



MEMORANDUM

To: Administration Committee
From: ^{CK} Greg Keil, Community Development Director
Date: November 12, 2009
RE: Neighborhood Stabilization Program Agreement with the Winnebago County Housing Authority (WCHA)

The Wisconsin Department of Commerce awarded the WCHA \$1,231,950 in federal Neighborhood Stabilization Program funds as part of a national economic stimulus and neighborhood reinvestment initiative. WCHA is proposing to distribute these funds pursuant to the attached spreadsheet, with the cities of Neenah and Menasha sharing a total of \$309,000.

The funds must be spent in within Census Tracts that exhibit characteristics of economic distress. Within the City of Menasha, this condition is limited to Tract 29 (see attached map). The funds must be expended for purposes outlined in the proposed agreement between the WCHA and the City namely: Land Banking, Demolition of Blighted Structures, and New Construction on Demolished/Vacant Properties.

The Community Development Department is proposing that the city be the recipient of funds for two of the aforementioned budget categories: Land Banking, and Demolition of Blighted Structures. The New Construction on Demolished/Vacant Properties would be carried out by another entity via separate agreement with the WCHA.

Upon sale of the lot(s) acquired by an income qualified third party* the city would create a mortgage on the subject property for all or part of the acquisition/demolition cost. Mortgage payments would be deposited in the City's Housing Revolving Loan Fund.

**As an example, the income limit for a family of three is \$72,250.*

Winnebago County Housing Authority
NSP Funding Allocations

ACTIVITY	Production Total & # VLI	Total	Housing Authority	City of Oshkosh	Neenah	Menasha
A. Financing Mechanisms						
B. Acquisition/Rehab/Resale		536,000				
SINGLE FAMILY	6/1					
Acquisition by applicant			192,000			
Direct homeownership assist			24,000			
Homebuyer counseling						
Rehabilitation			100,000	220,000		
RENTAL:	5/4	225,750				
Acquisition by applicant				75,000		
Rehabilitation				150,750		
C. Land Banking	3	132,500			132,500	
D. Demolition of Blighted Structures	3	72,500		50,000	22,500	
E. Redevelop Demolished/ Vacant Properties	4/3	179,000		25,000	154,000	
New Construction						
Public Facilities						
HOUSING \$ TOTAL:						
Administration						
TOTAL:		\$ 1,145,750	\$ 316,000	\$ 520,750	\$ 309,000	\$ -
					\$ 1,145,750	

Census Tract 29

City of Menasha

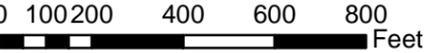
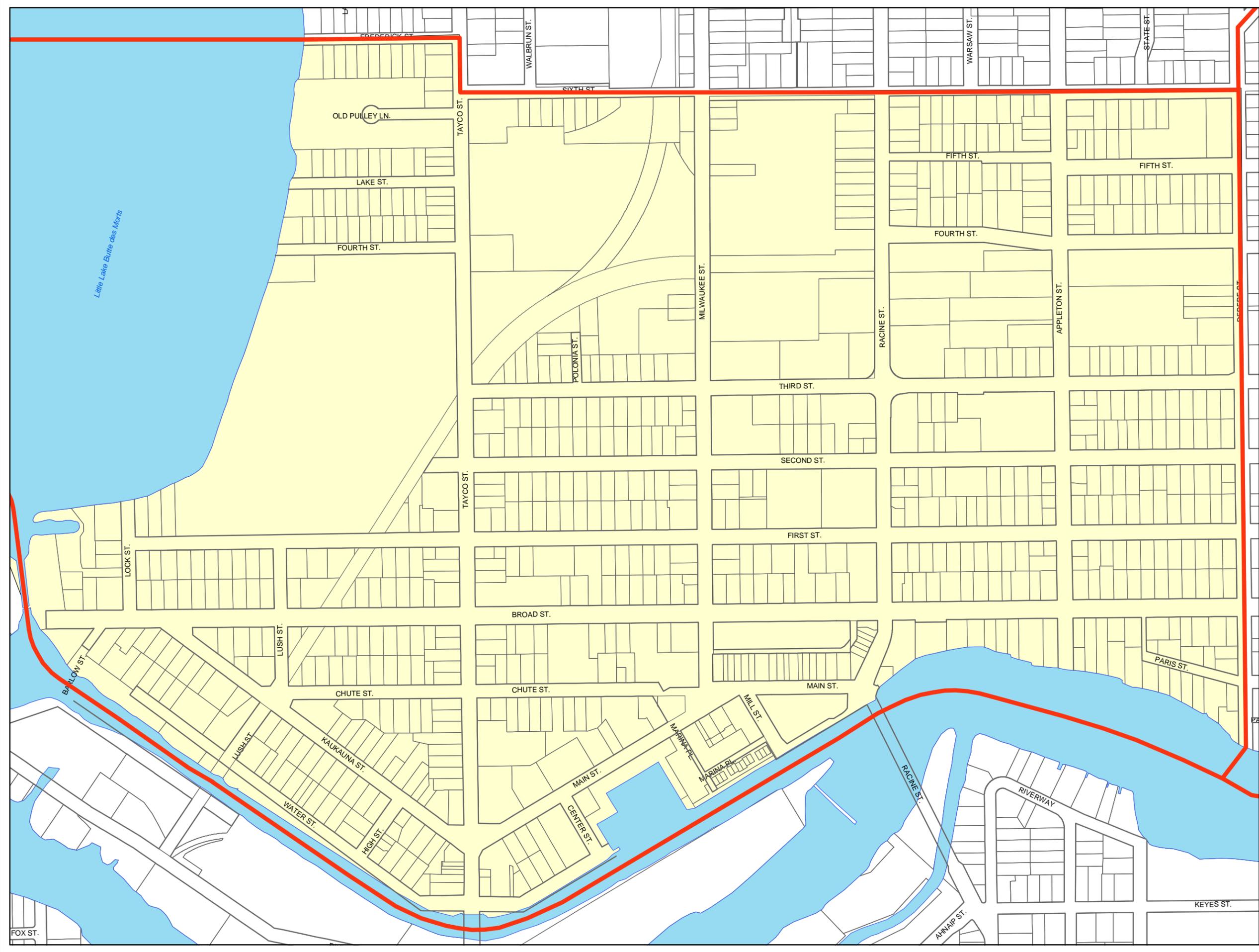
Wisconsin



