

EXHIBIT B
STATEMENT OF WORK

1. GENERAL

- 1.1. Project Description.** The Grantee is being provided with funds (the “Grant Funds”) to assist with [eligible use] of [Project name] (the “Project”) in [Location]. The Project shall include [number, type, and affordability of units – e.g., 20 multifamily rental units with affordability ranges of 30%, 50%, and 60% Area Median Income (“AMI”).]. [Additional description from project description, as provided in handoff. Include details about unit mix,] . The Project is also being supported by [insert number, type, and source of project-based vouchers, if any], [type] Low-Income Tax Credits (“LIHTC”), [state or historic tax credits,] and [other local source, if any].
- 1.2. Service Area.** Performance of services for this Agreement shall occur in [insert county or other area].
- 1.3. Grantee’s Obligations.**
- 1.3.1.** Grantee shall complete the Project or cause the Project to be completed, administer this Agreement, and provide required documentation to the State as specified herein.
- 1.3.2.** Grantee shall enter into a written agreement(s), the content of which meets DOLA’s requirements, with the following individuals or entities prior to disbursing any funds:
- 1.3.2.1.** All Subcontractors engaged by Grantee to aid in the performance of the Work.
- 1.3.2.2.** Individuals who receive direct benefits under this Agreement (i.e. program Beneficiaries).
- 1.3.3.** Grantee’s rights and obligations under this **Exhibit B** are personal and may not be transferred or assigned without the prior, written consent of DOH. Any attempt at assignment or transfer without such consent shall be void. Any assignment or transfer of Grantee’s rights and obligations approved by the State shall be subject to the provisions of this Agreement.
- 1.4. Time of Performance.** Grantee shall commence its performance of the Work on the Agreement Performance Beginning Date and complete all Work prior to the Initial Agreement Expiration Date (both of which are shown on the cover page of the Grant Agreement). The Initial Agreement Expiration Date may be extended in accordance with **§2C**, **§2D**, or **§18K** of the Grant Agreement. To initiate the extension process, Grantee shall submit a written request to DOH Asset Manager at least 60 days prior to the Initial Agreement Expiration Date, and shall include a full justification for the extension request.

2. Definitions.

The following definitions are in addition to definitions appearing in the main Grant Agreement and other Exhibits.

- 2.1. **Affordable Rent Limits.** If applicable, “Affordable Rent Limits” shall mean a rent that does not exceed 30 percent of the adjusted income of a family whose annual income equals the corresponding percentage of the Area Median Income (AMI), as determined by HUD, with adjustments for number of bedrooms in the unit (“AMI Rent Limits”). AMI Rent Limits are published annually on the website of the Colorado Housing and Finance Authority (CHFA), or if no longer published by CHFA, an equivalent index shall be designated by DOLA. The AMI percentages specific to this Project are specified in the table at **§8.1.3**, below, and the rent and income limits in effect on the Effective Date of this Agreement are listed in **Exhibit D**. The maximum rent payable by the tenant is equal to the Affordable Rent Limit less any utility allowance and less any rent subsidy.
- 2.2. **Affordability Period.** “Affordability Period” shall have the meaning described at **§8.1.7**.
- 2.3. **Beneficiaries.** “Beneficiaries” means the persons and/or households who are the end users that benefit from the Project.
- 2.4. **Extremely Low-Income Family.** “Extremely Low-Income Family” means a household whose annual income does not exceed 30 percent of the median household income of a geographic area, as determined by HUD, with adjustments for smaller and larger families or as HUD may establish for the area.
- 2.5. **HDG-Assisted Units.** “HDG-Assisted Units” shall mean units specifically designated as HDG-Assisted in the Project, as further described in **§8** of this **Exhibit B**, which shall comply with all applicable State requirements.
- 2.6. **HUD.** “HUD” is the United States Department of Housing and Urban Development.
- 2.7. **Low-Income Family.** “Low-Income Family” means a family whose annual income does not exceed 80 percent of AMI, as determined by HUD, with adjustments for smaller and larger families, or as HUD may establish for the area. The Area Median Income limits for this Project are published annually on CHFA’s website, or if no longer published by CHFA, an equivalent index shall be designated by DOLA.
- 2.8. **Other Funds.** “Other Funds” means funding provided or to be provided by other federal, state, local, or private sources for the Project. Other Funds are good faith estimates and do not include Grant Funds.
- 2.9. **Pre-Agreement Costs.** “Pre-Agreement Costs” are costs incurred prior to the Effective Date of this Agreement that are eligible for payment with Grant Funds. Pre-Agreement Costs are allowed only to the extent such costs are specifically identified in **§5.2.4** of this Exhibit B.
- 2.10. **Project.** “Project” means the overall project described in **§1.1** including, without limitation, the Work.
- 2.11. **Project Close-Out Date.** “Project Close-Out Date” shall mean the date DOLA determines the Project is complete as identified in writing to the Grantee.

