



CONTRACT AMENDMENT

1. Contract Number: HCS-23-42-1901-198	2. Amendment Number: 1	3. This Amendment herein- after identified as: HCS-23-42-1901-198(1)	4. Amount of Contract Award as Amended: \$135,017
5. Name and Address of Contracting Organization: City of Everett 2930 Wetmore Ave, Suite 8-B Everett, WA 98201		6. Title of Project / Service: Everett - Community Housing Improvement Program	
<input checked="" type="checkbox"/> Subrecipient <input type="checkbox"/> Contractor			

7. THIS ITEM APPLIES ONLY TO BILATERAL AMENDMENTS.
 The Contract identified herein, including any previous amendments thereto, is hereby amended as set forth in Item 8 below by mutual consent of all parties hereto.

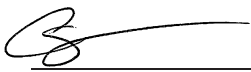
8. TERMS OF AMENDMENT. (Indicate the amount of an increase/decrease in contract and new beginning and ending dates, if applicable). The Contract referred to in Item 1 above is revised as follows:

- A. This Contract is amended to extend the commitment deadline for the HOME funds to June 30, 2025.
- B. This Contract is amended to extend the expenditure deadline for the HOME funds to June 30, 2025.
- C. Approved Specific Terms and Conditions, Exhibit A, is superseded with Exhibit A-1, attached. Section I.E.1 in Exhibit A is amended to update the commitment deadline to June 30, 2025. Section I.F.1 in Exhibit A is amended to update the expenditure deadline for the expenditure deadline to June 30, 2025.
- D. Approved Statement of Work, Exhibit B, is superseded by Exhibit B-1, attached. Section III.B of Exhibit B is amended to update the estimated loan commitment schedule to reflect the extended commitment and expenditure deadlines.

9. ALL OTHER TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT AND ANY PREVIOUS AMENDMENTS THERETO REMAIN IN FULL FORCE AND EFFECT.

FOR THE CONTRACTING ORGANIZATION:

FOR SNOHOMISH COUNTY:



 (Signature) 05/06/2024
 (Date)
 Cassie Franklin, Mayor

 Mary Jane Brell Vujovic, Director (Date)
 Department of Human Services

(Title)

Attest:



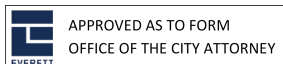


EXHIBIT A-1

SPECIFIC TERMS AND CONDITIONS

EVERETT - COMMUNITY HOUSING IMPROVEMENT PROGRAM

I. TERMS AND CONDITIONS

A. Designation

This HOME Agreement is made by and between Snohomish County, a political subdivision of the State of Washington and the representative member of the Snohomish County HOME Consortium Participating Jurisdiction (hereinafter the "County"), and the City of Everett, a municipal corporation of the State of Washington and a member of the Snohomish County HOME Consortium Participating Jurisdiction (hereinafter the "Agency"). Contingent upon release of funds from the U.S. Department of Housing and Urban Development (hereinafter "HUD"), the Agency expressly agrees to undertake, that certain homeowner housing rehabilitation loan program referred to as "**Everett - Community Housing Improvement Program**" (hereinafter, the "Project"), more fully described in the statement of work, **Exhibit B**, attached hereto and incorporated herein by this reference, as the same is commonly referred to as a HOME Investment Partnerships Program (hereinafter "Program") project within the HOME Investment Partnerships Act of 1990, 42 U.S.C. § 12701 et seq., as now or hereafter amended (hereinafter the "Act").

The undertaking of the Project shall be in full accord with the Act, and all rules and regulations promulgated pursuant to the Act and the HOME Regulations, including the 2013 HOME Final Rule issued by HUD, and referenced in the Rules and Regulations in the Federal Register, Vol. 78, No. 142, July 24, 2013, which are incorporated in full herein by this reference. The Agency agrees to comply fully with all applicable Federal, state, and local laws, ordinances, and regulations in activities funded in whole or in part with funds provided through this Agreement and in carrying out the Project in accordance with Exhibit B and with all other terms of this Agreement.

B. Subgrant

1. The subgrant of **One Hundred Thirty-Five Thousand and Seventeen Dollars (\$135,017)** in 2019 HOME funds is provided to the Agency for the full undertaking and performance of the Project. The subgrant may be amended from time to time in the manner described elsewhere in this Agreement, so long as the same remains consistent with the object of Exhibit B, as now or hereafter amended. The sum of said subgrant and any

amendments thereto may only be expended in accordance with the budget contained in **Exhibit C** attached hereto, which is incorporated herein by this reference, as may hereafter be amended (the "Project Budget").

2. The funds will be used by the Agency to provide housing rehabilitation loans to homeowners of low-income families in accordance with the provisions of this HOME Agreement and Exhibit B.
3. All Program Income (as that term is defined in Section IV-F-1 of Exhibit A hereof) from the interest on or repayment of HOME loans generated by the Project between July 1, 2018 and June 30, 2019 ("2018 Program Income") in the amount of **One Hundred Thirty Thousand One Hundred Fifty-Four Dollars and Forty Cents (\$130,154.40)**, shall be used by the Agency solely to make additional rehabilitation loans to HOME eligible homeowners under the terms of this HOME Agreement and shall be used in accordance with the terms of this HOME Agreement, including but not limited to, Section IV-F of Exhibit A hereof.
4. All Program Income (as that term is defined in Section IV-F-1 of Exhibit A hereof) from the interest on or repayment of HOME loans generated by the project beginning July 1, 2019 ("Post 2018 Program Income") shall be used in accordance with Section IV-F of Exhibit A hereof.
5. The Agency shall manage the Project so that Project costs do not exceed the Project Budget. Further, the Agency shall absorb all costs in excess of the authorized subgrant amount.

C. Notice to Proceed

The County shall furnish the Agency with written Notice to Proceed upon release of funds from HUD related to the Project pursuant to 24 CFR Part 58. No work on the Project prior to the Notice to Proceed shall occur without prior written approval from the County.