Census Tract 29



Lake



November 2, 2009

Dept. of Community Development
City of Menasha
140 Main St.
Menasha, WI 54952

Letter of Understanding for HUD's Neighborhood Stabilization Program (NSP)

The **SUBGRANTEE**, the **Housing Authority of the County of Winnebago**, will serve as the recipient entity of HUD/State of Wisconsin Department of Commerce's Neighborhood Stabilization Program 1 (NSP) funds. Said funds will be available to **City of Menasha Department of Community Development** in the amount not to exceed \$309,000 for expenditures incurred within the performance period extending from October 1, 2009 to December 31, 2012 per the line item allocation below:

- Land Banking \$132,500
- Demolition of Blighted Structures \$ 22,500
- New Construction on Demolished/Vacant Properties \$154,000

Requests for final payment of any and all funds awarded by this Agreement must be received by the **SUBGRANTEE** within 10 days of the end of the performance period or termination.

Articles 1-35, along with Attachments A-G, of the Contract No. NSP 09-30 between the State of Wisconsin Department of Commerce and the **SUBGRANTEE**, of which a copy is enclosed, are hereby incorporated into this agreement. Please review this document thoroughly.

The City of Menasha Department of Community Development shall work with the **SUBGRANTEE'S** Grants Administrator to ensure that any and all terms and conditions are met. The **SUBGRANTEE** reserves the right to suspend payment of funds or seek reimbursement of funds, in whole or in part, if the terms of this agreement are not met.

Furthermore, the City of Menasha Department of Community Development shall submit reimbursement requests utilizing the **SUBGRANTEE NSP Request for Payment Form**, which will be emailed to you, and provide any and all accomplishment-related data to the **SUBGRANTEE NSP** staff in a timely manner.

As administrator of this grant, the SUBGRANTEE, its authorized agents, and representatives from the State of Wisconsin Department of Commerce, U.S. Department of Housing and Urban Development and/or Office of the Inspector General shall have access to all records related to this Agreement at any time during normal business hours, and shall have the right to examine, audit, excerpt, transcribe and copy, on the subrecipient's premises, any directly pertinent records, in whatever form they exist. All required records shall be maintained for three years after final payments have been made.

Finally, based on information provided in Attachment E of Contract No. NSP 09-30, please note that the City of Menasha Department of Community Development has agreed to the following accomplishments timeline for NSP projects:

- Set-up One (1) Demolition of 1 Blighted Structure prior to June 30, 2010
- Set-up One (1) Land Banking Acquisition prior to June 30, 2010
- Set-up One (1) Redevelopment Activity prior to June 30, 2010

To acknowledge both acceptance of this agreement, and a commitment to full compliance with Contract No. NSP-09-30, please sign below and return this letter to me at the address listed above; keep a copy of the signed letter for your files. Thank you for your cooperation.

Sincerely,

Brad Masterson
Executive Director
Winnebago County housing authority

Enclosures: Contract No. NSP 09-30

The City of Menasha, Department of Community Development agrees to comply with Contract No. NSP 09-30 between the State of Wisconsin Department of Commerce and the SUBGRANTEE, along with all federal and state laws, regulations and requirements, applicable to Neighborhood Stabilization Program 1 (NSP) funds.

Agreed to by the following representative of the City of Menasha, Dept. of Community Development:

Name

Title

Signature

Date

GENERAL TERMS AND CONDITIONS

ARTICLE 1. REVIEW

Liaison with the Department shall be through the Administrator of the Division of Housing Community Development or person designated by the Administrator, who shall represent the Department's interest in review of quality, quantity, rate of progress, timeliness of services, and related considerations as outlined in this Agreement.

ARTICLE 2. APPLICABLE LAW

This Agreement shall be governed under the laws of the State of Wisconsin and the United States. Where applicable, the Grantee shall comply with local laws and ordinances.

ARTICLE 3. IDENTIFICATION AND AVAILABILITY OF FUNDS

The source of program funding for this Agreement is described in the ATTACHMENTS.

Continuation of this Agreement beyond the limits of funds available shall be contingent upon appropriation of the necessary funds. Termination of this Agreement for lack of appropriations shall be without penalty.

