Funding shall be utilized for implementing program activities related to the Neighborhood Stabilization Program 1 (NSP1).

Funding Source:	Amount:	CFDA #: 14.218
<input type="checkbox"/> CDBG	\$0	
<input type="checkbox"/> HOME	\$0	
<input checked="" type="checkbox"/> NSP	\$2,205,905.62	

Original Budget: \$2,000,000
Amendment – 1: \$205,905.62

HUD Matrix Code:

- 1: Acquisition of Real Property
- 2: Disposition
- 12: Construction of Housing
- 4: Clearance and Demolition
- 14A: Rehabilitation: Single-unit Residential
- 14B: Rehabilitation: Multi-unit Residential

HUD Eligible Activity: 570.201; 570.202; 570.206

Accomplishment Code: 10: Housing Units

CDBG – Only

HUD National Objective: LMH: Low/mod housing benefit to improve permanent residential housing.

HOME – Only

HUD Eligible Cost: N.A.

Organization: Denver Neighborhood Revitalization, Inc. **EIN: 27-0232125**

Address: 1555 California Street, Suite 200, Denver, CO 80202

Contact Person: Marianne LeClair

Phone: 303-534-3872

Email: mleclair@renewdenver.org

DUNS Number: 964244011

Organization Type: ☒ Non-profit ☐ For-profit ☐ Quasi-Governmental Agency

Is the organization a Faith-based/Community Initiative? ☐ Yes ☒ No

Is the organization woman owned? ☐ Yes ☒ No

Contract Relationship:

☐ Subrecipient ☐ Vendor ☐ Beneficiary ☒ Developer ☐ Community Based Development Organization
☐ Community Housing Development Organization

For IDIS data entry purposes, contract relationship: Beneficiary

Council District(s): CW Neighborhood(s): CW Census Tracts: CW

Is the purpose of this activity to:

Help prevent homelessness?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Help the homeless	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Help those with HIV/AIDS	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Primarily help persons with disabilities	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Contract Period: June 1, 2009 – March 20, 2019

Will program income be generated by this activity? ☐ Yes ☒ No

Will activity be carried out by an entity other than grantee? ☒ Yes ☐ No

If yes, please list entity: DNRI will be the contracting entity. The DNRI team is comprised of the Denver Urban Renewal Authority, the Colorado Housing Assistance Corporation and Habitat for Humanity of Metro Denver.

II. ACTIVITY DESCRIPTION

1. Purpose

Purpose/Description of Activity:

To implement activities under the Neighborhood Stabilization Program Substantial Amendment Plan.

Funds will be used to

Acquire, rehabilitate and resell foreclosed properties.

Acquire and demolish blighted properties for redevelopment.

Develop and redevelop low income rental and homeownership housing.

Land banking is an eligible activity. The land bank must operate in a specific, defined geographic area. The allowed geographic areas for land banking activities are the Denver NSP target neighborhoods listed in Attachment A-2 C. The developer may purchase properties that have been foreclosed upon and maintain, assemble, facilitate the redevelopment of, market, and dispose of the land-banked properties.

2. Program Requirements and Responsibilities: SEE ATTACHMENT A-2

3. Performance Objectives & Outcomes

The intent of this activity is to acquire, rehabilitate and/or demolish and resell or redevelop foreclosed properties.

(Select Objectives with Outcomes)

Availability / Accessibility

- ☐ Enhance Suitable Living Environment Through New/Improved Accessibility
- ☐ Create Decent Housing with New/Improved Availability
- ☐ Promote Economic Activity Through New/Improved Sustainability

Affordability

- ☐ Enhance Suitable Living Environment Through New/Improved Accessibility
- ☒ Create Decent Housing with New/Improved Availability
- ☐ Promote Economic Activity Through New/Improved Sustainability

Sustainability

- ☐ Enhance Suitable Living Environment Through New/Improved Accessibility
- ☐ Create Decent Housing with New/Improved Availability
- ☐ Promote Economic Activity Through New/Improved Sustainability

4. Indicators

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

Indicators
Rehabilitation Loan Program
Number of homeownership units estimated to be acquired rehabbed and sold or redeveloped: 43
Number of rental units estimated to be provided : 0
Number of units estimated to be developed through acquisition and land banking: 0
Amount of money estimated leveraged: \$1,000,000
NOTE: These estimates are based on expenditure of initial program funding and program revenue through March 20, 2013.