D. Term of Agreement

The term of this Agreement begins **July 1, 2019** and expires on the date the Agency ceases to conduct its Community Housing Improvement Program, including the origination of new housing rehabilitation loans and the servicing of existing housing rehabilitation loans as provided for in this Agreement, PROVIDED, HOWEVER, that no funds will be provided by the County to the Agency pursuant to this Agreement until the Agreement has been fully executed by both parties hereto. Notwithstanding the preceding sentence, this Agreement may be terminated by either party as provided in the Basic Terms and Conditions Agreement.

E. Term for Commitment of HOME Funds

1. The Agency shall fully commit the 2019 HOME funds and the 2018 Program Income provided under this Agreement to homeowners for housing rehabilitation loans for the Project in accordance with the terms hereof by **June 30, 2025.**
2. On the ending date indicated above, the Agency shall no longer be entitled to commit funds for the Project pursuant to this Agreement. If the Agency does not fully commit the 2019 HOME funds or the 2018 Program Income funds by the date indicated, the allotment to the Agency referred to in Section I hereof shall be reduced by the amount so not committed, PROVIDED, HOWEVER, that this limitation shall not apply to the Post 2018 Program Income generated from repayments of the initial HOME-funded loans, which Program Income shall be used in accordance with Section IV-F of Exhibit A hereof.

F. Term for Expenditure of HOME Funds

1. The Agency shall fully expend the 2019 HOME funds and 2018 Program Income provided under this Agreement for the Project in accordance with the terms hereof by **June 30, 2025.**
2. On the ending date indicated above, the Agency shall no longer be entitled to draw against the corresponding 2019 HOME funds and 2018 Program Income pursuant to this Agreement. If the Agency does not fully expend the funds by the date indicated, the allotment to the Agency referred to in Section I hereof shall be reduced by the amount not so expended, PROVIDED, HOWEVER, that this limitation shall not apply to the Post 2018 Program Income generated from repayments of the initial HOME-funded loans, which Program Income shall be used in accordance with Section IV-F of Exhibit A hereof.

G. Agency Operations

The Agency shall provide administrative, fiscal, and management services for the Project in accordance with this Agreement, the HOME Program statutes (including the Act), and the HOME Regulations. In addition, the Agency shall take reasonable steps to ensure meaningful access to its programs and activities by persons with limited English proficiency, and shall be guided in those efforts by HUD's "Final Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons; Notice," at 72 Federal Register 2731 (January 22, 2008).

H. Obligations Following Termination

Following expiration or termination of this Agreement, the Agency's obligations to the County shall remain in full force and effect until all closeout requirements are completed. Closeout requirements comprise all actions required to demonstrate to the County's satisfaction that all terms and conditions of this Agreement have been fulfilled, including, but not limited to, disposition of tangible property and provision of reports and data.

I. Capitalized Terms

All capitalized terms used but not defined herein shall have the meanings ascribed to them in 24 CFR Part 92. In addition, the meanings of capitalized terms defined herein are qualified in their entirety by reference to the definitions contained in 24 CFR Part 92.

II. PROGRAM REQUIREMENTS

A. Uniform Administrative Requirements

As required by 24 CFR § 92.505, the Agency shall conform its performance under this Agreement to the applicable parts of 2 CFR § 200 as they relate to the acceptance and use of Federal funds under this Agreement.

B. Other Federal Requirements

The Federal requirements set forth in 24 CFR § 92.350 are applicable to the Agency as a participant in the HOME Program. The requirements of that section include:

1. Nondiscrimination and equal opportunity;
2. Disclosure requirements;
3. Debarred, suspended or ineligible contractors; and
4. Drug-free workplace.

The Federal nondiscrimination requirements set forth at 42 U.S.C. § 12832 and relating to race, color, religion, ethnic or national origin, gender, age and non-disqualifying handicaps also are applicable.

C. Minority Outreach

Pursuant to 24 CFR § 92.351(b), Executive Orders Nos. 11625, 12432, and 12138, and 24 CFR § 85.36(e), the Agency shall take affirmative action to encourage the use of minorities' and women's business enterprises (hereinafter "WMBE") in connection with the HOME-funded activities related to the Project. In order to meet this goal, the Contractor shall, for all its Project contracts funded wholly or in part with HOME funds, demonstrate a good faith effort to attain 7.7% WMBE participation. Pursuant to 24 CFR § 92.508(a)(7)(ii)(B), the Agency shall submit an annual report of all Agency contracts over \$25,000 relating to the Project and funded by HOME funds.

D. Affirmative Marketing

The Agency shall adopt and implement affirmative marketing procedures and requirements in compliance with 24 CFR § 92.351(a) for use of the HOME funds. The Agency shall submit those affirmative marketing procedures and requirements to the County for its review and approval.

E. Affirmative Action

The Agency shall take affirmative action to overcome the effects of any prior discriminatory practice which tends on the grounds of race, color, religion, ethnic or national origin, age, handicap, or gender to exclude or limit individuals from participating in the Project, to deny them the benefits of the Project, or to subject them to discrimination under the Project.

F. Fair Housing and Equal Opportunity

The Agency and its contractors performing work funded in whole or in part under this Agreement are subject to and shall at all times comply with applicable state and Federal statutes and laws, as may hereafter be amended, including but not limited to: Title VI of the Civil Rights Act of 1964, as amended (Pub. L. No. 88-352) and 24 CFR Parts 1 and 2 (Nondiscrimination in Programs or Activities Receiving Federal Financial Assistance); Title VIII of Civil Rights Act of 1968 (Pub. L. No. 90-284) and 24 CFR § 115 (Nondiscrimination in Housing); Executive Order No. 11063 (Equal Opportunity in Housing), Executive Order No. 12259 (amending Executive Order No. 11063); Section 109 of the Housing and Community Development Act of 1974 (42 U.S.C. § 5309) and 24 CFR § 570.602 (Nondiscrimination in any Program or Activity); Executive Order No. 11246, as amended; 41 CFR Part 60 (Regarding Nondiscrimination in Employment); Executive Orders Nos. 11625, 12432, and 12138; Attachment "0" of OMB Circular A-110: Use of Minority and Women's Business Enterprises; Section 504 of the Rehabilitation Act of 1973, as

amended (29 U.S.C. § 794) (handicapped); The Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101 et seq.); the Fair Housing Act (42 U.S.C. §§ 3601-3620), Discrimination Prohibitions under Chapter 49.60 RCW; and the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101 et seq.).