2.12. **Subject Property.** “Subject Property” means both real property that Grant Funds are used to improve or acquire, and real property on which structures are constructed, rehabilitated, cleared or demolished using Grant Funds.

2.13. **Substantial Completion.** “Substantial Completion” means

DOLA’s receipt of a temporary or permanent certificate of occupancy for the Project from Grantee for new construction or rental rehabilitation projects or, where the scope of the Project does not require a certificate of occupancy, an alternative completion documentation in such form and substance as DOLA reasonably determines to be acceptable to meet the Agreement purposes and requirements.

Final loan closing under the Agreement for Single-Family Owner Occupied Rehabilitation and Down Payment Assistance programs.

Final rent assistance payment under the Agreement for Tenant Based Rental Assistance programs.

2.14. **Work.** See §3II of the main Grant Agreement.

3. DELIVERABLES

3.1. **Outcome.** Project Completion in accordance with C.R.S. 24-32-721, the Grantee’s grant application, the Performance Measures set forth below, and the other terms and conditions of this Grant Agreement.

3.2. **Performance Measures.** Grantee shall comply with the following Milestones and Target Dates:

Milestone/Grantee shall:	Target Date:
Close on Property	00/00/2000
Begin construction	00/00/2000
Complete 100% construction and obtain temporary or permanent certificate of occupancy	00/00/2000
Lease 100% of units	00/00/2000
Submit Quarterly Financial Status Report	Per §7.4.1
Submit Quarterly Performance Report	Per §7.4.2
Submit Lease-up Report	Per §7.4.3
Submit Project Completion Report	Per §7.4.4
Submit Weekly Davis-Bacon Payroll Reports	Per §7.5.5 below

4. KEY PERSONNEL

4.1. **Responsible Administrator.** Grantee’s performance hereunder shall be under the direct supervision of the individual identified below, an employee or agent of Grantee, who is hereby designated as the Responsible Administrator of this project:

Name and title of Responsible Administrator
 Street Address
 City, CO 80000
 email:

- 4.2. **Other Key Personnel.** Name, Title or “None.”
- 4.3. **DOH Asset Manager.** [Insert Name and email address.]
- 4.4. **Replacement Personnel.** If any Grantee Key Personnel cease to serve, Grantee shall immediately notify DOH of such event in writing. Replacement of Grantee Key Personnel shall be subject to DOH approval. Requests to replace Grantee Key Personnel shall be made in writing and shall include, without limitation, the name of the person, their qualifications, and the effective date of the proposed change. Notices sent pursuant to this subsection shall be sent in accordance with §14 of the main body of the Agreement, with a copy to DOH Asset Manager. Anytime Grantee Key Personnel cease to serve, the State, at its sole discretion, may direct Grantee to suspend work on the Project until such time as the Grantee proposes a replacement and such replacement is approved by DOH.

5. FUNDING

The amount of funding provided by the State is limited to the Agreement Maximum Amount shown on the Cover Page of the Grant Agreement, and is shown in the table in §5.2.1 as “Grant Funds (DOLA)”. The Grant Funds shall be used for activities shown in table in §5.2.3.

- 5.1. **Other Funds.** Grantee shall provide all funds necessary to complete the Project. All Sources listed below, other than the Grant Funds and Matching Funds (if any), are good faith estimates.

5.2. Project Budget.

5.2.1. Sources.

Source	Amount
Grant Funds (DOLA)	\$0,000
Loan Funds (DOLA)	\$0,000
Matching Funds [insert source]	\$0,000
LIHTC Equity	\$0,000
City/County of [name]	\$0,000
Deferred Developer fee	\$0,000
Total Sources	\$00,000

5.2.2. Uses.

Use	Amount
	\$000,000
	\$000,000
	\$000,000
Total Uses	\$000,000

5.2.3. Grant Funds (DOLA). Costs eligible for payment with DOLA Grant Funds are limited to the items and amounts listed in the table below (subject to any line item adjustments made pursuant to §5.4.1).