ARTICLE 4. SURVIVAL OF REQUIREMENTS

Unless otherwise authorized in writing by the Department, the terms and conditions of this Agreement shall survive the performance period and shall continue in full force and effect until the Grantee has completed and is in compliance with all the requirements of this Agreement.

ARTICLE 5. PERIOD OF PERFORMANCE AND NOTICES

Except for Survival Requirements (ARTICLE 4), the Performance Period is the term of this Agreement. The Period of Performance under this Agreement is as defined in the ATTACHMENTS.

All notices, demands, or requests under this Agreement shall be in writing to the addresses listed in the ATTACHMENTS.

ARTICLE 6. OBJECTIVES/SCOPE OF WORK

The eligible activities under this Agreement are summarized in the ATTACHMENTS. In the event of a conflict between the summary in the ATTACHMENTS and the application and/or other supporting documents previously submitted to the Department by the Grantee, the ATTACHMENTS shall control.

The Grantee shall supply all necessary personnel, equipment, and materials (except as may be otherwise provided herein) to accomplish the eligible activities set forth in the ATTACHMENTS. The Grantee shall provide the services in accordance with applicable professional standards.

ARTICLE 7. SUBCONTRACTS/ASSIGNMENTS

The Grantee shall not assign or subcontract all or any part of the administrative work under this Agreement without prior written notification to the Department. The Department reserves the right to reject any subgrantee after notification. The Grantee must provide the Department with a copy of any executed subcontract or accepted subgrantee bid for the purpose of administering this Agreement that relates to activities funded under this Agreement. The Grantee shall be responsible for all matters involving any subgrantee engaged under this Agreement, including Agreement compliance, performance, and dispute

resolution between itself and a subgrantee. The Department bears no responsibility for subgrantee compliance, performance, or dispute resolution hereunder.

ARTICLE 8. REPORTING

The Grantee shall submit all required reports to the Department in a complete and timely manner according to the schedule set forth in the ATTACHMENTS, and shall comply with all other applicable regulations.

ARTICLE 9. FAILURE TO PERFORM

The Department reserves the right to suspend payment of funds, in whole or part, if any required report is not timely provided to the Department upon request or as required under any provision of this Agreement, or if the Grantee has not complied with the terms of this Agreement. The Department further reserves the right to suspend payment of funds under this Agreement if there are deficiencies related to the required reports or if performance of contracted activities is not evidenced on other Agreements between the Department and the Grantee in whole or in part.

The Grantee's management and financial capability including, but not limited to, audit results and performance, may be taken into consideration in any or all future determinations by the Department and may be a factor in a decision to withhold payment and may be cause for termination of this Agreement.

ARTICLE 10. TERMINATION OF AGREEMENT FOR CAUSE

The Department reserves the right to terminate this Agreement in whole or in part without penalty effective upon mailing of notice of cancellation for failure of the Grantee to comply with the terms and conditions of this Agreement.

ARTICLE 11. TERMINATION OF AGREEMENT

Notwithstanding and in addition to the right to terminate the Agreement in Article 10 above, the Department may terminate this Agreement at any time at its discretion by delivering written notice to the Grantee by Certified Mail, Return Receipt Requested, not less than thirty (30) days prior to the effective date of termination. Date of receipt as indicated on the Return Receipt shall be the effective date of notice of termination. Upon termination, the Department's liability shall be limited to the actual costs incurred in carrying out the project as of the date of termination plus any termination expenses having prior written approval of the Department. The Grantee may terminate this Agreement by delivering written notice to the Department by Certified Mail, Return Receipt Requested, not less than thirty (30) days prior to termination. Date of receipt as indicated on the Return Receipt shall be the effective date of notice of termination. In the event the Agreement is terminated by either party, for any reason whatsoever, the Grantee shall refund to the Department within forty-five (45) days of the effective date of notice of termination any payment made by the Department to the Grantee which exceeds actual costs incurred in carrying out the project as of the date of termination.

ARTICLE 12. LEGAL RELATIONS AND INDEMNIFICATION

The Grantee shall at all times comply with and observe all applicable federal and state laws, ordinances, and regulations which are in effect during the performance period of this Agreement and which in any manner affect the Grantee's work or conduct.

The Grantee shall indemnify and hold harmless the State and all of its officers, agents, and employees for all suits, actions, or claims of any character brought for or as a result of any injuries or damages received by any persons or property resulting from the operations of the Grantee, or any of its subgrantees, in prosecuting work under this Agreement. If Grantee is a federally recognized American Indian Tribe or

Band, or an Authority, this Article shall not be construed as a waiver of tribal sovereign immunity and local ordinances or regulations may not apply.

ARTICLE 13. CAPTIONS AND TERMS

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 or intent of this Agreement. Terms used but not specifically defined herein shall have the meaning defined by the Department.

ARTICLE 14. PARTIAL INVALIDITY OF AGREEMENT

Should any part, term, or provision of this Agreement be decided by a court of competent jurisdiction to be invalid, unenforceable, illegal, or in conflict with any law, the validity, legality, and enforceability of the remaining portions shall not be affected or impaired.

ARTICLE 15. AMENDMENT

Any amendment to this Agreement is at the discretion of the Department and must be by written amendment to this Agreement between the Department and the Grantee.