The Agency will also ensure the compliance of contractors and subcontractors with state requirements pertaining to fair housing and equal opportunity.

G. Environmental Review

1. Pursuant to 24 CFR § 92.352(b)(1), the County retains responsibility for environmental review, decision-making and action for purposes of fulfilling requirements of the National Environmental Policy Act (NEPA) for each activity carried out with HOME funds. The County may require the Agency to furnish data, information, and assistance for its review and assessment in order for the County to discharge its responsibilities, including determining whether the County must prepare an Environmental Impact Statement.
2. The Agency retains responsibility for fulfilling the requirements of the State Environmental Policy Act (SEPA) and regulations and ordinances adopted thereunder.
3. Performance by the Agency under this Agreement shall include satisfaction of all applicable requirements of the National and State Environmental Policy Acts. No funds may be committed to a HOME activity or project before completion of the environmental review and approval of the request for release of funds and related certification, except as authorized by 24 CFR Part 58.
4. Contracting Requirements
 - a. This Agreement is subject to the requirements of the Clean Air Act, as amended, 42 U.S.C. § 1857 et seq., the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1351 et seq., and the regulations of the Environmental Protection Agency with respect thereto, at 40 CFR Part 15, as amended from time to time. In compliance with said regulations, the Agency shall enforce and cause or require to be inserted in full in all contracts and subcontracts, with respect to any nonexempt transaction thereunder funded with assistance provided under this Agreement, the following requirements:
 - 1) A stipulation by the contractor or subcontractor that any facility to be utilized in the performance of any nonexempt contract or subcontract is not listed on the List of Violating Facilities issued by the

Environmental Protection Agency (“EPA”) pursuant to 40 CFR § 15.20;

- 2) Agreement by the contractor to comply with all the requirements of Section 114 of the Clean Air Act, as amended (42 U.S.C. § 1857c-8), and Section 308 of the Federal Water Pollution Control Act, as amended (33 U.S.C. § 1318), relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in said Section 114, Section 308, and all regulations and guidelines issued thereunder;
- 3) A stipulation that, as a condition for the award of the contract, prompt notice will be given of any notification received from the Director, Office of Federal Activities, EPA, indicating that a facility utilized or to be utilized for the contract is under consideration to be listed on the EPA List of Violating Facilities; and
- 4) Agreement by the contractor that it will include or cause to be included the criteria and requirements referred to in this section in every non-exempt subcontract, and that it will take all appropriate actions to enforce these requirements.

- b. In no event shall any amount of the assistance provided under this Agreement be utilized with respect to a facility which has given rise to a conviction under Section 113(c)(l) of the Clean Air Act or Section 309(c) of the Federal Water Pollution Control Act.

H. Displacement; Relocation

The Agency shall comply with the displacement, relocation, and acquisition requirements under 24 CFR § 92.353 where applicable.

I. Lead-Based Paint

The Project shall be conducted and administered in compliance with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§ 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. §§ 4851-4856), and implementing regulations at 24 CFR Part 35, subparts A, B, J, K, M, and R, and with any and all applicable laws, regulations or standards hereafter enacted or issued with regard to lead-based paint.

J. Procurement Contracts

1. The Agency is subject to Federal procurement requirements contained in the applicable uniform administrative requirements as set forth at Exhibit A Section II-A of this Agreement.
2. Federal procurement requirements do not apply to the homeowners receiving rehabilitation loans made by the Agency or to the contractors hired by those homeowners.

K. Conflict of Interest

1. Conflict of Interest in Procurement

a. Applicability

In the procurement of supplies, equipment, construction, and services by the Agency, the conflict of interest provisions in 2 CFR § 200.318 shall apply. In all cases not governed by 2 CFR § 200.318, the provisions of 24 CFR § 92.356 and this section shall apply in addition to the provisions contained in the Basic Terms and Conditions agreement.

b. Conflicts Prohibited

No persons described in paragraph (c) of this section who exercise or who have exercised any functions or responsibilities with respect to activities assisted with HOME funds or who are in a position to participate in a decision making process or gain inside information with regard to these activities, may obtain a financial interest or financial benefit from a HOME-assisted activity, or have a financial interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one (1) year after.

c. Persons Covered

The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the Agency.

d. Exceptions: Threshold Requirements

Upon the written request of the County, HUD may grant an exception to the provisions of paragraph (b) of this section on a case-by-case basis when it determines that such an exception will serve to further the

purposes of the HOME Program and the effective and efficient administration of the County's HOME activities. The County may submit to HUD for its consideration a request for an exception only after the Agency has provided to the County the following:

- 1) A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and
- 2) An opinion of the Agency's attorney that the interest for which the exception is sought would not violate state or local law.

The County will review the request of the Agency and will submit the request for an exception to HUD if the request meets the criteria listed above.

e. Factors to be Considered for Exceptions

The factors to be considered by the County in determining whether to submit an exception request shall be the same as those considered by HUD in determining whether to grant a requested exception and are contained at 24 CFR § 92.356(e).

2. Conflict of Interest in HOME-Assisted Housing

a. Applicability

No officer, employee, agent or consultant of the Agency may occupy any HOME-assisted unit.

b. Exceptions

Upon written request of the Agency, the County may grant an exception to the provisions of paragraph (a) of this section on a case-by-case basis when it determines the exception will serve to further the purposes of the HOME Program and the effective and efficient administration of the HOME-assisted project.

c. Factors to be Considered for Exceptions

The factors to be considered by the County in determining whether to grant a requested exception under paragraph (b) of this section are contained at 24 CFR § 92.356(f)(2).

