

## CONTRACT No. 32000848

## AMENDMENT No. 1

The above referenced Contract between the City of Portland, acting by and through its Portland Housing Bureau, and Proud Ground is hereby amended as follows:

**I. Scope of Activities**

Sub-section A. h. to read

- a. Upon sale of the last NSP3 home, cost savings from any PHB funding source other than NSP3 shall accrue 100% to the Portland Housing Bureau. 100% of the NSP3 funds must be spent.

Sub-section C. first paragraph to read:

Purchase up to 11 foreclosed (and/or short sale) homes in the state designated NSP3 target area and ensure compliance with all applicable federal, state, and City NSP statutes, regulations, and policies, including, but not limited to:

Sub-section E. first sentence of the first bullet point to read:

- Ensure there is a competitive bidding process for the rehab work on all NSP3 homes *except* the 2 homes where NAYA Family Center, Proud Ground's partner, shall be awarded the rehabilitation contracts without competitive bidding.

Sub-section G. a. to read:

- a. Restrict all NSP3 funds, through Proud Ground's standard recorded land lease document in effect at the time of the signing of the contract, to benefit the designated household income for the minimum period of affordability required by HOME regulations (24 CFR 92.254) as follows: at least 25% of the NSP3 funds must be spent to provide housing for households at or below 50% of the Area Median Income (AMI), and the remaining NSP3 funds must be spent to serve households at or below 80% AMI.

Sub-section G. d. to read:

- d. Market to Proud Ground's wait list and the larger income-qualified population using outreach methods explained above to identify households to purchase the other NSP3 homes and the 2 buyer initiated CDBG funded homes.

Sub-section G. k. to read:

- k. Utilize any funds received in the sale of the NSP3 funded homes above and beyond the costs of the acquisition, rehab, sale, and the PHB approved developer fee, in the acquisition and rehab of additional NSP3 funded homes.

**II. Performance Measures**

Sub-section A. a. to be deleted in its entirety.

Sub-section A. b. to read:

- b. Spend 100% of all NSP3 funds (or an equivalent combination of grant funds and NSP3 program income) by March 9, 2014;

Sub-section B. a. and c. to read:

- a. Purchase up to 11 foreclosed (REO) and/or short sale homes with NSP3 funds in the NSP3 target area;
- c. Sell the homes to as many as 11 first-time homebuyers, including two households at or below 50% AMI, with a goal that at least half identify as households of color.

### III. Compensation and Method of Payment

Sub-section G. to read:

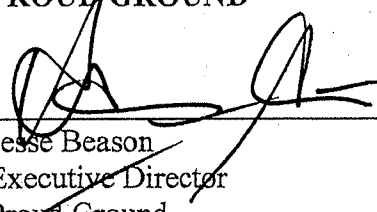
The contract award is hereby increased in an amount up to \$554,665 in Neighborhood Stabilization Program -3 funds, resulting in a new contract total not to exceed ONE MILLION, FOUR HUNDRED THIRTY SIX THOUSAND, TWO HUNDRED SIXTY FIVE (\$1,436,265).

### IV. Exhibits:

Exhibit A, Tables 1 through 3, Exhibit B, Tables 1 and 2, and Exhibits C1 and C2 will be modified as final total in funding becomes available.

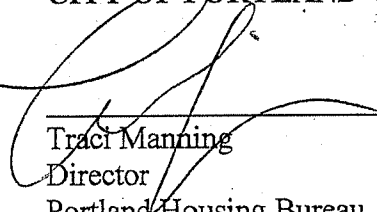
- V. All other terms and conditions of Contract No. 32000848 between the City of Portland and Proud Ground shall remain the same.

**PROUD GROUND**


  
Jesse Beason  
Executive Director  
Proud Ground

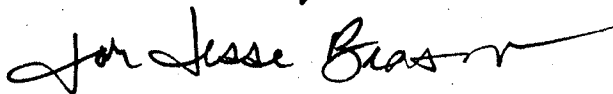
Date

**CITY OF PORTLAND**

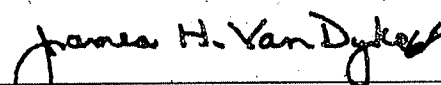
  
Traci Manning  
Director  
Portland Housing Bureau

Date

  
Kathy Armstrong,  
Deputy Director, Proud Ground

  
for Jesse Beason

APPROVED AS TO FORM:  
APPROVED AS TO FORM

  
James H. Van Dyke  
CITY ATTORNEY  
City Attorney

Date

LaVonne Griffin-Valade  
City Auditor

Date

Subrecipient Contract  
Contract No. 32000848  
Housing Projects

This subrecipient contract is between the City of Portland, acting by and through its Portland Housing Bureau, hereafter called "City," and Proud Ground (PG), hereafter called Subrecipient, to create permanently affordable homes for low income homebuyers through the purchase and rehabilitation of residential properties.

1. Effective Date and Duration

This contract shall become effective on October 1, 2012. This contract shall terminate on June 30, 2016.

2. Contract Manager

Each party has designated a contract manager to be the formal representative for this project. All reports, notices, and other communications required under or relating to this subrecipient contract shall be directed to the appropriate individual identified below. The City contract manager is authorized to approve work and billings hereunder, to give notices referred to herein, to terminate the Contract as provided herein, approve all changes except those that increase the total contract amount.