5. Implementation Plan and Timeline

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

Task	Projected Beginning & End Dates
Secure appraisals for proposed acquisitions Complete rehabilitation inspections for proposed acquisitions Complete demolition on blighted acquisitions Close acquisitions of targeted properties Provide homeownership development parcels Coordinate redevelopment activities of non-profit and for-profit developers Ensure adequate property management for acquired properties Coordinate and contract for ancillary services Ensure completion of homebuyer counseling component Ensure all affordability restrictions are met Coordinate all property sales and lease purchases Coordinate marketing activities with the Office of Economic Development Complete all acquisition, rehabilitation and resale development of properties	June 1, 2009 – March 20, 2013

III. REVISED Budget

PROGRAM ACTIVITY

Acquisition and Rehabilitation

Low Income Rental and Homeownership

Acquisition and Land Banking

TOTAL

Original Budget

\$1,170,000

\$510,000

\$320,000

\$2,000,000

Revised Budget

\$1,599,905.62

\$606,000.00

\$0.00

\$2,205,905.62

If program income is generated, how will income be used? Program Income is not anticipated to be generated. Revenues will be generated through homes sales and rental property income. Revenues generated must be used to acquire, rehabilitate and/or demolish and resell additional foreclosed homes or redevelop other foreclosed properties for housing purposes. As of March 21, 2013, all unencumbered program income and/or program revenue remaining must be returned to the City. The Contractor has been designated a "Developer" under this contract. This allows the Developer to keep any revenue generated by this contract and those funds are not designated as "program income" under the traditional HUD definition. Revenue generated under this contract will be considered program revenue and shall be used for additional NSP eligible activities as outlined in the contract. Monthly reporting will be required until funds have been depleted. Reports shall be submitted by the 10th of each month for the previous month activity. The format of this report shall be the provided by the City.

Is a copy of the Program Budget form attached?

☐ Yes ☒ No

Are non-personnel costs being funded

☒ Yes ☐ No

If yes, attach a cost allocation plan

☐ Yes ☒ No (To be provided prior to first draw.)

N/A DNRI is a Developer.

IV. Reporting

The *Contractor Neighborhood Stabilization Program* shall submit the following reports by the 10th of each month to **BHS/CPM (Contract Performance Management)**: (emailed to contractor and to be provided with executed contract if the contractor does not already have):

1. The *Statement of Household Income/Demographics* for each program participant (signed by each program participant and kept on file at DNRI).
2. The *Outcome Performance Measurement Report*
3. The *Race/Ethnicity Report* which will be a monthly cumulative report.
4. Other reporting as requested by BHS/CPM (such as quarterly narrative reports; sales proceeds and program revenue reports).
5. HUD requires reporting of NSP activities in the Disaster Recovery Grant Reporting (DRGR) system. Final requirements of the DRGR have not been received. City will provide reporting format and with Contractor when available and upon request of the format by Contractor, Contractor will provide this report.
6. Most acquisition and rehabilitation activities will be completed within 48 months. As the contract progresses, reporting will only be required for continuing activities.

Is the Outcome Performance Measurement Report attached? ☐ Yes ☒ No

Type of income verification utilized:

☒ Self-Certified ☒ Verification ☐ Not Applicable

Self-certification is sufficient for counseling activities; however, verification is required for homebuyers or renters.