L. Public Information

In all news releases and other public notices related to the Project funded under this HOME Agreement, the Agency shall include information identifying the source of funds as the Snohomish County HOME Investment Partnerships Program.

M. HOME Match Requirements

HOME matching contribution requirements of 24 CFR §§ 92.218–92.222 apply to HOME funds. HOME requires an annual non-Federal match of 25% of total HOME funds expended program-wide. Match includes cash, assets, services, labor and other resources that are permanently contributed to the County's HOME Investment Trust fund and are not used as match for other Federal programs. The Project is expected to generate eligible match contributions but is not required to have a 25% match of HOME funds.

III. PROJECT REQUIREMENTS

The Agency will manage the Project so that the funding provided under this Agreement shall be in full compliance with the limitations contained in the HOME Regulations. The Agency will maintain records, which records shall be available for inspection by the County and HUD at the times and as provided in Section V-B-4 of Exhibit A hereof, demonstrating that assistance provided to each and every homeowner has been made in compliance with those limitations and the limitations described below.

A. Minimum and Maximum Per-Unit Subsidy Amounts

1. A minimum of \$1,000 in HOME funds must be invested in each HOME-assisted housing unit.
2. The total amount of HOME funds invested on a per-unit basis may not exceed the per-unit dollar limits established under section 221(d)(3)(ii) of the National Housing Act (12 U.S.C. § 17151(d)(3)(ii)) for elevator-type projects for the area in which the housing is located, or in the event that HUD approves an increase up to 240 percent of the original per unit limits for the area, may not exceed said HUD-approved limits. The County has provided the Agency with the current maximum per-unit subsidy limits for the Snohomish County area. HUD updates these maximum per-unit subsidy limits periodically and Snohomish County will provide updated limits to the Agency upon receipt of this information from the Seattle HUD Field Office.

B. Property Standards

1. The housing units rehabilitated with HOME funds under this Agreement must meet:
 - a. The property standards contained in 24 CFR § 92.251 at the times required by that section; and
 - b. The lead-based paint requirements contained in 24 CFR § 92.355 upon project completion.
2. The housing units rehabilitated with HOME funds under this Agreement must also meet the Snohomish County Urban County Consortium Rehabilitation Standards for HOME-Funded Projects and Programs, dated February 26, 2014, incorporated herein by this reference, and as subsequently amended; the Agency's Community Housing Improvement Program (CHIP) Operating Procedures Manual approved by the County, dated October 2012, incorporated herein by this reference, as subsequently amended with notice provided to the County; and applicable state and local codes.

C. Eligible Project Costs

1. The HOME funds under this Agreement must be used to provide home rehabilitation loans to homeowners to assist with HOME-eligible housing rehabilitation costs. Costs eligible for these loans must be: (a) to meet the property standards contained in 24 CFR § 92.251, (b) to make essential improvements, including energy-related repairs or improvements, improvements necessary to permit use by persons with disabilities, and the abatement of lead-based paint hazards, as required by 24 CFR Part 35, or (c) for other eligible purposes as listed under 24 CFR § 92.206 (a) and (d). The loans will be made upon the terms set forth in Exhibit B.
2. The HOME funds under this Agreement may be used to pay the cost to refinance existing debt as part of the home rehabilitation loans only in accordance with the requirements of 24 CFR § 92.206(b) and only after the County has established refinancing guidelines and amended the Snohomish County Urban County Consortium 2015-2019 Consolidated Plan to state these requirements, as required by 24 CFR § 92.206(b)(2).

D. Qualification as Affordable Housing

1. Beneficiary Requirements

The housing assisted with HOME funds under this Agreement:

- a. Must be owned by a homeowner whose family qualifies as a “low-income family” as defined in 24 CFR § 92.2 (a family whose annual income does not exceed 80% of the area median income, adjusted for family size, as determined by HUD), either at the time of loan execution or as provided in 24 CFR § 92.203(d)(2); and
- b. Must be occupied by the family as its principal residence.

2. Income Determinations

The Agency will utilize the 24 CFR 5.609 (Section 8) definition for annual income to make income eligibility determinations for the HOME rehabilitation loans.

3. Eligible Property Types

- a. Homes rehabilitated with HOME funds under this Agreement must be single family housing (1- to 4-unit dwelling, condominium unit, or equivalent form of ownership approved by HUD, all as defined as “homeownership” under 24 CFR § 92.2).
- b. As required by 24 CFR § 92.254(c) and 24 CFR § 92.2, homeownership interest in housing units assisted with HOME funds under this Agreement must be evidenced by one of the following:
 - 1) Fee simple title;
 - 2) Ninety-nine (99) year leasehold interest (at least 50 year lease on Indian trust or restricted Indian lands or a Community Land Trust);
 - 3) Manufactured housing with lease for a period at least equal to the applicable period of affordability in 24 CFR § 92.254;
 - 4) Inherited property with multiple owners for which title has been passed to several individuals by inheritance, but not all heirs reside in the housing, sharing ownership with other nonresident heirs, and the applicant owner-occupant qualifies as Low-Income, occupies the housing as his or her principal residence, and pays all the costs associated with ownership and maintenance of the housing (.e.g. mortgage, taxes, insurance, utilities;

- 5) Life estate where applicant occupant holds a life estate, has a right to live in the housing for the remainder of his or her life, does not pay rent, qualifies as Low-Income, and occupies the housing as his or her principal residence;
- 6) Inter vivos trust (also known as a living trust) where trust holds legal title and beneficiary or beneficiaries hold equitable title, where trust is valid and enforceable, where each beneficiary has the legal right to occupy the property for the remainder of his or her life, and where all beneficiaries of the trust qualify as Low-Income and occupy the property as their principal residence; or
- 7) Beneficiary deed which conveys an ownership interest in real property, including any debt secured by a lien on real property, to a grantee beneficiary designated by the owner that expressly states that the deed is effective on the death of the owner, where upon the death of the owner the grantee beneficiary receives ownership in the property subject to all conveyances, assignments, contracts, mortgages, deeds of trust, liens, security pledges and other encumbrances made by the owner to which the owner was subject during the owner's lifetime, and the applicant beneficiary occupant qualifies as Low-Income and occupies the property as his or her principal residence.