ARTICLE 16. SPECIAL CONDITIONS

Special Conditions incorporated as part of this Agreement are described in the ATTACHMENTS.

FISCAL TERMS AND CONDITIONS

ARTICLE 17. METHOD OF PAYMENT

Payments are to be used exclusively for expenses incurred during the Performance Period of this Agreement. Payments under this Agreement shall be made according to the schedule incorporated as part of this Agreement as the ATTACHMENTS.

Request for final payment of any and all funds awarded by this Agreement, including project and administrative funds, must be received by the Department or other appropriate governmental agency or entity within 60 days of the end of the Performance Period or termination of this Agreement unless otherwise specifically provided for in the ATTACHMENTS.

Costs incurred prior to the effective date of the Agreement whether or not they would have been allowable hereunder if incurred after such date are only allowable if specifically provided for in the ATTACHMENTS.

ARTICLE 18. VARIANCES

Variations may be permitted as set forth in the ATTACHMENTS. A variance shall not be used to authorize a revision of the amount awarded or a change in the performance period. Such changes must be made by an amendment to this Agreement.

ARTICLE 19. REIMBURSEMENT OF FUNDS

The Grantee shall return to the Department or other appropriate governmental agency or entity any funds paid to the Grantee in excess of the allowable costs of services provided under this Agreement. If the Grantee fails to return excess funds, the Department may deduct the appropriate amount from subsequent

payments due to the Grantee from the Department. The Department also reserves the right to recover such funds by any other legal means including litigation if necessary.

The Grantee shall be responsible for reimbursement to the Department for any disbursed funds, which are determined by the Department to have been misused or misappropriated. The Department may also require reimbursement of funds if the Department determines that any provision of this Agreement has been violated. Any reimbursement of funds which is required by the Department, with or without termination, shall be due within forty-five (45) days after giving written notice to the Grantee.

ARTICLE 20. LIMITED USE OF PROGRAM FUNDS

This Agreement is a mutually exclusive Agreement. The Grantee shall not apply funds authorized pursuant to other agreements under this Program toward the activities for which funding is authorized by this Agreement, nor shall funding authorized by this Agreement be used toward the activities authorized pursuant to other agreements under the Program. The word "funds" as used in this Article does not include Program Income.

ARTICLE 21. PROGRAM INCOME

Program Income means gross income received by the Grantee which is directly generated from the use of the Agreement award, including but not limited to repayments of funds that had been previously provided to eligible beneficiaries; interest earned on any or all contracted funds obtained from the Department; proceeds derived after Agreement close-out from the disposition of real property acquired with any or all funds provided under this Agreement or interest earned on Program Income pending its disposition. Program Income may be further described in the ATTACHMENTS.

The Grantee shall record all Program Income which shall be used in accordance with the rules and regulations of the Program funding source described in the ATTACHMENTS. If at any time changes in the use of Program Income are considered, the Grantee must submit a plan detailing the proposed uses of Program Income to the Department for approval. Should the Grantee decide following Agreement close out to discontinue using Program Income for such purposes, the Grantee further agrees to return the Program Income balance and any additional Program Income accrued to the Department by January 31 of the following year.

ARTICLE 22. FINANCIAL MANAGEMENT

The Grantee shall maintain a financial management system which complies with the rules and regulations required by the Program funding source described in the ATTACHMENTS and with standards established by the Department to assure funds are spent in accordance with law and to assure that accounting records for funds received under this Agreement are sufficiently segregated from other Agreements, programs, and/or projects.

ADMINISTRATIVE TERMS AND CONDITIONS

ARTICLE 23. PROCUREMENT

The Grantee shall conduct all procurement transactions, regardless of whether by sealed bids or by negotiation and without regard to dollar value of the transactions, in a manner that provides maximum open and free competition.

ARTICLE 24. CONFLICT OF INTEREST

No person who is an employee, agent, consultant or officer of the Grantee, or an elected or appointed official, and who exercises or has exercised any functions or responsibilities with respect to activities supported by and described in this Agreement, or who is in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from the activity, or have an interest in any Agreement, 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. Receipt of earnings from the Grantee by employees of the Grantee shall not be considered a conflict of interest, but otherwise employees of the Grantee shall be fully bound by the requirements of this Article. Upon request, the Department can make exceptions to this requirement after full disclosure and where the Department determines, in consultation with federal agencies if necessary, that such exception is in the best interests of the State and is not contrary to state or federal laws.

ARTICLE 25. BONDING AND INSURANCE

Unless authorized otherwise by the Department, the Grantee shall provide either insurance, fidelity, or surety bonds in amounts sufficient, in the opinion of the Department, to safeguard Agreement funds and activities undertaken with Agreement funds and program income expended under this Agreement.

The Grantee shall establish and maintain in a state or federally insured financial institution an account for the purpose of receiving and disbursing all funds pertaining to this Agreement.

ARTICLE 26. PUBLICATIONS

The Department shall retain ownership of all materials produced under this Agreement. The Department grants to the Grantee royalty-free, non-exclusive, and irrevocable license to reproduce, publish, otherwise use, or authorize others to use such printed materials. All printed materials funded in whole or in part under this Agreement must contain the following statement.