<u>PHB</u>	<u>Subrecipient</u>
Contract Manager: Phil Willis-Conger	Contract Manager: Jesse Beason
421 SW Sixth Ave., Suite 500	5288 N Interstate
Portland, OR 97204	Portland, OR 97217
(503) 823-3486	(503) 493-0293 ext.16
(503) 823-2387 (fax)	(503) 493-7333 (fax)
Phil.Willis-Conger@portlandoregon.gov	jesse@proudground.org
	EEO: 1/12/2014
	Business License No.: 440417

3. Scope of Services

The statement of work is contained in Section I.

4. Compensation

The amount of compensation shall be up to \$586,000 in Neighborhood Stabilization Program Three (NSP3) funds, up to \$168,000 in CDBG funds, up to \$52,600 in TIF, and based on need and availability of funds, up to \$75,000 in Lead Grant funds, for a total not to exceed \$881,600. The compensation requirements are contained in Section V. The **final invoice** is due **July 8, 2016**.

5. Reporting

The Reporting requirements are contained in Section IV. The **final report** is due **Tuesday, July 12, 2016**, or 30 days after the last home is sold, whichever comes first.

- g. No funds from, or personnel employed in the administration of this contract, shall be used for inherently religious activities, lobbying, or political activities including political patronage and nepotism.
- h. Upon sale of the sixth NSP3 house project cost savings from any PHB funding source other than NSP3 shall accrue 100% to the Portland Housing Bureau. 100% of NSP3 funds must be spent.

B. Home Buyer Financial Assistance

Provide 2 homebuyers Down Payment Assistance to purchase non-NSP3 homes in the City of Portland using only \$16,000 in CDBG funds to leverage \$140,000 in additional outside funds to make the homes affordable.

- a. Employ the methodology described in Acquisition (C—parts d, e, & f), Rehab (D), Outreach (E), Sale (F), and Records (G) below;

C. Acquisition

Purchase 6 foreclosed homes in the state designated NSP3 target area and ensure compliance with all applicable federal, state, and City NSP statutes, regulations, and policies, including, but not limited to:

- a. Ensure the properties are vacant, and “abandoned” or “foreclosed” according to the NSP1 HUD definition (published in the April 9, 2010 Federal Register, Volume 75, No.68, page 18230);
- b. Inform the property owners in writing using the forms from Exhibit G and H of the following:
  - i. The fair market value of the property (land, home, and all improvements) as determined by a fee appraisal [a qualified appraisal complies with 49 CFR 24.2(a)(3) and 49 CFR 24.103(a)(2) (i thru v)]; and
  - ii. Proud Ground will not acquire the properties if negotiations fail to result in an amicable agreement (see 49 CFR 24.101(b)(1) & (b)(2)) with a purchase price at least 1% less than the appraised value;
- c. Make final purchase offers contingent on the successful completion of an environmental review, and no commitment of funds or other choice limiting action may be taken until the environmental review is complete and Proud Ground has received written notification from the Portland Housing Bureau that the purchase may proceed. The following language must be included in the purchase contract unless the PHB has completed the environmental review and has authorized the purchase to proceed:
  - *“Notwithstanding any other provision of the Contract, Purchaser shall have no obligation to purchase the Property, and no transfer of title to the Purchaser may occur, unless and until the Portland Housing Bureau (PHB) has provided Purchaser and/or Seller with a written determination, on the basis of a federally required environmental review and an approved request for release of federal funds, that purchase of the property by Purchaser may proceed, subject to any other Contingencies in this Contract, or may proceed only if certain conditions to address issues in the environmental review shall be*

- Provide all homebuyers with the EPA Pamphlet "Protect Your Family from Lead in Your Home" (24 CFR Part 35.910 (b)).
- Facilitate Paint Testing and a Risk Assessment by PHB staff Lead-Based Paint Risk Assessment staff (24 CFR Part 35.930 (d)(1)(2)), and provide all homebuyers a copy of the Assessment (24 CFR Part 35.910 (b)).
- Abate all lead-based paint hazards identified by the paint testing and/or risk assessment, with the exception that interim controls are acceptable on exterior surfaces that are not disturbed by rehab and on lead-paint hazards that have an area smaller than the *de minimis* limits. When abating lead paint hazards, only the surface area with hazardous conditions must be abated (24 CFR Part 35.930 (d)(3)).
- Ensure all work on surfaces containing lead based paint is performed using lead safe work practices, by contractors that have been trained under the EPA and/or Oregon Health Authority (OHA) RRP Rule, and repair any disturbed lead based paint (24 CFR Part 35.930 (d)(4)).
- Where surfaces containing lead based paint are disturbed beyond Federal and/or Oregon "de minimus" standards,
  - i. coordinate the clearance of the worksite by a PHB risk assessor certified in the State of Oregon (24 CFR Part 35.925 (b)(3)); and
  - ii. notify the client of the results of the clearance test (24 CFR Part 35.910 (a)).
- Document and maintain records for Lead Based Paint activities above in each client's individual file.

F. Outreach:

Employ strategic, culturally-specific outreach methods using a combination of traditional grassroots outreach efforts (homeownership information sessions, housing fairs, etc.), marketing tools, and community relations strategies (employer relations, professional networking organizations, etc.) to reach potential homebuyers from historically underserved populations. In all publicity for city-funded projects, include information that the funding comes from the Portland Housing Bureau.