4. Maximum Property Value

As required by 24 CFR § 92.254, the housing assisted with HOME funds under this Agreement must have an estimated property value, after rehabilitation, for the type of single family housing, that does not exceed ninety-five percent (95%) of the median purchase price for the area. In compliance with 24 CFR § 92.254(b)(1), HUD establishes these limits based on Federal Housing Administration (FHA) data for existing housing in the area and other appropriate data. The County has provided the Agency with the current maximum after-rehabilitation property value limits for the Snohomish County area. HUD updates these limits periodically and the County will provide updated limits to the Agency upon receipt of this information from the Seattle HUD Field Office.

5. Property Location

The housing assisted with HOME Funds under this Agreement must be located within the corporate limits of the Agency and the Agency's Urban Growth Area.

E. Written Agreements with Homeowners

The Agency shall enter into written agreements with homeowners for the HOME-funded loans. Written agreements with homeowners shall meet the requirements of 24 CFR § 92.504, as applicable, and state the terms and conditions for repayment of the loans. The Agency will include in each homeowner agreement assisted with HOME funds under this Agreement:

1. The requirements found at 24 CFR § 92.504(c)(5)(ii) applicable to homeowner rehabilitation assistance; and
2. The reserved right of the County to inspect the rehabilitation records for the homes assisted with HOME funds. The rehabilitation loans shall be made following the protocol established in the Agency's Community Housing Improvement Program (CHIP) Operating Procedures Manual.

IV. FISCAL MANAGEMENT

A. Eligible Costs

Disbursements shall be made to the Agency under this Agreement only for certain "eligible project costs," as that term is defined in 24 CFR § 92.206, and, if approved by the County, for certain "pre-award costs" pursuant to 24 CFR § 92.212. In no event, however, shall disbursement be made to the Agency for costs not included in the Project Budget attached as Exhibit C to this Agreement.

No expenditure of HOME funds shall be made for "prohibited activities," as that term is defined in 24 CFR § 92.214.

B. Payment and Disbursements

The Agency may not request disbursement of funds under this Agreement until the funds are needed for the payment of eligible Project costs. The amount of each request shall be limited to the amount needed. If Program Income (as that term is defined in Section IV-F-1 of Exhibit A hereof) and HOME funds are committed to the same loan activity, the Program Income funds must be disbursed before the Agency requests funds from the County.

Disbursements by the County pursuant to this Agreement shall be on a reimbursement basis, covering Project obligations incurred by the Agency. These funds shall be managed through the County's HOME Investment Trust Fund account (the "HOME Investment Fund") utilizing the Integrated Disbursement and Information System ("IDIS") described in 24 CFR § 92.502, in the following manner:

1. The Agency's Project staff shall prepare and submit to the County within the time required by 24 CFR § 92.502(b) a Homeowner Rehab Set-Up and Completion Form (the form to be used shall be approved by the County and provided by the County to the City)) and a Homeowner Rehab Activity Commitment Certification (the form to be used shall be approved by the County and provided by the County to the City) with all documentation needed to complete activity set-up for each individual approved HOME-assisted rehabilitation loan activity.
2. The Agency's Project staff shall prepare a Request for Reimbursement/Actual Expenditure Report (attached hereto as **Exhibit D** and incorporated herein by this reference), together with a Report of Actual Expenditures (attached hereto as **Exhibit E** and incorporated herein by this reference), supported by copies of vouchers, invoices, salary and wage summaries, or other documentation, and submit them to the County with adequate notice to allow processing by the County.
3. Each Request for Reimbursement/Actual Expenditure Report shall be submitted by the Agency only for funds needed for payment of eligible Project costs and payment will be limited to the amount so needed.
4. Disbursements shall be limited to the amounts needed for allowable Project costs.
5. Disbursements will not occur, and payments may be withheld, unless the Agency provides proper documentation for the reimbursement requests. In addition, the County reserves the right to withhold payments pending delivery of Project reports or other documents as may be required under this Agreement.

C. Budget Revisions and Other Adjustments

In additions to the provisions contained in the Basic Terms and Conditions, the County reserves the right to reduce the amount of the Project Budget established by this Agreement if the Agency is not undertaking the Project activity at a level consistent with the terms and conditions, including but not limited to Exhibit B, of this Agreement. All disbursements under this Agreement shall be subject to audit and recovery of disallowed costs.

D. Repayment of HOME Funds

1. The Agency shall return or transfer to the County, as the case may be, all undisbursed HOME funds and Program Income not otherwise committed for pending loans upon the occurrence of any of the following events:

- a. The Project terminates before completion, voluntarily or involuntarily; or
 - b. The Agency's Community Housing Improvement Program or the Agency itself ceases to exist; or
 - c. This Agreement between the County and the Agency is terminated.
2. To the extent there are pending loans to be made at the time of any such occurrence, the Agency shall either make the pending loans and subsequently transfer the loans to the County, or notify the County that it will transfer to the County the full balance of such funds so that the County may close the pending loans.
 3. The Agency shall return or repay to the County all HOME funds disbursed to it under this Agreement upon the occurrence of any of the following events:
 - a. The housing in which HOME funds are invested does not meet the post-rehabilitation actual value specified in 24 CFR § 92.254(b)(1), PROVIDED, HOWEVER, that the Agency need only return or repay HOME funds attributable to the particular housing not meeting such affordability requirements; or
 - b. The Agency has received HOME funds pursuant to this Agreement to pay or reimburse it for activities subsequently found to be ineligible for funding, PROVIDED, HOWEVER, that the Agency need only return or repay HOME funds attributable to the ineligible activity;
 - c. The HOME funds disbursed by the County are not used in accordance with HOME Program requirements and this Agreement, PROVIDED, that the Agency need only return or repay HOME funds attributable to activities not undertaken in accordance with HOME Program requirements or this Agreement.
 - d. If overpayments are made solely to the extent of the overpayment.