Eligible Use	Amount
	\$000,000
	\$000,000
	\$000,000
Total	\$000,000

5.2.4. Pre-Agreement Costs. Grant Funds may be used to pay only those Pre-Agreement Costs listed in the table below.

Eligible Use	Amount
	\$0
Total	\$0

5.3. **Matching Funds.** Grantee shall provide the funds, if any, identified as “Matching Funds” in §5.2.1, above.

5.4. Project Budget Line Item Adjustments

5.4.1. If the table in §5.2.3 lists more than one Eligible Use, Grantee shall have authority to make adjustments between line items, up to an aggregate of 10% of such line item, without the prior approval of the State. Such authority shall not allow Grantee to transfer to or between administration budget lines (e.g. development fees, overhead and project delivery). Grantee shall send written notification of allowed adjustments to the State within 30 days of such adjustment.

5.4.2. Changes to individual line item amounts in excess of 10% require prior written approval of the DOLA Controller. Grantee shall submit a written request for changes pursuant to this Section to the State. Such request shall include the amount of such request, the reason for the request and any necessary documentation. If the State approves such request, the State may unilaterally execute an Option Letter accepting such request pursuant to **\$18K** of the Grant Agreement.

6. PAYMENT

Payments to Grantee shall be made in accordance with the provisions of §5 of the Grant Agreement, and this §6 of **Exhibit B**.

6.1. **Payment Schedule.** Grantee shall submit all payment requests in a timely manner. Unless otherwise agreed to by DOH, Grantee shall submit payment requests once per month, on or before the 20th of each month. Eligible expenses incurred by Grantee during any calendar month shall be included in the following month’s pay request. Grantee shall submit payment requests to the DOH Asset Manager listed in §4.3. The DOH Asset Manager shall review the payment request and, if approved, shall submit the pay request to DOLA accounting for its review, approval and payment.

Payment	Amount	Timing
Interim Payment(s)	\$90-95% of total award	Paid upon DOLA's receipt and approval of a written request for payment and expense documentation of eligible costs.
Final Payment	\$5-10% of total award	Paid upon DOLA's receipt and approval of a written request for payment, expense documentation of eligible costs, Beneficiary data, and all required reports.
Total	\$000,000.00	n/a

6.2. **Remittance Address.** If mailed, payments shall be remitted to the following address unless changed in accordance with §14 of the Agreement:

Grantee Name
Address
City, CO 80000

6.3. **Interest.** If advance payments are authorized, Grantee or Subgrantee may keep interest earned from Grant Funds up to \$500 per year for administrative expenses. All interest earned in excess of \$500 shall be remitted to DOLA.

6.4. **Withholding of Payments.** In addition to any other rights that the State has with respect to enforcement of this Agreement, DOH may, at its discretion, withhold its approval of payment requests submitted by Grantee pursuant to §6.1 pending Grantee's submission and DOH's review and approval of:

6.4.1. Proof that **Exhibit F** (the Use Covenant and Regulatory Agreement) has been properly recorded.

6.4.2. Any reporting required pursuant to the terms of the main body of the Grant Agreement or this **Exhibit B**.

7. ADMINISTRATIVE REQUIREMENTS - STATE

Grantee shall administer Grant Funds in accordance with the requirements of this Agreement, Division of Housing (DOH) Guidelines, and this **Exhibit B**.

7.1. **Accounting.** Grantee shall maintain segregated accounts of Grant Funds and Other Funds associated with the Project and make those records available to the State upon request. All receipts and expenditures associated with the Project shall be documented in a detailed and specific manner, in accordance with the Project Budget in §5.2 above.