G. Sale

- a. Restrict all NSP3 funds, through Proud Ground's standard recorded land lease document in effect at the time of the signing of the contract, to benefit the designated household income for the minimum period of affordability required by HOME regulations (24 CFR 92.254) as follows: at least \$154,200 of the NSP3 funds must be spent to provide housing for households at or below 50% of the Area Median Income (AMI), and the remaining \$431,800 of the NSP3 funds must be spent to serve households at or below 80% AMI.
- b. Employ culturally-specific strategies and methods, including interpretive services, to conduct homebuyer education & counseling sessions;

### III. Performance Measures

#### A. Timeliness

To avoid breaching the contract, the subrecipient must:

- a. Spend fifty percent (50%) of the NSP3 funds by March 9<sup>th</sup>, 2013; and
- b. Spend all \$586,000 of the original NSP3 funds (or an equivalent combination of original grant funds and NSP3 program income) by March 9, 2014;
- c. Spend one hundred percent (100%) of the CDBG funds (or an equivalent combination of original grant funds and CDBG program income) by June 30, 2014;
- d. Spend one hundred percent (100%) of the TIF funds by June 30, 2015.

#### B. Outputs:

- a. Purchase 6 foreclosed (REO) or short sale homes with NSP3 funds in the NSP3 target area;
- b. Rehab the homes using HUD green and energy efficient standards;
- c. Sell the homes to 6 first-time homebuyers, including one household at or below 50% AMI.
- d. Provide financial assistance (without any NSP3 funds) to 2 additional first-time homebuyers at or below 80% AMI to purchase homes in the City of Portland.

#### C. Outcomes:

- a. Six first-time homebuyers purchase their first home with NSP3 funds, with goals that at least half earn 65% AMI or below and that at least half identify as households of color.
- b. Two low to moderate income homebuyers (at or below 80% AMI) identify and purchase their homes made affordable with CDBG funds (but no NSP3 funds), with a goal that at least one of them identify as a household of color.
- c. Eight permanently affordable homeownership units are created, renovated and preserved for low/moderate income households.

### IV. Required Reporting

- A. Quarterly Project Reports – The subrecipient will prepare quarterly reports summarizing the activities and accomplishments achieved to date, and activities anticipated in the next quarter. Quarterly reports are due 10 days after the end of the quarter. (Reports are due January 10, 2013, April 10, 2013, and so on for the duration of the contract.) (See Exhibit D for reporting forms). Other reports, within reason, may be requested as necessary by the City contract manager, or the construction coordinator.

- over 65 yrs of age
- a limited English language speaker
- US military veteran

V. Compensation and Method of Payment

- A. The City will reimburse the Subrecipient or its subcontractors for actual expenditures in accordance with the Budget (Exhibit A), upon submission of an itemized billing statement (Exhibit C1 or C2) that includes back-up documentation.
- B. Invoices will be processed by the City for immediate payment.
- C. All funds received by the Subrecipient for payment to others must be disbursed within three (3) working days of receipt.
- D. Any changes to the approved budget must be authorized in writing by the City Project Manager before any expenditure of funds in new amounts or line items.
- E. All NSP funds are subject to repayment in the event the Project does not meet the Project Requirements and Other Requirements as outlined in this Agreement, including deadlines.
- F. OHCS (Oregon Housing and Community Services) must approve developer fees above 10% of total project cost, and developer fees for each NSP3 home are payable only upon sale of the home, unless approved in writing by the city contract manager;
- G. Total compensation under this Contract shall not exceed EIGHT HUNDRED EIGHTY ONE THOUSAND SIX HUNDRED DOLLARS (\$881,600).

VI. General Contract Provisions

- A. **TERMINATION FOR CAUSE.** In accordance with 24 CFR 85.43, if, through any cause, the Subrecipient shall fail to fulfill in timely and proper manner his/her obligations under this Contract, or if the Subrecipient shall violate any of the covenants, agreements, or stipulations of this Contract, the City may avail itself of such remedies as cited in 24 CFR 85.43 by giving written notice to the Subrecipient of such action and specifying the effective date thereof at least 30 days before the effective date of such action. In such event, all finished or unfinished documents, data, studies, and reports prepared by the Subrecipient under this Contract shall, at the option of the City, become the property of the City and the Subrecipient shall be entitled to receive just and equitable compensation for any satisfactory work completed on such documents.

Notwithstanding the above, the Subrecipient shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of the Contract by the Subrecipient, and the City may withhold any payments to the Subrecipient for the purpose of setoff until such time as the exact amount of damages due the City from the Subrecipient is determined.

(a) The Subrecipient will comply with the non-discrimination provisions of Title VI of the Civil Rights Act of 1964 (24 CFR 1), Fair Housing Act (24 CFR 100), and Executive Order 11063 (24 CFR 107).

(b) The Subrecipient will comply with prohibitions against discrimination on the basis of age under Section 109 of the Act as well as the Age Discrimination Act of 1975 (24 CFR 146), and the prohibitions against discrimination against otherwise qualified individuals with handicaps under Section 109 as well as section 504 of the Rehabilitation Act of 1973 (24 CFR 8).

(c) The Subrecipient will comply with the equal employment and affirmative action requirements of Executive Order 11246, as amended by Order 12086 (41 CFR 60).

(d). The Subrecipient will comply with the equal employment and non-discrimination requirements of Portland City Code Sections 3.100.005 (City Policies Relating to Equal Employment Opportunity, Affirmative Action and Civil Rights), 3.100.042 (Certification of Contractors), and Chapter 23 – Civil Rights.

(e) Subrecipient will comply with the Americans with Disabilities Act (42 USC 12131, 47 USC 155, 201, 218 and 225), which provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodation, state and local government services and telecommunications. The Act also requires the removal of architectural and communication barriers that are structural in nature in existing facilities. For CDBG and/or HOME funded projects, the Subrecipient will also comply with affirmative marketing policy and outreach to minorities and women and to entities owned by minorities and women per 24 CFR 92.351 and/or 24 CFR 570.601(a)(2), if the funds will be used for housing containing 5 or more assisted units.