Any HOME funds to be returned or repaid to the County must be repaid to the County's HOME Fund local account.

E. Reversion of Assets

All unexpended funds authorized by the Project Budget (Exhibit C) upon closeout of the Agreement shall revert to the Snohomish County HOME

Program. The Agency shall, upon expiration or termination of this HOME Agreement, transfer to the County:

1. Any HOME funds and Program Income on hand at the time of such expiration or termination; and
2. Its rights in any accounts receivable attributable to the use of HOME funds.

F. Program Income

1. Program Income is gross income, revenues and receipts of the Agency derived from activities assisted with HOME funds under this HOME Agreement ("Post 2018 Program Income"), and derived from activities assisted with prior year HOME funds which are included in this HOME Agreement (2018 Program Income), as is fully defined at 24 CFR § 92.2. Subject to provisions in the following paragraphs (2) through (7), all Post 2018 Program Income and 2018 Program Income, may be retained for use by the Agency, if it used exclusively for additional eligible HOME projects allowed under, and subject to the terms of, this HOME Agreement. Any such Program Income which the Agency elects not to retain for such use shall be remitted to the County.
2. All 2018 Program Income and Post 2018 Program Income received by the Agency from the Project or from any other HOME-assisted programs or projects shall be deposited in a single, separate HOME Program Income account ("the Agency account"). The Agency shall record and maintain cumulative records of the original source (the HOME Project and the HOME loan) of each deposit to the Agency account, and the HOME Project and HOME loan receiving each disbursement from the Agency account.
3. 2018 Program Income included in this Agreement shall be used by the Agency solely to make additional rehabilitation loans to HOME-eligible homeowners under the terms of this Agreement. All 2018 Program Income must be committed to loan activities prior to committing 2019 HOME funds to loan activities. If 2018 Program Income and 2019 HOME funds are committed to the same loan activity, the 2018 Program Income funds must be disbursed first.
4. In accordance with 24 CFR 92.254, Post 2018 Program Income will be collected on a cumulative basis for each July 1 to June 30 program year during the duration of the contract. At the end of each program year, the program income collected during that year will be allocated in the County's action plan for the following year. Post 2018 Program Income shall not be available for immediate use upon receipt; it must first be reported on a cumulative basis during the program year, included in the following year's

action plan, and included in a HOME Agreement between the County and the Agency prior to use. Post 2018 Program Income shall only be used for HOME-eligible activities and must be used in full accord with the Act, and all rules and regulations promulgated pursuant to the Act and the HOME Regulations.

5. The Agency shall submit the HOME Program Income Report monthly, in the form of **Exhibit F** of program income receipts to and disbursements from the Contractor account. A separate HOME Program Income Report shall be submitted for 2018 Program Income and Post 2018 Program Income.
6. Upon termination or expiration of this Agreement, as provided in Section I-F of Exhibit A hereof or the Basic Terms and Conditions Agreement, the Agency shall remit to the County the balance of Program Income on hand, and assign and convey to the County title to all Program Income receivables. Thereafter the Agency shall remit to the County any Program Income amounts received for so long as the County continues to be a Participating Jurisdiction (as defined at 24 CFR Part 92) in the HOME Program.
7. If the County ceases to be a Participating Jurisdiction before the end of the term of this Agreement, the Agency shall at that time remit to the County any on-hand Program Income comprised of HOME funds which were repaid during the term of this Agreement. The County in turn shall remit such funds to HUD. Thereafter, all future Program Income from repaid HOME funds made during the term of this Agreement shall be immediately remitted to the County, in perpetuity, and the County shall remit such funds to HUD.

V. RECORDS AND REPORTS

The Agency agrees to maintain the following records and submit the following reports in order to assist the County in meeting its recordkeeping and reporting requirements:

A. Records

Records under this Agreement shall be retained for the applicable periods required by 24 CFR § 92.508(c).

The Agency agrees to generate and maintain sufficient records to enable the County to determine whether the Agency has met the requirements of this Agreement, which records shall include the following:

1. Program records for each loan showing the sources and the uses of the funds and documenting homeowners assisted, homeowners' income,

homeowners' ownership of units assisted, homeowners' occupancy of units assisted as principal residence, property type, property location, and written loan agreements meeting the requirements of Section III-D of this Agreement and 24 CFR § 92.504.

2. Financial management records in the form of separate accounts, including personnel, property, financial, and programmatic records, which sufficiently and properly reflect all direct and indirect costs of any nature and all services performed under this Agreement;
3. Records that demonstrate that the HOME-assisted properties in the Project meet the property standards contained in 24 CFR § 92.251;
4. Records that demonstrate a minimum investment of \$1,000 in HOME funds for each unit rehabilitated and that demonstrate compliance with the requirements of 24 CFR § 92.254(b)(1) that the post-rehabilitation value of the property does not exceed 95% of the median purchase price for the area, such records also to demonstrate how the value was determined;
5. Equal Opportunity and fair housing records containing:
 - a. Data, as required by 24 CFR § 92.508(a)(7)(i)(A), on the extent to which each racial and ethnic group and single-headed households (by gender of household head) have applied for, participated in, or benefited from, any program or activity funded in whole or in part with HOME funds; and
 - b. Documentation and data on the steps taken to implement the County's outreach programs to minority-owned and female-owned businesses, including data indicating the racial/ethnic or gender character of each business entity receiving a contract or subcontract of \$25,000 or more paid, or to be paid, with HOME funds; the amount of contract or subcontract, and documentation of the Agency's affirmative steps to assure that minority businesses and women's business enterprises have an equal opportunity to obtain or compete for contracts and subcontracts as sources of supplies, equipment, construction and services;
 - c. Documentation, as required by 24 CFR § 92.508(a)(7)(i)(C), of the actions the Agency has taken to affirmatively further fair housing;
6. Records which demonstrate compliance with environmental review requirements contained in 24 CFR § 92.352;