ATTACHMENT A-2
PROGRAM REQUIREMENTS AND RESPONSIBILITIES

NEIGHBORHOOD STABILIZATION PROGRAM (NSP)

A. PURPOSE

The purpose of this amendatory agreement is to increase the total amount of funding and revise the program provisions for Denver Neighborhood Revitalization Inc., to complete program activities outlined in Denver's Neighborhood Stabilization Program (NSP) Substantial Amendment plan.

B. PROGRAM ACTIVITIES

Eligible NSP activities are:

1. Establish financing mechanisms for the purchase and redevelopment of foreclosed homes
2. Purchase and rehabilitate properties that have been abandoned or foreclosed
3. Land banking
4. Demolish blighted structures
5. Redevelop demolished or vacant properties.

The majority of City's program funds will be used to provide subsidies for the acquisition and rehabilitation of foreclosed and abandoned homes in targeted neighborhoods, with the most foreclosures, subprime loans and a higher likelihood of a rise in foreclosures.

Funds will also be set aside for activities benefiting households earning no more than 50% of Area Median Income (AMI).

C. NEIGHBORHOODS

Contractor will conduct NSP activities in certain of the target neighborhoods. The following neighborhoods shall be the target neighborhoods for Contractor for NSP activities: Athmar Park, Barnum, Barnum West, Chaffee Park, Clayton, Cole, College View, East Colfax, Elyria/Swansea, Five Points, Globeville, Green Valley Ranch, Harvey Park, Jefferson Park, Mar Lee, Montbello, Northeast Park Hill, North Park Hill, Ruby Hill, Skyland, Sunnyside, Villa Park, West Colfax, Westwood, and Whittier.

Additional neighborhoods may be considered for inclusion in Contractor's NSP work plan, but any expansion or alteration from the areas listed here must be pre-approved through written approval by the BHS Director and an officer of Contractor and must be posted as a change to Denver's Substantial Amendment prior.

D. AFFORDABILITY REQUIREMENTS

The City will ensure long-term affordability for NSP1 units through the use of a Promissory Note and Deed of Trust and Covenants that will be recorded against NSP assisted property in favor of the Contractor or an entity named by the Contractor. Contractor and City will execute a contingent assignment giving the City the right to enforce the Promissory Note and Deed of Trust and Covenants in the case where the Contractor fails to enforce any one of the documents. Promissory Note and Deed of Trust shall be in a form consistent with traditional lending documents. Covenants will not typically be eligible for subordination, but specific requests for subordination of covenants will be reviewed by the City for possible allowance based upon the circumstances surrounding each specific request. The initial sales of residences under NSP must be to households earning up to 120% of AMI. Subsequent sales by the purchaser are not subject to a limit based on AMI of the purchaser. Based on the level of investment of NSP funds, recapture periods will be

established to comply with NSP requirements and in a form that is agreeable to the City, the City Attorney's Office and the Contractor.

Any previously executed Promissory Notes and Deeds of Trust specifying the City and County of Denver as the Beneficiary will be assigned to DNRI or their designee.

When recapture provisions are used, the method of recapture will be as set forth in the City and County of Denver Neighborhood Stabilization Program Affordability Policy, as may be amended by the Office of Economic Development from time to time.

If acquired foreclosed properties are placed into a lease-purchase structure for home ownership, the affordability criteria regarding for-sale properties as opposed to rental properties shall be applicable.

To prevent the loss of NSP investment and to the extent that the Contractor is aware, the City must be notified promptly in the event of possible foreclosure to find other income-qualified buyers or a non-profit organization to purchase the home and keep the NSP investment intact.

For all rental properties assisted with NSP funds, City will follow the minimum affordability requirements of the federal HOME Investment Partnership program under 24 CFR 92.252(a), (c)(e) and (f), and 92.254. The minimum affordability period based on investment of NSP funds is:

Amount of NSP Funds Invested	Minimum Affordability Period For Rental Units
Up to \$15,000	5 Years
\$15,001 to \$40,000	10 Years
More than \$40,000	15 Years
New Construction - Any Amount	20 Years

City will annually monitor rental developments that are assisted with NSP funds to ensure that NSP-assisted units remain affordable and continue to meet minimum housing quality standards. Other than HUD requirements, the affordable housing requirements may be modified upon mutual agreement between the City and the Contractor, as allowed by law.