- F. SECTION 3: The Subrecipient will comply with the training and employment guidelines of Section 3 of the Housing and Urban Development Act of 1968, as amended (12U.S.C. 1701a), and regulations pursuant thereto (24 CFR Part 135).
- G. ACCESS TO RECORDS. The City, HUD, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, general organizational and administrative information, documents, papers, and records of the Subrecipient which are directly pertinent to this contract, for the purpose of making audit or monitoring, examination, excerpts, and transcriptions. All required records must be maintained by the Subrecipient for five years after the City makes final payments and all other pending matters are closed.
- H. MAINTENANCE OF RECORDS. The Subrecipient shall maintain fiscal records on a current basis to support its billings to the City. The Subrecipient shall retain



Subrecipient shall provide a new policy with the same terms. The Subrecipient agrees to maintain continuous, uninterrupted coverage for the duration of the contract. The insurance shall include coverage for any damages or injuries arising out of the use of automobiles or other motor vehicles by the Subrecipient.

(b) The Subrecipient shall maintain on file with the City Auditor a certificate of insurance certifying the coverage required under subsection (a). The adequacy of the insurance shall be subject to the approval of the City Attorney. Failure to maintain liability insurance shall be cause for immediate termination of this Contract by the City.

In lieu of filing the certificate of insurance required herein, the Subrecipient shall furnish a declaration that the Subrecipient is self-insured for public liability and property damage for a minimum of the amounts set forth in ORS 30.270.

L. WORKERS' COMPENSATION INSURANCE.

(a) The Subrecipient, its subcontracts, if any, and all employers working under this Contract are subject employers under the Oregon Worker's compensation law and shall comply with ORS 656.017, which requires them to provide worker's compensation coverage for all their subject workers. A certificate of insurance, or copy thereof, shall be attached to this Contract and shall be incorporated herein and made a term and part of this Contract. The Subrecipient further agrees to maintain worker's compensation insurance coverage for the duration of this Contract.

(b) In the event the Subrecipient's worker's compensation insurance coverage is due to expire during the term of this Contract, the Subrecipient agrees to timely renew its insurance, either as a carrier-insured employer or a self-insured employer as provided by Chapter 656 of the Oregon Revised Statutes, before its expiration, and the Subrecipient agrees to provide the City of Portland such further certification of worker's compensation insurance as renewals of said insurance occur.

(c) If the Subrecipient believes itself to be exempt from the worker's compensation insurance coverage requirement of (a) of this subsection, the Subrecipient agrees to accurately complete the City of Portland's Questionnaire for Worker's Compensation Insurance and Qualification as an Independent Contractor prior to commencing work under this Contract. In this case, the Questionnaire shall be attached to this Contract and shall be incorporated herein and made a term and part of this Contract. Any misrepresentation of information on the Questionnaire by the Subrecipient shall constitute a breach of this Contract. In the event of breach pursuant to this subsection, City may terminate the Contract immediately and the notice requirement contained in Section A, TERMINATION FOR CAUSE, hereof shall not apply.

- P. CONTRACT ADMINISTRATION, 24 CFR 570.502(b). The Subrecipient shall comply with the applicable provisions of OMB Circular Nos. A-122, A-21, A-133 and A-110 as described by 24 CFR 570.502(b) and 570.610.

If Subrecipient is a public agency, it must comply with the provisions of OMB Circulars A-87 (Cost Principles for State, Local and Indian Tribal Governments), A-133, 24 CFR 570.502(a) and all of 24 CFR Part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments).

- Q. OREGON LAWS AND FORUM. This contract shall be construed according to the laws of the State of Oregon.

Any litigation between the City and the Subrecipient arising under this contract or out of work performed under this contract shall occur, if in the state courts, in the Multnomah County court having jurisdiction thereof, and if in the federal courts, in the United States District Court for the State of Oregon.

- R. AVAILABILITY OF FUNDS. It is understood by all parties to this contract that the funds used to pay for services provided herein are provided to the City through a grant from the U.S. Department of Housing and Urban Development. In the event that funding is reduced, recaptured, or otherwise made unavailable to the City as a result of federal action, the City reserves the right to terminate the contract as provided under Section B hereof, or change the scope of services as provided under Section D hereof.

- S. PROGRAM INCOME/PERSONAL PROPERTY. For Community Development Block Grant-funded projects, the Subrecipient shall comply with provisions of 24 CFR 570.504 regarding program income. Program income shall be retained by the Subrecipient provided that it shall be used only for those activities identified in the Scope of Services, and shall be subject to all provisions of this contract.

- T. COMPLIANCE WITH LAWS. In connection with its activities under this contract, the Subrecipient shall comply with all applicable federal, state, and local laws and regulations. For Community Development Block Grant-funded projects, the Subrecipient shall carry out its activities in compliance with 24 CFR 570 Subpart K, excepting the responsibilities identified in 24 CFR 570.604 and 570.612. For McKinney-Vento Supportive Housing Program funded projects, Subrecipient shall carry out its activities in compliance with 24 CFR 583. For McKinney-Vento Emergency Shelter Grant funded projects, Subrecipient shall carry out its activities in compliance with 24 CFR 576.

In the event that the Subrecipient provides goods or services to the City in the aggregate in excess of \$2,500 per fiscal year, the Subrecipient agrees it has certified with the City's Equal Employment Opportunity certification process.