7. Records which demonstrate compliance with the requirements of 49 CFR Part 24 and 24 CFR § 92.353 regarding displacement, relocation and real property acquisition;
8. Records demonstrating that each project meets the lead-based paint requirements of 24 CFR § 92.355 and of 24 CFR Part 35, subparts A, B, J, K, M and R;
9. Records supporting requests for waivers of, and exceptions to, the conflict of interest prohibitions contained in 24 CFR § 84.42 and 24 CFR § 92.356 and in Section II-L of this Agreement;
10. Records demonstrating compliance with 24 CFR Part 58, including but not limited to flood insurance requirements, as applicable; and
11. Records that demonstrate compliance with the insurance requirements provided in Section VII-A of this Agreement for the term of this Agreement as provided in Section I-D hereof.

B. Reports; Inspections

The Agency agrees to submit to the County such reports as the County requests pursuant to the requirements of state or Federal law. As a minimum, the Agency shall submit, in a format prescribed by the County, the following:

1. Homeowner Rehab Set Up and Completion Form

The Agency agrees to submit to the County a Homeowner Rehab Set Up and Completion Form in a format approved by the County with all documentation needed for activity completion within thirty (30) days of completion of each individual HOME-assisted home rehabilitation loan activity.

2. Other Reporting Requirements

- a. The Agency agrees to submit to the County monthly the HOME Program Income Report or similar form with the same information, in a format approved by the County.
- b. The Agency agrees to submit to the County, thirty (30) days after the end of each quarter, the Quarterly Report for HOME Owner-Occupied Housing Rehabilitation Loan Programs Quarterly Report (**Exhibit G**).

- c. The Agency shall submit an annual audit which includes this Project, certified by the State Auditor, to the County within twelve (12) months after the end of its fiscal year.
 - d. If requested by the County, the Agency will submit to the County prior to the disbursement of funds certified copies of:
 - 1) Its Equal Opportunity and Fair Housing marketing plan;
 - 2) Records demonstrating that the units meet or will meet all applicable property standards;
 - 3) Certification that no layering of federal funds has occurred or will occur;
 - 4) A conflict of interest statement;
 - 5) Evidence of flood insurance, if applicable; and
 - 6) Evidence that neither the Agency nor any contractor, subcontractor, agent, representative, or consultant working on the Project is debarred or suspended from participation in federal programs.
 - e. Each such report shall be subject to the approval of the County.
3. The County may request any other information that it deems necessary to monitor compliance with the requirements set forth in this Agreement. Such information shall be provided promptly by the Agency.
4. At any time during the term of this Agreement, the County or its designee may inspect all accounting and other records pertaining to the HOME assistance activities and operation of the Project. Upon request by the County, the Agency shall notify homeowners of upcoming inspections of their records in order to ensure compliance with HOME Program rules pertaining to property standards as contained at 24 CFR § 92.251 and 24 CFR § 92.355 and in accordance with state law. The Contractor shall include in its written agreements with homeowners the reserved right of the County to inspect the records of homes rehabilitated with HOME loans made with funds provided under this Agreement.

VI. GOVERNING LAW AND VENUE STIPULATION

Any action at law, suit in equity, or judicial proceeding for the enforcement of this Agreement or any provision hereof, shall be instituted and maintained only in any

of the courts of competent jurisdiction at Everett in Snohomish County, unless the County determines a deferral forum is appropriate to the issue raised.

VII. MISCELLANEOUS PROVISIONS

A. Insurance

1. The County recognizes the Agency is self-insured. Prior to the execution of this Agreement, the Contractor shall provide to the County a signed and dated letter of self-insurance.
2. This HOME Agreement is subject to the requirements of the Flood Disaster Protection Act of 1973 (Pub. L. No. 93-234). No portion of the assistance provided under this Agreement is approved for acquisition or construction purposes, as defined under Section 3(a) of said act, for use in an area identified by the Secretary as having special flood hazards which is located in a community not then in compliance with the requirements for participation in the National Flood Insurance Program pursuant to Section 201(d) of said act; and the use of any assistance provided under this Agreement for such acquisition or construction in such identified areas in communities then participating in the National Flood Insurance Program shall be subject to the mandatory purchase of flood insurance in accordance with the requirements of Section 102(a) of said act. The Agency shall ensure that flood insurance coverage for affected property is maintained for the mandatory period.

B. Relationship of the Parties

The parties intend that an independent contractor/county relationship will be created by this Agreement. Except to the extent specific Agency performance is required by this Agreement or by applicable provisions of law, the County is interested only in the results to be achieved and the implementation of services will lie solely with the Agency. No agent, officer, employee, servant or representative of the Agency shall be deemed to be an agent, officer, employee, servant or representative of the County for any purpose, and none of the Agency's employees shall be entitled to any benefits or rights enjoyed by employees of the County. The Agency will be solely and entirely responsible for its acts and for the acts of its agents, employees, servants, contractors and subcontractors during the performance of this Agreement. Neither party shall have the power to bind or obligate the other party except as set forth in this Agreement. No joint venture is being undertaken as a result of this Agreement and the parties are not general partners. Nothing herein shall be construed as reserving to the County the right to control the Agency's business.

C. Severability

It is understood and agreed by the parties hereto that if any part, term, or provision of this Agreement is held by a court to be invalid or void, the validity of the remaining provisions shall not be affected, and the rights and obligations of the parties shall remain in full force and effect and shall be construed and enforced as if the Agreement did not contain the particular provision held to be invalid.

If it should appear that any provision hereof is in conflict with any statute or ordinance of the United States, the state of Washington, or Snohomish County, said provision which may conflict therewith shall be deemed modified to conform to such statutory provision.