7.2. **Audit Report.** If an audit is performed on Grantee's records for any fiscal year covering a portion of the term of this Agreement or any other grants/contracts with DOLA, Grantee shall submit the final audit report, including a report in accordance with the Single Audit Act and 2 CFR 200.500, *et seq.*, to:

Department of Local Affairs
Accounting & Financial Services
1313 Sherman Street, Room 323
Denver, CO 80203, or

email to: dola.audit@state.co.us, and
[\[Asset.Manager\]@state.co.us](mailto:[Asset.Manager]@state.co.us)

- 7.3. **Cost Certification.** Grantee shall ensure completion of a cost certification for the Project performed by a certified public accountant and shall submit a copy to DOLA within thirty (30) days of Substantial Completion or full lease-up of the Project, whichever is later.
- 7.4. **Reporting.** In addition to all reporting required pursuant to the terms of the main Agreement, Grantee shall submit to DOLA the reports listed below in a format acceptable to the State. If such reports are not submitted in a timely manner, the State may withhold payments to Grantee as provided in §6 of this **Exhibit B**.
- 7.4.1. **Financial Status Report.** Within twenty (20) calendar days of the end of each quarter.
- 7.4.2. **Performance Report.** Within twenty (20) calendar days of the end of each quarter.
- 7.4.3. **Lease-up Report.** Within the first three (3) business days of each month during the Project's initial lease-up period, Grantee shall submit a lease-up report on the status of leasing of the Project units to eligible Beneficiaries (the "Lease-up Report").
- 7.4.4. **Project Completion Report.** Within thirty (30) calendar days of the Substantial Completion or full lease-up of the Project, whichever is later, the Grantee shall submit the HDG Project Completion Report including all attachments, and the final Financial Status Report. If Grantee does not utilize all of the Grant Funds, then Grantee shall provide DOLA with a deobligation letter with the final completion report.
- 7.4.5. **Davis-Bacon Payroll Reports.** If DOH is the lead agency for Davis-Bacon compliance, by the last business day of each week, Grantee shall submit the Davis-Bacon Payroll Reports for the week ending on the final business day of the previous week. Grantee shall submit a copy of the final statement of compliance to DOH within thirty (30) days of receipt of temporary certificate of occupancy.
- 7.4.6. **Program Income.** If this project generates Program Income, Grantee shall submit Program Income reports at least semi-annually, or more frequently if required by the State. These reports shall be submitted in accordance to the reporting requirements in DOLA's Program Income Guidelines (which are available on DOLA's website). **THIS PARAGRAPH 7.4.6 SHALL SURVIVE EXPIRATION AND/OR TERMINATION OF THE GRANT FOR AS LONG AS THE GRANTEE RECEIVES PROGRAM INCOME.**
- 7.5 **Monitoring.** The State shall monitor this Agreement in accordance with its Risk-Based Monitoring Policy and §§7B and C of the Grant Agreement. Final evaluation of the Project will be accomplished when DOLA approves the Project Completion Report.
- 7.6 **Bonds.** If the Work involves new construction, rehabilitation, site or facility improvements, Grantee, Subgrantee or the Subcontractor(s) performing such Work shall secure the bonds

listed below from companies holding certificates of authority as acceptable sureties pursuant to 31 CFR Part 223 and authorized to do business in Colorado.

7.6.1 Bid Bond. A bid guarantee from each bidder of Work equivalent to five percent (5%) of the bid price. The “bid guarantee” shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder shall, upon acceptance of his bid, execute such contractual documents as may be required within the time specified. The foregoing notwithstanding, no bid guarantee shall be required if the General Construction Contract is in place and executed as of the Effective Date of the Agreement.

7.6.2 Performance Bond. A performance bond on the part of the Grantee, Subgrantee or their Subcontractor for one-hundred percent (100%) of the awarded contract price. A “performance bond” is one executed in connection with a contract to secure fulfillment of all the Grantee, Subgrantee or their Subcontractor's obligations under such contract.

7.6.3 Payment Bond. A payment bond on the part of the Grantee, Subgrantee or their Subcontractor for one-hundred percent (100%) of the awarded contract price. A “payment bond” is one executed in connection with a contract to assure payment as required by statute of all persons supplying labor and material in the execution of the work provided for in the contract.

7.6.4 Substitution. Grantee may request and DOLA may approve, at its sole discretion, a waiver to allow another form of surety in lieu of the bonding requirements in this §7.6. Such surety shall be in the form of an Irrevocable Letter of Credit (LOC) or cash collateral, in form and substance acceptable, and payable, to the State. The amount of the surety shall be no less than the total amount of the Grant Funds.

7.5. Single Family Owner-Occupied Housing Rehabilitation Program. [Reserved].

7.6. Downpayment Assistance Program. [Reserved].

8. PROJECT REQUIREMENTS

8.1. Affordability Requirements - Rental.

8.1.1. HDG-Assisted Units. Grantee shall designate [insert number (#)] rental unit(s) at the Project as HDG-Assisted Units. The units designated as HDG-Assisted shall be of the type(s) set forth in the table in §8.1.3.