- AA. **LABOR STANDARDS.** The Subrecipient agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of Contract Work Hours, the Safety Standards Act, the Copeland "Anti-Kickback" Act (40 U.S.C 276, 327-333) and all other applicable federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this contract. The Subrecipient shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the City of Portland for review upon request.
- The Subrecipient agrees that, except with respect to the rehabilitation or construction of residential property designed for residential use for less than eight (8) households, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair of any building or work financed in whole or in part with assistance provided under this contract, shall comply with federal requirements adopted by the City of Portland pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR, Parts 3, 15 and 7 governing the payment of wages and ratio of apprentices and trainees to journeymen; provided, that if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve the Subrecipient of its obligation, if any, to require payment of the higher wage. The Subrecipient shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph, for such contracts in excess of \$100,000.
- BB. **FLOOD DISASTER PROTECTION.** The Subrecipient agrees to comply with the requirements of the Flood Disaster Protection Act of 1973 (P.L.-2234) in regard to the sale, lease or other transfer of land acquired, cleared or improved under the terms of this contract, as it may apply to the provisions of this contract.
- CC. **LEAD-BASED PAINT.** The Subrecipient agrees that any construction, rehabilitation and maintenance of residential structure with assistance provided under this contract shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, 574.635 and 24 CFR Part 35, and in particular Sub-Part B thereof. Such regulations pertain to all HUD-assisted housing and require that all owners, prospective owners, and tenants or properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning.
- DD. **FUND-RAISING.** City-funded dollars may be used to cover expenses directly related to the contracted project. Costs associated with general agency fund-raising activities are not eligible. No Emergency Shelter Grant (ESG) fund

- KK. DEBARRED, SUSPENDED OR INELIGIBLE CONTRACTORS. Federal funds may not be used to directly or indirectly employ, award contracts to or otherwise engage the services of any contractor or subrecipient during any period of debarment, suspension or placement of ineligibility status [24 CFR Part 24]. Contractors and subrecipients are responsible for checking the Federal publications that list debarred, suspended and ineligible contractors to assure compliance.
- LL. SMALL AND MINORITY FIRMS, WOMEN'S BUSINESS ENTERPRISES AND LABOR SURPLUS AREA FIRMS. Contractors and County must comply with the requirements of Executive Orders 11625, 12432 and 12138 and 24 CFR 85.36(e), which require that contractors and subrecipients take all necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used when possible. Such affirmative steps would include: (i) placing qualified small and women's business enterprises on solicitation lists; (ii) assuring that small and minority businesses and women's business enterprises are solicited whenever they are potential sources; (iii) dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises; (iv) establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises; (v) using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce; and (vi) requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed above.
- MM. The Federal Funding Accountability and Transparency Act (FFATA) requires sub-recipients with federal award over \$25,000 to register and maintain Data Universal Numbering System, (DUNS) and Central Contract Registry, (CCR) numbers. To obtain a DUNS number, and to register with the Central Contractor Registration, (CCR) see links below.

DUNS number registration information can be obtained at:

<https://eupdate.dnb.com/requestoptions.asp>

Registration information for Central Contractor Registry can be found at:

<http://www.bpn.gov/ccr/default.aspx>

Table 1\*: Sources and Uses Budget for NSP3 Proud Ground Homes

Sources		Uses			
PHB NSP Grant	586,000	Acquisition	1,011,600	NSP/Unit	97,667
CDGB Grant	152,000	Rehab Costs	412,620		
TIF Grant	52,600			TIF / Unit	8,766.67
Private loan	371,300	Soft Costs W/O Dev Fee	141,380		
SHOP	90,000	Dev Fee	117,000	CDGB/Unit	30,400
Sales Prices	802,000	Loan Payoff	371,300		
Cash Recycled to House 4, 5, 6	340,300	Cash Reused from 1, 2, 3	340,300	Total PHB \$/ Unit	136,833
<b>Total</b>	<b>2,394,200</b>	<b>Total</b>	<b>2,394,200</b>		

Table 2\*: Sources and Uses by Home Budget

	House 1	House 2	House 3	House 4	House 5	House 6	
<b>Uses</b>							
Acquisition	\$174,100	\$198,500	\$168,500	\$168,500	\$133,500	\$168,500	\$1,011,600
Rehab	\$63,250	\$63,250	\$69,000	\$69,000	\$79,695	\$68,425	\$412,620
Soft Costs	\$22,081	\$22,082	\$22,082	\$25,387	\$25,073	\$24,675	\$141,380
Developer's Fee	\$19,500	\$19,500	\$19,500	\$19,500	\$19,500	\$19,500	\$117,000
Loan Payoff	\$0	\$0	\$0	\$123,100	\$124,100	\$124,100	\$371,300
Sale Proceeds for House 4	\$83,100						\$83,100
Sale Proceeds for House 5		\$131,100					\$131,100
Sale Proceeds for House 6			\$126,100				\$126,100
<b>Total Uses</b>	<b>\$362,031</b>	<b>\$434,432</b>	<b>\$405,182</b>	<b>\$405,487</b>	<b>\$381,868</b>	<b>\$405,200</b>	<b>\$2,394,200</b>

<b>Sources</b>							
NSP	\$250,031	\$274,432	\$61,537	Recycle	Recycle	Recycle	\$586,000
CDGB			\$152,000				\$152,000
TIF	\$0	\$0	\$36,645	\$15,955	\$0	\$0	\$52,600
SHOP	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$90,000
Sale Price	\$97,000	\$145,000	\$140,000	\$140,000	\$140,000	\$140,000	\$802,000
Loan	\$0	\$0	\$0	\$123,100	\$124,100	\$124,100	\$371,300
Sale Proceeds from House 1				\$83,100			\$83,100
Sale Proceeds from House 2				\$28,332	\$102,768		\$131,100
Sale Proceeds from House 3						\$126,100	\$126,100
<b>Total Sources</b>	<b>\$362,031</b>	<b>\$434,432</b>	<b>\$405,182</b>	<b>\$405,487</b>	<b>\$381,868</b>	<b>\$405,200</b>	<b>\$2,394,200</b>