D. Entire Agreement – Modification

This Agreement constitutes the entire agreement between the parties as to the subject matter hereof and supersedes all prior discussions and understandings between them. This Agreement may not be amended or modified in any manner except by an instrument in writing signed by a duly authorized officer or representative of each of the parties hereto. The County and the Agency agree that this Agreement shall be modified if necessary to achieve compliance with HUD requirements.

E. Notices

Written notices and other written communications by and between the parties hereto shall be in writing, shall be personally delivered or sent by certified mail, return receipt requested, postage prepaid, and shall be deemed given when so delivered or received. All notices shall be addressed as follows:

County:

Snohomish County Human Services
Department – OHCD
3000 Rockefeller Avenue, M/S 305
Everett, WA 98201

Agency:

Kembra Landry
Housing & Community Development
Program Manager
City of Everett Community, Planning, &
Economic Department
2930 Wetmore Avenue, Suite 8-B
Everett, WA 98201

Either party may change the address to which notices shall be sent by notice to the other party in the manner and with the effect set forth in this Section VII-E.

F. Gender

The use of the plural in this Agreement shall include the singular and the singular shall include the plural; and the use of one gender shall be deemed to include either gender.

G. Captions

The captions used in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of the intent of this Agreement.

H. Time of the Essence

Time is of the essence in the performance of each party's obligations under this Agreement. Each party will carry out its obligations under this Agreement diligently and in good faith.

EXHIBIT B-1

STATEMENT OF WORK

EVERETT – COMMUNITY HOUSING IMPROVEMENT PROGRAM

I. PROJECT DESCRIPTION

The Agency operates the Everett- Community Housing Improvement Program (“CHIP”). Pursuant to this Agreement, under its CHIP program, the Agency will provide HOME-assisted low-interest loans to low-income homeowners to rehabilitate their homes within the corporate limits of the Agency and the Agency’s Urban Growth Area. The purpose of the program is to assist low-income homeowners to remain in their homes and to help maintain the current affordable housing stock in decent, safe, and sanitary condition.

II. SERVICES PROVIDED

- A. The proceeds of the subgrant and program income under this Agreement will be used to provide home rehabilitation loans under the Agency’s CHIP program in accordance with the provisions of this Agreement, including but not limited to, the project requirements in Section III of Exhibit A and this Exhibit B.
- B. The HOME loans provided will be in the form of deferred payment non-amortizing home rehabilitation loans for terms of fifteen to twenty-five years that accrue at three percent per annum simple interest. Loan amounts typically range between \$7,500 and \$100,000, with an estimated average loan of \$48,500. Loan terms and payments shall be as set forth in the Agency’s Community Housing Improvement Program Operating Procedures Manual, dated May 2018, and as subsequently amended with notice provided to the County.
- C. To carry out the Project, the Agency shall maintain a technical staffing function which provides direct program support. This technical staffing function shall include HOME eligibility determination, inspection of homes to identify critical health and safety deficiencies and other needed rehabilitation work, preparation of work write ups, assisting homeowners in soliciting general and trade contractors, oversight of construction progress, ensuring work is performed to required property standards, and completing loan underwriting and debt service functions.

III. PROGRAM GOALS

A. A total of four (4) homes are estimated to be rehabilitated, pursuant to the subgrant made under this Agreement and 2018 HOME Program Income available, at an estimated average cost of \$48,500 per home. Actual number of homes rehabilitated may vary depending on the actual cost of each loan and the actual amount of HOME Program Income available.

B. Estimated Schedule

<u>Activity</u>	<u># Units</u>	<u>Time Period</u>
Loans Committed	4	July 2019 – June 2025

This is an estimated loan activity schedule. Notwithstanding the foregoing schedule, the deadlines for committing and expending the HOME funds set forth in Section I-B of Exhibit A to this Agreement are as outlined in Section 1-E and Section 1-F of Exhibit A to this Agreement.







2019 HOME Agreement with Snohomish County_5.1.2024_SD


Final Audit Report

2024-05-06

Created:	2024-05-03
By:	Marista Jorve (mjorve@everettwa.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAA-mMg4bTTreDMV3xJyk55GYEVX1z1WMek

"2019 HOME Agreement with Snohomish County_5.1.2024_SD" History

-  Document created by Marista Jorve (mjorve@everettwa.gov)
2024-05-03 - 4:57:59 PM GMT
-  Document emailed to Kembra Landry (KLandry@everettwa.gov) for approval
2024-05-03 - 4:58:41 PM GMT
-  Email viewed by Kembra Landry (KLandry@everettwa.gov)
2024-05-06 - 6:52:37 PM GMT
-  Document approved by Kembra Landry (KLandry@everettwa.gov)
Approval Date: 2024-05-06 - 6:54:00 PM GMT - Time Source: server
-  Document emailed to Tim Benedict (TBenedict@everettwa.gov) for approval
2024-05-06 - 6:54:01 PM GMT
-  Email viewed by Tim Benedict (TBenedict@everettwa.gov)
2024-05-06 - 8:06:24 PM GMT
-  Document approved by Tim Benedict (TBenedict@everettwa.gov)
Approval Date: 2024-05-06 - 8:06:55 PM GMT - Time Source: server
-  Document emailed to Cassie Franklin (cfranklin@everettwa.gov) for signature
2024-05-06 - 8:06:57 PM GMT
-  Email viewed by Cassie Franklin (cfranklin@everettwa.gov)
2024-05-06 - 10:41:36 PM GMT
-  Document e-signed by Cassie Franklin (cfranklin@everettwa.gov)
Signature Date: 2024-05-06 - 10:41:43 PM GMT - Time Source: server

 Document emailed to Marista Jorve (mjorve@everettwa.gov) for signature

2024-05-06 - 10:41:44 PM GMT

 Document e-signed by Marista Jorve (mjorve@everettwa.gov)

Signature Date: 2024-05-06 - 10:43:49 PM GMT - Time Source: server

 Agreement completed.

2024-05-06 - 10:43:49 PM GMT