E. CONTRACTOR RESPONSIBILITIES

Contractor's responsibilities for program implementation will include:

1. Complete preliminary inspections and due diligence for properties being considered for purchase.
2. Determine rehabilitation needs and develop comprehensive work specifications
3. Complete energy audits on housing post purchase.
4. Participate in periodic meetings to review reports of homes purchased and NSP program activities and coordinate program goals with the City and County of Denver.
5. Aside from individual single family homes being purchased for rehabilitation and resale, properties considered for sale for larger scale multi-family development or redevelopment must be approved by the City and County of Denver prior to purchase. Approval will be timely to facilitate acquisition.
6. Coordinate NSP activities with the City Council members who represent the neighborhoods where Contractor is carrying out NSP development.
7. Acquire eligible foreclosed homes and properties at a discount of at least 1% from the current market-appraised value of the home or property for all properties purchased with NSP funds during the 18 month period.
8. Obtain appraisals on all acquisitions using NSP funds.
9. Ensure a maximum developer fee of 15% of funds drawn.
10. Complete required environmental and historic review processes.

11. Establish Rehabilitation Standards (minimum of Housing Quality Standards and local codes, with green building and energy and water efficiency encouraged). Use Enterprise Community green rehab standards or similar standard for rehabilitation of the units as appropriate. Monitor construction on homes.
12. Structure contractor bidding and selection process as necessary and maintain a list of eligible contractors, which shall include the names of the City's designated Minority Business Enterprises (MBE's) and Women Business Enterprises (WBE's). Contractor shall make a good faith effort to utilize qualified MBE/WBE's as eligible contractors.
13. Incorporate energy saving appliances and construction methods and practices wherever possible.
14. Monitor rehabilitation activity.
15. Market and sell houses to qualified buyers. Assist potential eligible buyers identify appropriate houses.
16. Provide technical assistance to buyers and potential buyers through the loan and construction process.
17. Determine applicant eligibility and collect source documentation. Income shall be determined based on the census definition of income for homeownership and the Section 8 definition for rental units.
18. Arrange for and ensure buyers have completed a HUD-approved 8 hour homebuyer counseling class prior to closing.
19. Develop and execute affordability covenants on all properties that are consistent with requirements outlined in the Scope of Services and are in a form approved by BHS and mutually agreed upon with the contractor.
20. Develop, within 30 days of the date of this contract, program activity and client characteristic records in compliance with HUD and BHS source file monitoring procedures.
21. Maintain program activity records and provide monthly reports to BHS on or before the 10th day of the following month.
22. Ensure monitoring and compliance with all federal, state and city requirements, including Davis Bacon, the Uniform Relocation Act, Section 3 and lead-based paint regulations on all units built prior to 1978. These requirements are current HUD regulations for NSP and apply in a manner similar to Community Development Block Grant requirements.
23. Documentation must be maintained on the purchase and sale amounts of each property and the sources and uses of funds for each activity.
24. Maintain information on all draw downs, deposits and expenditures of grant funds and program income.
25. Ensure compliance with fair housing and affirmative marketing requirements.
26. Ensure that 100% of NSP funds are used to serve families whose income is less than 120% of Area Median Income (AMI) and that 25% of the funds assist households whose income does not exceed 50% of AMI.
27. Ensure NSP funds are obligated within 18 months of the HUD contract approval date of March 20, 2009 and expended within 48 months of this date.
28. Contractor is required to collaborate with the OED Division of Workforce Development (DWD) to identify opportunities to train and recruit skilled workers for all projects under this contract. Activities DWD can assist with may include, but are not limited to, the design and implementation of strategies related to job profiling, skill assessment, targeted recruitment, wage subsidies and bonding opportunities.