"This publication and/or the activities described herein were funded by the State of Wisconsin, Department of Commerce, Division of Housing and Community Development."

ARTICLE 27. RECORD KEEPING AND CONFIDENTIALITY

The Grantee shall establish a record keeping system that conforms to the rules and regulations required by the Program funding source described in the ATTACHMENTS and/or to standards established by the Department to assure that the Agreement is in compliance with all applicable regulations. The system shall provide an historic account of Agreement activities for examination and review by anyone authorized by the Department. Records shall be maintained after final audit of the Agreement for a period of not less than three (3) years unless the program requirements are longer.

The minimum acceptable records for administrative purposes of this Agreement consist of:

- 1) Documentation of employee time;
- 2) Documentation of all materials, supplies, and travel expenses;

- 3) Inventory records and supporting documents for allowable equipment purchased to carry out the scope of work of the project;
- 4) Documentation and justification of the methodology used for any in-kind contributions;
- 5) Justification supporting allocation of space charges or other indirect cost allocation methods; and
- 6) Any other records which support charges incurred.

The Grantee shall maintain sufficient segregation of accounting records for this Agreement separate from other Agreements, projects, and programs.

Except as required by the Department, disclosure by the Grantee of any information concerning beneficiaries who receive services from the Grantee is prohibited. The Grantee is responsible for obtaining all necessary, informed, written consent of the beneficiaries or the beneficiaries' legal guardians when the beneficiaries apply to the Grantee so that this Agreement can be properly administered by the Grantee and audited by the Department.

ARTICLE 28. EXAMINATION OF RECORDS

Documents related to this Agreement shall be made available for review by the Department during normal business hours.

The Department shall have access to all records related to this Agreement at any time during normal business hours, and shall have the right to examine, audit, excerpt, transcribe and copy on the Grantee's premises any directly pertinent records, in whatever form, relating to this Agreement. If the material is on electronic media, the Grantee shall provide copies in such form as may be requested by the Department. Such material must be retained after final audit of the Agreement for a period of not less than three (3) years unless the program requirements are longer. See Attachment G, Special Conditions, for specific program requirements. This provision shall also apply in the event of termination of this Agreement.

ARTICLE 29. AUDIT REQUIREMENTS

The Grantee shall have a certified annual audit performed utilizing Generally Accepted Accounting Principles and Generally Accepted Auditing Standards. The following requirements apply:

NOTE: The funding source (federal or state) of this grant is identified in the ATTACHMENTS.

Federal Funded Awards:

Governmental Grantees, or their assignees, including Non-Profit and For-Profit assignees, that **expend** \$500,000 or more in a single year from awards which funding originated from Federal Government sources shall comply with the Single Audit Act of 1984 (including the Single Audit Act Amendments of 1996), OMB Circular A-133, and the State Single Audit Guidelines issued by the Department. Audit reports are due to the State within thirty (30) days from issuance of the report, but no later than nine (9) months after the end of the audit period.

Non-Profit Grantees, or their assignees, that **expend** \$500,000 or more in a single year from awards which funding originated from Federal Government sources shall comply with the Single Audit Act of 1984 (including the Single Audit Act Amendments of 1996) and OMB Circular A-133. In addition, a separate footnote or schedule shall be included listing all awards which funding originated from State Government sources and the total cash expended under each of those awards for the year under audit. Audit reports are due to the State within thirty (30) days from issuance of the report, but no later than nine (9) months after the end of the audit period.

For-Profit Grantees, or their assignees, that **expend** \$500,000 or more in a single year from awards which funding originated from Federal Government sources shall have a certified annual audit performed utilizing Generally Accepted Accounting Principles, Generally Accepted Auditing Standards and Government Auditing Standards. In addition, a separate footnote or schedule shall be included listing all awards which funding originated from Federal Government sources and the total cash expended under each of those awards for the year under audit. Audit reports are due to the State within thirty (30) days from issuance of the report, but no later than nine (9) months after the end of the audit period.

One (1) copy of the Audit along with the Management Letter shall be submitted to the address listed below. Responses and corrective action to be taken by management must be included for any findings or comments issued by the auditor.

If the combined total **expended** from all funding originating from Federal Government sources is less than \$500,000 in a single year, the Grantee, or its assignee, shall confirm in writing that the above audit requirements are not applicable. This confirmation shall be submitted to the address listed below.

State Funded Awards:

***NOTE:** If an audit is required under OMB Circular A-133 as described above, then this section does not apply, as State Funded Awards shall already be included in that audit.*

Governmental, Non-Profit, and For-Profit Grantees, or their assignees, that **expend** \$100,000 or more in a single year from awards which funding originated from Federal Government sources shall have a certified annual audit performed utilizing Generally Accepted Accounting Principles, Generally Accepted Auditing Standards and Government Auditing Standards. In addition, a separate footnote or schedule shall be included listing all awards which funding originated from Federal Government sources and the total cash expended under each of those awards for the year under audit. Audit reports are due to the State within thirty (30) days from issuance of the report, but no later than nine (9) months after the end of the audit period.

One (1) copy of the Audit along with the Management Letter shall be submitted to the address listed below. Responses and corrective action to be taken by management must be included for any findings or comments issued by the auditor.