8.1.2. Floating Units. The HDG-Assisted Units shall be floating units over the Affordability Period, meaning that the units at the project designated by the Grantee as HDG-Assisted may change from time-to-time. Grantee shall ensure that the HDG-Assisted Units are, at all times, comparable in terms of number of bedrooms, square footage, and amenities to those units originally designated as HDG-Assisted. Whenever the income of a household occupying an HDG-Assisted Unit increases beyond the applicable income limit during the term of the tenancy Grantee shall re-designate the next available unit at the property as an HDG-Assisted Unit. Grantee shall keep records of all

re-designation actions including, without limitation, the effective date of each such action, and make such records available to DOH upon request.

8.1.3. Eligible Beneficiaries. The HDG-Assisted Units shall be affordable to and occupied by Eligible Beneficiaries. “Eligible Beneficiaries” means households whose annual income (as defined at 24 CFR 5.609) is less than or equal to the applicable income limit in effect at the time each such household initially occupies their unit. The income limits in effect for this Project as of the Effective Date of this Agreement are set forth in **Exhibit D**. Income limits are defined by the United States Department of Housing and Urban Development (HUD), and are published annually on the website of the Colorado Housing and Finance Authority (CHFA), or if no longer published by CHFA, an equivalent index shall be designated by DOLA.

The State may conduct a review of rents and household incomes to monitor compliance. This review will, without limitation, consider market or operating conditions that may temporarily impede the Grantee’s ability to meet required rents.

Unit Type	1-BR	2-BR	Total	Income Limit
HDG-Assisted	0	0	0	≤ 30% of AMI
Other Affordable	0	0	0	≤ 30% of AMI
Other Affordable	0	0	0	≤ 40% of AMI
Other Affordable	0	0	0	≤ 50% of AMI
Other Affordable	0	0	0	≤ 60% of AMI
Unrestricted	0	0	0	n/a
Total Units	0	0	0	n/a

8.1.4. Lawful Presence. [Reserved].

8.1.5. Income Eligibility Determinations. Grantee shall determine that each household occupying an HDG-Assisted Unit is income eligible by determining the household’s annual income (as defined in 24 CFR §5.609) in a manner consistent with the requirements of 24 CFR 92.203.

8.1.5.1. Initial Determination. Prior to initially serving such household, Grantee shall examine at least two (2) months of source documents evidencing annual income (e.g. wage statement, interest statement, unemployment compensation statement, etc.) for the household.

8.1.5.2. Subsequent Determinations. In each year during the Affordability Period, Owner shall re-examine the annual income of each household occupying an HDG-Assisted Unit. For subsequent annual income determinations, Owner shall: Determine the household’s income according to the method described at **§8.1.5.1**, or

Obtain from the household a written statement of the amount of the household’s annual income and household size, along with a certification that the information is complete and accurate. The certification must state that the household will provide source

documents upon request. If Owner accepts the tenant's statement and certification of income, Owner is not required to further examine the income of the tenant for that year unless there is evidence that the tenant's written statement failed to completely and accurately state information about the household's size or income, or

Obtain a written statement from the administrator of a government program under which the household receives benefits and which examines the annual income of the household each year. The statement must indicate the tenant's household size and state the amount of the household's annual income. Alternatively, the statement must indicate the dollar amount of the current applicable income limit for the tenant household's family size and state that the household's annual income does not exceed this limit.

- 8.1.6. Affordable Rents.** The rent charged for an HDG-Assisted Unit shall not exceed the 30% AMI rent limit for the particular unit type, less any utility allowance ("Affordable Rents"). (See §2.1 for full definition.) The AMI rent limits applicable to this Project as of the Effective Date of this Agreement are set forth in **Exhibit D**.

The foregoing paragraph notwithstanding, if an HDG-Assisted Unit receives State or Federal project-based rental subsidy, and the household pays no more than 30 percent of its adjusted income toward rent and utilities, then the maximum rent (tenant contribution plus project based rental subsidy) shall be the maximum rent allowable under the State or Federal project-based rental subsidy program. In the event of a decrease or termination of the project-based rental subsidy for the Project, unless such decrease or termination arises from default by Grantee or other material failure to comply with agreements, laws, or regulations applicable to the Project, the State agrees to work in good faith with Grantee to address the Grantee's request to seek alternative sources of funding, and/or, at the State's sole discretion, modify the occupancy restrictions, or increase the rent and income limits required by this Agreement.