Table 3\*: Budget for Non-NSP3 Proud Ground Homes

	Home 1	Home 2	Total
Mortgage & Down Payment	\$125,000	\$125,000	\$250,000
CDBG subsidy	\$16,000	0	\$16,000
Donation & Foundation Subsidy	\$54,000	\$70,000	\$124,000
Transaction Fee	\$8,000	\$8,000	\$16,000
<b>Total</b>	<b>\$203,000</b>	<b>\$203,000</b>	<b>\$406,000</b>

\* With the exception of the total amount of PHB funding "Sources" available, the remaining portions of Tables through 3 are for illustrative purposes only. The actual amount of funds used for each activity and each home may vary as long as they do not exceed the total PHB funds available nor violate other terms of the contract.

# EXHIBIT B Table 2 Schedule: Phase II

Year	14												15												16				
Month	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5
<b>House 4 (NAYA)</b>																													
Locate & Negotiate Purchase																													
Due Dilligence																													
Escrow and Close Purchase																													
Scope of work, Bid & Const Contract																													
Construction																													
NAYA Marketing																													
Proud Ground Marketing																													
Buyr Inspectns & Repair Addendm																													
Escrow and Close Sale																													
<b>House 5</b>																													
Locate & Negotiate Purchase																													
Due Dilligence																													
Escrow and Close Purchase																													
Scope of work, Bid & Const Contract																													
Construction																													
Marketing to Proud Ground List																													
Marketing on RMLS																													
Buyr Inspectns & Repair Addendm																													
Escrow and Close Sale																													
<b>House 6</b>																													
Locate & Negotiate Purchase																													
Due Dilligence																													
Escrow and Close Purchase																													
Scope of work, Bid & Const Contract																													
Construction																													
Marketing to Proud Ground List																													
Marketing on RMLS																													
Buyr Inspectns & Repair Addendm																													
Escrow and Close Sale																													

300081

186003

**EXHIBIT C2**  
**REQUEST FOR DISBURSEMENT**

Date:

Contract Number: **32000848**

Request Number:

Subrecipient Name: PCLT Development LLC/Proud Ground

Property Address:  
PORTLAND, OR 97

Request Date:

Please issue the following check to:

Payee:

---

**Disbursement Information for Phase 1 (NSP3 Homes 1 thru 3)**

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**NSP3, CDBG, & TIF Funds**

<b>Budget Category</b>		<b>Contract Budget</b>	<b>Amount this Invoice</b>	<b>Billed to Date</b>	<b>Balance</b>
Acquisition & Rehab	<b>NSP3</b>	<b>\$527,500</b>			
Developer Fee	<b>NSP3</b>	<b>\$58,500</b>			
Acquisition & Rehab	<b>CDBG</b>	<b>\$152,000</b>			
Rehab on Non-NSP3 Homes	<b>CDBG</b>	<b>\$16,000</b>			
Acquisition & Rehab	<b>TIF</b>	<b>\$52,600</b>			
Lead Remediation	<b>Lead Grant</b>	<b>\$75,000</b>			
<b>TOTAL Up To</b>		<b>\$881,600</b>			

Comment:

Prepared by: \_\_\_\_\_ Approved by: \_\_\_\_\_  
*Print Name and Title here* *Print Name and Title here*

Prepared by: \_\_\_\_\_ Approved by: \_\_\_\_\_  
*Signature* *Signature*

**EXHIBIT E****Homebuyer Financial Assistance Report Form**  
(Fill out one for each homebuyer assisted)Date: \_\_\_\_\_ Contract # 32000848 Contractor: Proud Ground

Name of Home Buyer: \_\_\_\_\_

**Property Information:**

1. Property Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

2. In what year was the property built? \_\_\_\_\_

Did the home pass HQS Inspection, including Pest and Dry Rot?

☐ If built before 1978, attached Lead Inspection documentation?

3. Number of Bedrooms \_\_\_\_\_

4. Property Costs: \$ \_\_\_\_\_

Closing Costs: \$ \_\_\_\_\_

\*Total Purchase Price: \$ \_\_\_\_\_

5. Subsidy Information

☐ Attached loan documents☐ Attached program agreements**NSP FUNDS:**

Grant/Buyer Subsidy \$ \_\_\_\_\_

Deferred Payment Loan \$ \_\_\_\_\_

Other \$ \_\_\_\_\_

**Other FUNDS**

Other Federal Funds \$ \_\_\_\_\_

State/Local Funds \$ \_\_\_\_\_

Tax-Exempt Bond Proceeds \$ \_\_\_\_\_

Buyer Cash Contributions \$ \_\_\_\_\_

Private Grants \$ \_\_\_\_\_

Private Loans (including 1<sup>st</sup> mortgage) \$ \_\_\_\_\_**Name of Funds**

\*Total (must be equal to the total purchase price in #4 above) \$ \_\_\_\_\_

**Homebuyer Beneficiary Information:**

6. Names and birthdates of all adults in the household:

	Last Name	First Name	Birthdates
1.			
2.			
3.			