If the combined total **expended** from all funding originating from State Government sources is less than \$100,000 in a single year, the Grantee, or its assignee, shall confirm in writing that the above audit requirements are not applicable. This confirmation shall be submitted to the address listed below.

Submit To:

Send one copy of the Audit and Management Letter **or** the letter confirming that the audit requirements are not applicable to:

Federal Auditor
Wisconsin Department of Commerce
Division of Administrative Services
P.O. Box 7970
Madison, Wisconsin 53707-7970.

ASSURANCES

ARTICLE 30. NONDISCRIMINATION AND AFFIRMATIVE ACTION REQUIREMENTS

The Grantee shall comply with s. 16.765, Wis. Stats., as follows:

In connection with the performance of work under this Agreement, the Grantee shall not discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in s. 51.01(5), Wis. Stats., sexual orientation, or national origin.

This provision shall include, but not be limited to, the following activities: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Except with respect to sexual orientation, the Grantee shall take affirmative action to ensure equal employment opportunities. The Grantee shall post in conspicuous places, available for employees and applicants for employment, notices to be provided by the Contracting officer setting forth the provisions of the nondiscrimination clause.

An Affirmative Action Plan is required from any Grantee who receives an award from the Department in excess of \$25,000 and who has a work force of twenty-five (25) or more employees as of the Agreement date. Grantees with an annual work force of less than twenty-five (25) employees, in lieu of a written affirmative action plan, are required to have on file with the Department a completed and signed exemption form. General purpose units of government and Indian Tribes or Bands or Authorities are exempt from this requirement.

The Grantee shall include these provisions in any subcontract associated with this Agreement.

ARTICLE 31. DISCLOSURE

If a state public official as defined by s. 19.42, Wis. Stats., or an organization in which a state public official holds at least a 10% interest is a party to this Agreement, this Agreement is voidable by the State unless appropriate disclosure is made to the State of Wisconsin Ethics Board.

The Grantee shall not engage the services of any person or persons now employed by the State, including any department, commission or board thereof, to provide services relating to this Agreement without the written consent of the employer of such person or persons and of the Department.

ARTICLE 32. FAIR HOUSING

The Grantee shall comply with Title VIII of the Federal Civil Rights Act of 1968 (as amended), and s. 106.50, Wis. Stats., and any subsequent relevant laws or amendments.

ARTICLE 33. SMALL BUSINESS, WOMEN-OWNED AND MINORITY-OWNED BUSINESSES

The Grantee shall make positive efforts to utilize small business, local business, woman-owned, and minority-owned business sources of supplies and services. Such efforts should allow these sources the maximum feasible opportunity to compete for Agreements or subcontracts to be performed utilizing these funds.

The Grantee shall keep records of the extent (number and dollar amount) of participation by the above-specified businesses, including owners, and assess the results of its efforts to encourage the use of such businesses.

ARTICLE 34. UNIFORM ADMINISTRATIVE REQUIREMENTS

Dependent on the nature of your program, the following U.S. Office of Management and Budget (OMB) Circulars apply:

Although there are six grant circulars, the Grantee is only covered by three, depending on type of entity as follows:

States, local governments, and Indian Tribes follow:

- A-87 for cost principles
- A102 for administrative requirements, and
- A-133 for audit requirements

Educational Institutions (even if part of a State or local government) follow:

- A-21 for cost principles
- A-110 for administrative requirements, and
- A-133 for audit requirements

Non-Profit Organizations follow:

- A-122 for cost principles
- A-110 for administrative requirements, and
- A-133 for audit requirements

ARTICLE 35. DEBARRED 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. Grantees must certify that all contractors, subcontractors, lower-tier contractors and subrecipients are not listed in the federal publication that lists debarred, suspended and ineligible contractors.

ATTACHMENT A PROGRAM FUNDING SOURCE

FUNDING SOURCE

The Neighborhood Stabilization Program is funded pursuant to Title III of Division B of the Housing and Economic Recovery Act, 2008 (HERA). HERA provides assistance in the form of federal grants to state and local governments for the purpose of redevelopment of abandoned and foreclosed homes and residential properties. HERA states that, except as otherwise specified, the federal grants are to be considered Community Development Block Grant (CDBG) funds. The grant program under Title III is commonly referred to as the Neighborhood Stabilization Program (NSP).

The Catalog of Federal Domestic Assistance numbers for grants made under NSP are as follows: 14.218; 14.225; and 14.228.

**ATTACHMENT B
PERIOD OF PERFORMANCE AND NOTICES**

PERFORMANCE PERIOD

Use of these funds is limited to eligible activities as described under this contract and shall be used within the Performance Period.

The Performance Period for this Contract is April 1, 2009 to February 28, 2013.

All funds must be set-up in the federal data system prior to August 15, 2010. Any funds not obligated to eligible activities, as evidenced by project set-up, shall be suspended effective August 16, 2010. This use of the word "funds" does not apply to program income.