Regardless of changes in the applicable rent and income limits over time, the HDG Affordable Rent Limits for this Project are not required to be lower than the HDG Affordable Rent Limits for the Project in effect at the time of Agreement execution.

- 8.1.7. Affordability Period.** Grantee shall ensure that the HDG-Assisted Units are used to provide housing for Project-Eligible Beneficiaries for [insert # of years] years following the Project Close-Out Date. At the end of this Affordability Period, no State restrictions shall remain in effect.

- 8.1.8. Use Covenant and Regulatory Agreement.** In order to ensure that all affordability requirements associated with this Agreement and the HDG program are met for the full Affordability Period regardless of any change in ownership of the subject property, Grantee shall execute and record or cause to be executed and recorded **Exhibit F** to this Agreement (the Use Covenant and Regulatory Agreement). Receipt by DOLA of proof of recording of **Exhibit F**

in the appropriate county shall be condition precedent to the disbursement of any Grant Funds by DOLA.

8.1.8.1. Noncompliance. If the Project is not used to house Eligible Beneficiaries, at Affordable Rents throughout the Affordability Period, Grantee or its successors and assignees, heirs, grantees, or lessees, shall repay the full amount of the Grant Funds to the State, within sixty days of the State's request.

8.2. Affordability Requirements – Homebuyer, and Homeowner Rehabilitation Projects/Programs. [Reserved].

8.3. Program Income. Grantees shall comply with the State's Program Income Guidelines (which are available on DOLA's website) for the tracking, accounting, reporting, and use of Program Income. **THIS §8.3 SHALL SURVIVE EXPIRATION AND/OR TERMINATION OF THE GRANT AGREEMENT FOR AS LONG AS THE GRANTEE CONTINUES TO RECEIVE PROGRAM INCOME.**

9. PROPERTY STANDARDS

9.1. New Construction. Newly constructed facilities shall meet all applicable codes and ordinances as of the Project Close-Out Date. All new construction projects shall also meet the requirements below:

9.1.1. Accessibility. The housing and its common areas shall meet the accessibility requirements of Titles II and III of the Americans with Disabilities Act (42 U.S.C. 12131-12189) implemented at 28 CFR Parts 35 and 36, as applicable. Covered multifamily dwellings, as defined at 24 CFR 100.201, shall also meet the design and construction requirements at 24 CFR 100.205, which implements the Fair Housing Act (42 U.S.C. 3601-3619). In addition, the project shall meet the accessibility requirements of 24 CFR Part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794). See §9.7, below.

9.1.2. Disaster mitigation. The housing shall be constructed to mitigate the impact of potential disasters (e.g., earthquakes, flooding, and wildfires), in accordance with State and local codes, ordinances, or other State and local requirements, or such other requirements as DOLA may establish.

9.1.3. Written cost estimates, construction contracts and construction documents. The construction contract(s) and construction documents shall describe the Project in adequate detail for DOLA to conduct inspections. Grantee shall make available to DOLA written cost estimates for construction.

9.1.4. Construction progress inspections. Grantee shall permit the State to conduct progress and final construction inspections. It is a condition precedent to funding that the State determine that work is done in accordance with the applicable codes, the construction contract, and construction documents.

9.2. Rehabilitation. The primary purpose of the Grant Funds and/or Program Income in rehabilitation of existing structures is to address health, safety, energy conservation, and structural deficiencies. Upon Substantial Completion, each HDG-Assisted Unit shall at a minimum meet the DOLA Division of Housing Rehabilitation Standards, available

on DOLA's website and incorporated by reference, and all applicable local codes, zoning, and ordinances.