**EXHIBIT F: OHCS NSP DRGR SYSTEM FORM – Complete One for Each Property (Instructions on pg 2)****Section A: Project Name & Address**

Project Name	
Street Address	
City	
Zip Code	
County	

**Section B: Unit Characteristics, Budget, Sources & Uses of Funds, Income Verification**

Unit Type (Circle one)	Single Family	Multi-Family (# of units)
Number of Units (Circle # under appropriated type)	1      2	3   4   5   6   7   8
Existing Unit or New Construction (Circle One)	Existing	New Construction
Homeownership or Rental		
Amount of NSP funds		
Amount of Other Funds		
Total Funds Expended to Date (NSP + All Other Funds)		

Please Attach the Following Documentation:

- ☐ Attach a Sources and Uses Funds Summary
- ☐ Income Certification by one of the following HUD approved methodologies
- ☒ 24 CFR Part 5
- ☐ Census Long Form
- ☐ I.R.S. Form 1040
- ☐ Any agreements, covenants, leases or any document that restricts the use of the unit to the appropriate income category, either 50% below AMI or up to 120% AMI.

**Section C: Disposition & Program Income – Please Attach the Following Documentation**

- ☐ Final HUD-1 showing to whom property was sold and the amount of program income (e.g. net proceeds)
- ☐ Documentation showing any program income retained for Admin
- ☐ Documentation showing any program income earned from sources other than sale of property

**Section D: Household Characteristics & Demographics**

Household Characteristics	Yes	No
Owner-Occupied		
Renter-Occupied		
Number Persons In Household		
Household Income below 50% AMI		
Household Income between 50% -120% AMI		
Female Headed Household		
<b>Ethnicity</b>		
Hispanic / Latino		
<b>Race</b> (Check only those that apply)		
White		
Black/African American		
Asian		
American Indian/Alaskan Native		
Native Hawaiian/Other Pacific Islander		
American Indian/Alaskan Native & White		
Asian and White		
Black/African American & White		
American Indian/Alaskan Native & Black/African American		
Other Multi-Racial		
Unknown		

**EXHIBIT G:**

Purchase Agreement Addendum # \_\_\_\_\_

**NSP VOLUNTARY ACQUISITION OF FORECLOSED PROPERTY, DISCOUNT, AND ENVIRONMENTAL REVIEW NOTICES & ADDENDUM TO PURCHASE AGREEMENT**

Date: \_\_\_\_\_

Dear \_\_\_\_\_

(Proposed Buyer) \_\_\_\_\_, is interested in purchasing property that you own  
at (address) \_\_\_\_\_

\_\_\_\_\_ for which  
the buyer may receive funding assistance from the U.S. Department of Housing and Urban Development (HUD) under the  
Neighborhood Stabilization Program (NSP) administered by the City's Portland Housing Bureau (PHB).

Please be advised that (Proposed Buyer) \_\_\_\_\_ does not have authority to  
acquire your property by eminent domain. In the event an amicable agreement for the purchase of your property cannot be  
reached, the buyer will not pursue this proposed acquisition.

Under the NSP, the buyer is required to purchase foreclosed property at a 1% discount from its current market appraised value.  
The buyer's fee appraisal must indicate the property's market value is at least 1% greater than the agreed purchase price. The  
buyer estimates your property's value is

\$ \_\_\_\_\_ and is prepared to offer you \$ \_\_\_\_\_ to purchase your property. Upon the  
completion of the appraisal, the buyer's NSP financing will be conditioned upon the above mentioned purchase price, or 1%  
less than the appraised value, whichever is less.

Notwithstanding any other provision of the Contract, the Buyer shall have no obligation to purchase the Property, and no  
transfer of title to the Buyer may occur, unless and until the Portland Housing Bureau (PHB) has provided the Buyer and/or  
Seller with a written determination, on the basis of a federally required environmental review and an approved request for  
release of federal funds, that purchase of the property by the Buyer may proceed, subject to any other Contingencies in this  
Contract, or may proceed only if certain conditions to address issues in the environmental review shall be satisfied before or  
after the purchase of the property. The PHB shall use its best efforts to conclude the environmental review of the property  
expeditiously.

An eligible property under PHB's Neighborhood Stabilization Program must be foreclosed and vacant. If your property is  
currently tenant-occupied, or a tenant lawfully occupied your property within the past 3 months prior to our offer, the buyer  
must know immediately. Further, you must not order current occupant(s) to move, or fail to renew a lease, in order to sell the  
property as vacant to this buyer. In accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies  
Act (URA), owner-occupants who move as a result of a voluntary acquisition are not eligible for relocation assistance. A  
tenant-occupant who moves as a result of a voluntary acquisition for a federally-assisted project may be eligible for relocation  
assistance. Such displaced persons may include not only current lawful occupants, but also former tenants required to move for  
any reason other than an eviction for cause in accordance with applicable federal, state, and local law.