NOTICES

For purposes of this provision, the Grantee shall notify the department in writing within 10 days of change in the Grantee's address. All notices, demands or requests under this Contract shall be in writing to the address listed below:

To the Department: Program Category NSP
Neighborhood Stabilization Program
Department of Commerce
State of Wisconsin
P.O. Box 7970
201 W. Washington Avenue (53703)
Madison, WI 53707-7970

To the Grantee: Winnebago County Housing Authority
600 Merritt Avenue
P.O. Box 397
Oshkosh, WI 54901

**ATTACHMENT C
OBJECTIVES/SCOPE OF WORK AND TIMETABLE**

SCOPE OF WORK

The Grantee agrees to use **\$1,231,950.00** in NSP activity and administrative funding as follows:

1. Use **\$1,146,000.00** of NSP housing assistance to assist eligible households and complete identified activities. At least 30 percent of the funds shall assist households with incomes not to exceed 50 percent of County Median Income, adjusted for family size. This amount is **\$343,800**.
2. Use no more than **\$85,950.00** of NSP administrative funds for costs related to the direct administration of the above program.

As described in Article 7, the Grantee shall not assign or subcontract all or any part of the administrative work under this Agreement without prior written notification and approval to the Department.

SERVICE AREA

The Grantee's service area for eligible activities described in this attachment includes the following census tracts:

55139000100	55139000200	55139000400
55139000500	55139001200	55139001500
55139002900	55139003300	55139003500

PROGRAM TIMETABLE

The Grantee agrees to complete the housing activities according to the following schedule:

<u>On or Before</u>	<u>Housing Activity</u>
06/30/09	Finalize agreements with partnering organizations Establish record keeping system
09/30/09	Execute grant agreement Set-up __1__ Acquisition/Rehab/Resale Set-up __0__ Acquisition/Rehab/Rental Set-up __0__ Landbank Activity Submit Intended Reuse Plan for Landbank Properties Set-up __0__ Blighted Structure Demolition Set-up __0__ Redevelopment Activity

12/31/09 Set-up __2__ Acquisition/Rehab/Resale
Set-up __1__ Acquisition/Rehab/Rental
Set-up __1__ Landbank Activity
Submit Intended Reuse Plan for Landbank Properties
Set-up __1__ Blighted Structure Demolition
Set-up __1__ Redevelopment Activity

03/31/10 Set-up __2__ Acquisition/Rehab/Resale
Set-up __1__ Acquisition/Rehab/Rental
Set-up __1__ Landbank Activity
Submit Intended Reuse Plan for Landbank Properties
Set-up __1__ Blighted Structure Demolition
Set-up __1__ Redevelopment Activity

06/30/10 Set-up __1__ Acquisition/Rehab/Resale
Set-up __2__ Acquisition/Rehab/Rental
Set-up __1__ Landbank Activity
Submit Intended Reuse Plan for Landbank Properties
Set-up __1__ Blighted Structure Demolition
Set-up __1__ Redevelopment Activity

08/15/10 Set-up __0__ Acquisition/Rehab/Resale
Set-up __1__ Acquisition/Rehab/Rental
Set-up __0__ Landbank Activity
Submit Intended Reuse Plan for Landbank Properties
Set-up __0__ Blighted Structure Demolition
Set-up __1__ Redevelopment Activity

09/30/10 Continue housing assistance activities

02/28/13 Complete all activities

03/15/13 Submit all requests for payment

ATTACHMENT D REPORTING SCHEDULE

The Grantee agrees to follow the reporting procedures of the Department as specified in the most recently published Division of Housing and Community Development NSP1 Implementation Handbook and NSP1 as authorized under Division B, Title III of the Housing and Economic Recovery Act (HERA) of 2008 and any subsequent revisions, including but not limited to:

DATA INFORMATION

Submit forms such as data system Set-Up Form(s), Completion Report(s), and other forms as requested by the Department to fulfill NSP reporting requirements in the Disaster Recovery Grant Reporting (DRGR) system.

PROGRAM INCOME REPORT

Use of program income shall be documented on the NSP Set-Up and Completion Report forms throughout the Performance Period of the contract. Thereafter, a yearly report of your program income shall be required by the Department of Commerce. The report shall capture the amount received by the Grantee during the reporting period, amounts expended during the reporting period for both housing assistance and administrative costs, and balance at the end of the reporting period.

FINAL REPORT

A Contract Completion Report must be submitted no later than 60 days after the end of the Performance Period defined in ATTACHMENT B of this contract. The final report shall be in the format designated by the Department and include a summary of program performance compared to program goals for the total performance period and use of program income.

ADDITIONAL REPORTS AND INFORMATION

The Department reserves the right to amend and require additional information or reports as needed.

ATTACHMENT E METHOD OF PAYMENT

The method of payment is as follows:

NSP CONTRACT FUNDS

NSP1 funding shall be released upon signature of all parties to the NSP contract and receipt of NSP funding from the Department of Housing and Urban Development. The Department, in its sole discretion, may:

1. Prorate and reduce the amount payable to the Grantee hereunder for any quarter in which the grantee fails to achieve 90% of the housing activities as shown in ATTACHMENT C, Program Timetable for that quarter.
2. Terminate this agreement in accordance with Article 11 of the General Terms and Condition for failure to perform for two consecutive quarters.

The Department is not responsible for Grantee's disbursement of funds to beneficiaries, sub-grantees, and/or other creditors.

NSP funds may not be requested more than 15 days prior to the time of an eligible expenditure.

The Grantee is responsible for requesting all payments no later than described in ATTACHMENT C Timetable.