- 9.3. Acquisition.** At the time of Substantial Completion, existing housing that is acquired with Grant Funds for rental housing, and that was newly constructed less than 12 months before the date of commitment of Grant Funds, shall meet the property standards of §9.1, above. All other existing housing that is acquired with Grant Funds for rental housing shall meet the property standards of §9.2, above.
- 9.4. Downpayment Assistance.** [Reserved].
- 9.5. TBRA.** [Reserved].
- 9.6. Ongoing property condition standards:** The Grantee shall comply with the property standards set forth in the Regulatory Agreement, (**Exhibit F**).
- 9.7. Section 504 (29 USC 793), as amended.** Construction shall meet the accessibility standards of Section 504. For housing projects which include any new construction or substantial rehabilitation of multi-family housing units, Section 504 requires selected units to be made accessible to persons with disabilities, and to the maximum extent feasible, these units are to be evenly distributed throughout the Project site and be sufficient in range of size when compared to other units. Specific requirements include:
- 9.7.1. Handicap Accessible.** _____ units shall be designated to meet the requirement that at least 5% [or 10%] of total Project units shall be made handicap accessible according to the Uniform Federal Accessibility Standards.
- 9.7.2. Persons with Hearing or Visual Impairments.** _____ units, in addition to those required in §9.7.1, above, shall be designated to meet the requirement that at least 2% [or 4%] of the total Project units shall be accessible to persons with hearing or visual impairments as required at 24 CFR § 8.22.
- 9.7.3. Availability of Units.** The owner or manager of the housing units shall adopt suitable means to ensure persons with disabilities are made aware of the availability of accessible units and to maximize use of accessible units by individuals needing the features of these units, in accordance with 24 CFR §8.27

10. ADMINISTRATIVE REQUIREMENTS – FEDERAL

- 10.1. Affirmative Marketing Plan.** Grantee shall provide and follow an Affirmative Marketing Plan for the Project that meets the requirements Section 504 of the Rehabilitation Act of 1973 and other requirements as DOLA may determine from time to time. The disbursement of funds under this Agreement shall be contingent upon the approval of such plan by the State.
- 10.2. Minority Outreach.** Grantee shall take actions to ensure that minority business enterprises and women business enterprises are used when possible in the procurement of property and services. Consistent with this requirement, Grantee shall prescribe procedures acceptable to the State to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, in any subcontracts entered into by the Grantee. Grantee shall maintain documentation of all

such actions in its procurement practices, provide this documentation to DOLA upon request, and report outcomes with the Project Completion Report.

10.3. Davis-Bacon Act.

This section shall shall not apply to this Agreement.

If the Project includes 9 or more federal Project-Based Vouchers pursuant to 24 CFR Part 983 or the HUD Veterans Affairs Supportive Housing Program, Grantee shall comply with the requirements set forth in 24 CFR 983.154 (Labor). If Davis-Bacon wages are applicable to the Project, the lead agency responsible for compliance enforcement shall be [insert name].

If the Project includes 12 or more federal Section 811 Project-Based Vouchers (pursuant to 42 U.S.C. §8013), Grantee shall comply with the requirements set forth in 42 U.S.C. §8013(j)(5) (Labor standards). If Davis-Bacon wages are applicable to the Project, the lead agency responsible for compliance enforcement shall be [insert name].

10.4. Section 3 of the HUD Act of 1968 and 24 CFR Part 135.

This section shall shall not apply to this Agreement.

In accordance with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR Part 135, to the greatest extent feasible, Grantee and Subgrantee (if applicable) shall, consistent with existing Federal, State, and local laws and regulations, ensure that employment and other economic opportunities generated by this HUD-financed project be directed to persons whose income is equal to or less than 80% of AMI, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to persons whose income is equal to or less than 80% of AMI.

Grantee shall maintain documentation of all such efforts in its hiring and procurement practices, provide this documentation to DOLA upon request, and in accordance with §75.25, report labor hours during project monitoring. If reporting indicates that the agency has not met the Section 3 benchmarks described in §75.23, Grantee and Subgrantee (if applicable) must report on the qualitative nature of its activities and those its contractors pursued per 24 CFR §75.15(b) and §75.25(b).

10.5. Environmental Requirements. Grantee shall comply with all HUD environmental requirements and shall not obligate Grant Funds prior to compliance with all federal environmental requirements in 24 CFR Part 58 and receipt of the written release of funds from the State.

10.6. Uniform Relocation Act (URA) and Section 104(d) of the Housing and Community Development Act of 1974 (Section 104(d)). If this Project includes acquisition, rehabilitation, demolition, or conversion, Grantee is required to follow a Residential Anti-displacement and Relocation Assistance Plan, which complies with all URA and Section 104(d) requirements. Guidance to achieve compliance with all acquisition, rehabilitation, demolition, and conversion activities can be found in HUD Handbook 1378 (Handbook), as HUD may amend from time to time. Therefore, Grantee shall comply with all applicable requirements in the Handbook, including, without limitation, the following:

10.6.1. General. All property owners and permanently displaced, temporarily displaced, and non-displaced residents, tenants, and businesses affected by the Project shall receive required notices, advisory services, and benefits.