DATA COLLECTION

Contractor will maintain statistical data on all households assisted including but not limited to: name(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. Contractor shall also maintain data on home purchased, including acquisition price, sales price, discount rate, address, unit size, rehabilitation costs and neighborhood.

Contractor 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.

EXHIBIT E
CERTIFICATE OF INSURANCE



CERTIFICATE OF LIABILITY INSURANCE

OP ID 04
DENEI-1DATE (MM/DD/YYYY)
08/04/10

PRODUCER Walker Dilworth LLC 1500 Leyden Street Denver CO 80220 Phone: 303-370-0930	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.												
INSURED Denver Neighborhood Revitalization 1555 California St Suite #200 Denver CO 80202	<table border="1"><thead><tr><th>INSURERS AFFORDING COVERAGE</th><th>NAIC #</th></tr></thead><tbody><tr><td>INSURER A Adco General Corp.</td><td></td></tr><tr><td>INSURER B Genesee General of Colorado</td><td></td></tr><tr><td>INSURER C</td><td></td></tr><tr><td>INSURER D</td><td></td></tr><tr><td>INSURER E</td><td></td></tr></tbody></table>	INSURERS AFFORDING COVERAGE	NAIC #	INSURER A Adco General Corp.		INSURER B Genesee General of Colorado		INSURER C		INSURER D		INSURER E	
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COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS												
B X	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	GL3762181	07/22/10	07/22/11	<table border="1"><tr><td>EACH OCCURRENCE</td><td>\$ 1,000,000</td></tr><tr><td>DAMAGE TO RENTED PREMISES (Ea occurrence)</td><td>\$ 100,000</td></tr><tr><td>MED EXP (Any one person)</td><td>\$ 5,000</td></tr><tr><td>PERSONAL & ADV INJURY</td><td>\$ 1,000,000</td></tr><tr><td>GENERAL AGGREGATE</td><td>\$ 2,000,000</td></tr><tr><td>PRODUCTS - COM/OP AGG</td><td>\$ 2,000,000</td></tr></table>	EACH OCCURRENCE	\$ 1,000,000	DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100,000	MED EXP (Any one person)	\$ 5,000	PERSONAL & ADV INJURY	\$ 1,000,000	GENERAL AGGREGATE	\$ 2,000,000	PRODUCTS - COM/OP AGG	\$ 2,000,000
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X	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				<table border="1"><tr><td>COMBINED SINGLE LIMIT (Ea accident)</td><td>\$</td></tr><tr><td>BODILY INJURY (Per person)</td><td>\$</td></tr><tr><td>BODILY INJURY (Per accident)</td><td>\$</td></tr><tr><td>PROPERTY DAMAGE (Per accident)</td><td>\$</td></tr></table>	COMBINED SINGLE LIMIT (Ea accident)	\$	BODILY INJURY (Per person)	\$	BODILY INJURY (Per accident)	\$	PROPERTY DAMAGE (Per accident)	\$				
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	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> If yes, describe under SPECIAL PROVISIONS below OTHER				<table border="1"><tr><td>WC STATUTORY LIMITS</td><td>OTH-ER</td></tr><tr><td>E L EACH ACCIDENT</td><td>\$</td></tr><tr><td>E L DISEASE - EA EMPLOYEE</td><td>\$</td></tr><tr><td>E L DISEASE - POLICY LIMIT</td><td>\$</td></tr></table>	WC STATUTORY LIMITS	OTH-ER	E L EACH ACCIDENT	\$	E L DISEASE - EA EMPLOYEE	\$	E L DISEASE - POLICY LIMIT	\$				
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A		0304-8172	07/22/10	07/22/11	D&O 1,000,000												

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS
The City and County of Denver, its elected and appointed officials, employees and volunteers are named as additional insured with regards to the commercial general liability policy.

CERTIFICATE HOLDER CITYACO City and County of Denver Office of Economic Development 201 W. Colfax, Dept 1005 Denver CO 80202	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE Michael Mares
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