NSP ACTIVITY FUNDS

Housing activity funds are to be set up and disbursed pursuant to the budget described in ATTACHMENT F. An activity must be set-up for a minimum of \$1,000.

The Grantee shall request funds through the Department.

NSP ADMINISTRATIVE FUNDS

NSP administrative funds are to be disbursed pursuant to the budget described in ATTACHMENT F through the Department and according to the procedures in the Department's NSP1 Implementation Handbook.

The NSP administrative funds are payable as follows:

- Upon receipt by the Department of all NSP program working documents, Grantee may request \$2,000.00 of NSP administration funds.

- The balance of NSP administrative funds shall be drawn in proportion to NSP activity funds paid out to complete activities as follows:
 1. Financing Mechanisms: Activity Completion Report submitted.
 2. Acquisition/Rehab/Resale: Activity Completion Report submitted.
 3. Landbanking: Property acquired and Reuse Plan submitted.
 4. Demolition of Blighted Structure: Evidence that demolition, clearance, and site restoration are complete.
 5. Redevelopment: Throughout the course of the project, final payment will be held until submission of a Completion Report showing occupancy by eligible household(s).

**ATTACHMENT F
BUDGET**

The Grantee's Federal Employer Identification Number (FEIN) is: **391252334**

The Grantee's DUNS Number is: **145091182**

The NSP Activity funds and NSP Administration funds expended through this contract shall not exceed the total amount listed by category. Activity funds and Administration funds are not transferable between categories. In no case, shall funds expended under this contract exceed the total shown in the Budget table below.

BUDGET TABLE

BUDGET CATEGORY	NSP FUNDS
Housing Assistance:	\$1,146,000.00
A. Financing Mechanisms	\$.00
B. Acquisition/Rehab/Resale	\$536,250.00
B. Acquisition/Rehab/Rental	\$225,750.00
C. Landbanking	\$132,500.00
D. Demolition of Blighted Structures	\$72,500.00
E. Redevelopment	\$179,000.00
Administration:	\$85,950.00
TOTAL: \$1,231,950.00	

ATTACHMENT G SPECIAL CONDITIONS

The Grantee shall comply with the Special Conditions as follows:

The Grantee understands the Department has discretion to establish and revise the policies and procedures necessary to administer NSP.

In the event of a conflict between Department policies and procedures and Division B, Title III HERA 2008, the Department, in its discretion, shall determine which documents or parts of documents are controlling.

The Grantee agrees to follow policies and procedures of the Department including but not limited to the most recently published Department NSP1 Implementation Handbook and Division B, Title III HERA 2008 and any subsequent amendments or changes.

A. APPRAISAL

Persons performing appraisals of NSP-funded acquisitions of foreclosed properties must meet the appraisal qualifications of 49 CFR 24.109 (s).

The appraisal must have been completed within 60 days of the final accepted offer made for the property.

If the Grantee is acquiring a property with value estimated at \$25,000 or less and the acquisition is voluntary, the current market appraised value of the property may be established by a valuation of the property that is based on a review of available data by a qualified person.

B. BENEFIT TO LOW-INCOME HOUSEHOLDS

Not less than 30 percent of Housing Assistance funds shall be used for the purchase and redevelopment of abandoned or foreclosed homes or residential properties that will be used to house individuals or families whose incomes do not exceed 50 percent of County Median Income.

C. CONFLICT OF INTEREST

In addition to Article 24, the Grantee agrees to comply with conflict of interest rules as set forth in 24 CFR 570.611.

D. HOMEBUYER COUNSELING

Each NSP-assisted homebuyer must receive and complete at least eight (8) hours of homebuyer counseling from a HUD-approved housing counseling agency before obtaining a mortgage loan.

E. HOUSEHOLD BENEFIT

NSP funds must be used to benefit individuals and households whose income does not exceed 120 percent of County Median Income.

F. PROGRAM INCOME

During the Contract performance period all program income must be obligated for eligible NSP activities funded through this contract prior to utilizing NSP contract funds.

Program must be used to continue the NSP activities funded through this contract. However, the Grantee may utilize up to 10% of the program income amount deposited during the program year for eligible administrative costs.

G. PURCHASE DISCOUNT

Each foreclosed upon home or residential property purchased with NSP funds shall show a minimum discount of 1.0% from the current market appraised value.

Grantees are encouraged to negotiate with lenders to obtain price reductions commensurate with the avoided costs of holding, marketing and selling the homes.

H. ELIGIBLE PROPERTY

Homebuyer: The property must be occupied by an income-eligible homebuyer and serve as the primary residence of the buyer. The buyer must hold fee simple title. Any other form of ownership shall require approval by the Department.

Rental Rehabilitation: The property may consist of one or more buildings on a single site or multiple sites that are under common ownership. All assisted properties are subject to HOME affordability and rent requirements.

I. CONTRACT EXECUTION DEADLINE

The Grantee must be under contract with the Department within 60 days of receipt of the final contract, meaning all signatures have been obtained. The Department reserves the right to withdraw funding if the Grantee fails to return the executed contract.

J. MONITORING

The Grantee will be monitored at least once during the performance period of the contract. Grantees may be monitored on-site at the grantee's office or the grantee may be asked to submit files to the Department for a desk monitoring session.

A.