10.6.2. Acquisition. All acquisitions associated with this Project shall meet the Voluntary Acquisition requirements of the Handbook.

10.6.3. Demolition and Conversion. All occupied or vacant but occupiable lower-income dwelling units (as defined at 24 CFR 42.305) that are demolished or converted to a use other than lower-income housing shall be replaced as required by Section 104(d).

10.6.4. Recordkeeping. Records demonstrating compliance with these requirements shall be maintained in accordance with the requirements of the Handbook, for the period specified in the Handbook or §9 of the Agreement, whichever results in a longer retention period. At a minimum, Grantee or Grantee shall make the following records available to the State:

1. Rent roll or occupancy records for the property at the date of the submission of the application for assistance, the date of site control (if after submission of the application), the date of execution of this agreement, and the date of completion of the project. Records should include all persons moving into the property after the date of execution of this agreement but before the completion of the project.
2. Copies of Notices and proof of receipt shall be submitted to the state within 30 days of issuance.
3. Documentation of advisory services provided, submitted to the state on a monthly basis, submitted no later than the 3rd business day of the following month.
4. When occupants are permanently displaced, documentation of inspection and offer of at least three comparable replacement dwellings within 30 days of offering to the displaced tenant. Only in situations where three comparable replacement dwellings are not available (*e.g.*, when the local housing market does not contain three comparable dwellings) may the Agency make fewer than three referrals.
5. When occupants are permanently displaced or temporarily relocated, documentation of moving assistance payments shall be submitted to the state within 30 days of moving. Unless the tenant is being displaced by a Public Housing Authority from a public housing unit, the occupant must be offered the choice of actual reasonable moving expenses (49 CFR 24.301(g)) or fixed payment for moving expenses (49 CFR 24.302).
6. On a monthly basis, provide documentation by the 3rd business day of the following month to the State of any and all of the scenarios in this section. When occupants are permanently displaced, documentation of replacement housing payment calculation and payment made, including documentation of replacement and displacement rent amount, documentation of income calculation, and comparable

replacement dwellings used to calculate upper limit of replacement housing payment per 49 CFR 24.403(a), if applicable. When occupants are temporarily relocated, documentation of any temporary payments made.

7. When businesses are permanently displaced, documentation of moving assistance and related expenses payments shall be submitted to the state within 30 days of moving. Documentation of reestablishment expenses paid shall be submitted within 30 days of payments being made.
8. When occupants are temporarily relocated, documentation that they return to the building/complex within one year. If an occupant is relocated for more than one year, they are considered permanently displaced and all permanent displacement rules apply.

Upon Request, Grantee shall provide additional documentation relating to the relocation of residential or non-residential tenants.

10.16.5. Corrective Action If the State and/or HUD determine that Grantee or Subgrantee did not comply with URA and/or 104(d) requirements, Grantee agrees to take corrective action as the State requires, including but not limited to locating displaced tenants and providing benefits to which those tenants were entitled in arrears.

10.7. Civil Rights. Regardless of Project type, Grantee shall comply with civil rights statutes and regulations, including Title VIII of the Civil Rights Act of 1968 (“Fair Housing Act”), Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973 (“Section 504”), Section 109 of Title I of the Housing and Community Development Act of 1974, Title II of the Americans with Disabilities Act of 1990, the Architectural Barriers Act of 1968, and the Age Discrimination Act of 1975. Additional reference information is provided in **Exhibit A**. Laws specifically relevant to this Agreement include, without limitation, the following:

10.7.1. Fair Housing Act, as amended. The Fair Housing Act prohibits discrimination in housing-related transactions based on race, color, national origin, religion, sex, familial status, and disability.

10.7.2. Section 504, as amended. Section 504, as amended, provides that no qualified individual with a disability may, only by reason of his or her disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

10.7.3. Section 504 Self Evaluation. Grantee has submitted or shall submit a Section 504 Self Evaluation and shall revise all policies and procedures identified, which may result in prohibited exclusion or discrimination of disabled persons, to comply with Section 504. Additionally, Grantee shall evaluate reasonable accommodation requests and comply with Section 504 requirements to make such reasonable accommodations that provide disabled individuals equal opportunities to benefit from the Project.

END OF EXHIBIT B