If you have any questions about this notice or the proposed project, please contact:

Name of Proposed Buyer: \_\_\_\_\_

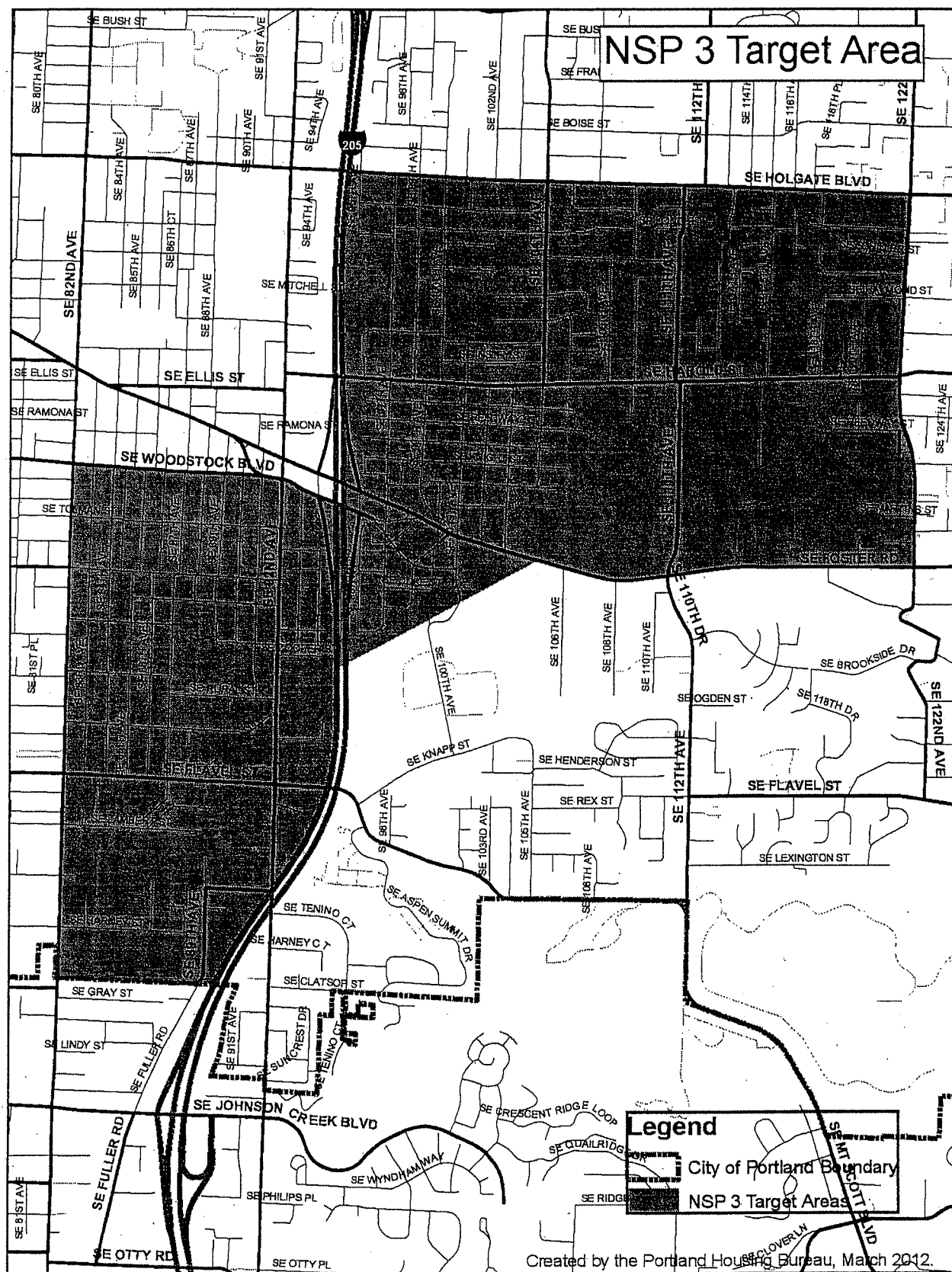
Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Buyer Signature: \_\_\_\_\_

Property Owner/Seller acknowledges receipt of this "Information Notice" by signing below:

Seller Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**EXHIBIT I: NSP3 Target Area Map**



## ORDINANCE NO.

185825

- \* Authorize a subrecipient contract for Proud Ground totaling up to \$881,600 for homebuyer financial assistance and for the acquisition and rehab of permanently affordable homes for low income participants. (Ordinance)

The City of Portland ordains:

SECTION 1. The Council finds that:

1. On September 28, 2011 Council accepted and appropriated a grant in the amount of \$616,765 in federal Neighborhood Stabilization Program-3 (NSP3) funds from Oregon Housing and Community Services. (Ordinance #184892)
2. Portland Housing Bureau (PHB) committed to provide to Proud Ground \$881,600 from various funding sources—including \$586,000 in NSP3 funds—for the purchase, rehabilitation, and sale of five permanently affordable homes, and the provision of down payment and closing cost assistance, or subsidy of the land, for two additional permanently affordable homes for low income participants.
3. Funding is available in PHB's FY 2012-13 adopted budget, in the amount of \$586,000 in federal NSP3 funds, \$168,000 in Community Development Block Grant (CDBG) funds, \$52,600 in Lents Tax Increment Financing (TIF) funds, and up to \$75,000 in Lead Hazard funds.

NOW THEREFORE, the Council directs that:

- a. The Bureau Director or designee and Auditor are authorized to execute agreements with the organization in substantial accordance with, Exhibit A, for the amount not to exceed \$881,600.
- b. The Bureau Director is authorized to approve funding amendments up to 25% of the original budget amount of the contract covered under this ordinance, or \$100,000, whichever is less.
- c. The Mayor and Auditor are hereby authorized to draw and deliver warrants chargeable to the PHB operating fund budget when demand is presented and approved by the proper authority.

SECTION 2. The Council declares that an emergency exists because delay in funding would jeopardize this organization's ability to expend the funds by the HUD mandated funding deadlines; therefore, this ordinance shall be in force and effective from and after its passage.

Passed by the Council:

DEC 19 2012

Commissioner: Nick Fish

Prepared by: Phil Willis-Conger

Date Prepared: December 12, 2012

LaVonne Griffin-Valade

Auditor of the City of Portland

By

*Arianne Jackson*  
Deputy