

CITY OF MEDFORD, OREGON
APPLICANT'S MANUAL
FOR THE
CITY OF MEDFORD
COMMUNITY DEVELOPMENT BLOCK GRANT

DEVELOPED FOR CAPITAL PROJECTS TO BE FUNDED IN THE FISCAL YEAR
BEGINNING JULY 1, 2019 AND ENDING JUNE 30, 2020

*City of Medford
Planning Department
Housing and Community Development Division*

Updated August, 2019

**Instructions to Applicants for
Community Development Block Program Funding**

This Applicant's Manual outlines the various requirements that will apply to entities receiving capital funding from the City of Medford Community Development Block Grant (CDBG) program. ***Please take special note of the actions described in this manual that must be completed prior to submitting your application for funding assistance. Failure to complete these actions, or failure to provide adequate documentation that requirements have been met, may cause your application to be rejected. If you are uncertain about any requirements, please contact the Housing and Community Development Division for assistance.***

Prior to submitting your application you needed to submit a letter of intent to apply that briefly describes your project and your intended use of the funding you will request. If you receive an invitation to complete an application, the Housing and Community Development Division will be contacting you to arrange an additional meeting with Housing staff. This meeting will occur on-site, and will be intended to allow the City to get a better sense of what you have planned, and review information you will have submitted about the site and its surroundings. The Request for Proposals package for this year's CDBG funding allocation process provides the dates by which these meetings must be held.

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Section 1

Site and Environmental Review Requirements

City of Medford CDBG Program Manual: Site and Environmental Review Requirements

The guidelines that follow apply to all projects receiving awards of CDBG funds from the City of Medford. This section offers guidance for the completion of a site and project environmental review (ER) under HUD's Environmental Review Regulations (24 CFR Part 58). It is critical that environmental reviews be conducted in a timely and accurate manner so that projects may move forward and receive positive consideration for CDBG funding. **Incomplete or erroneous reviews may result in decisions by the City to deny or rescind project funding.**

On October 29, 2003 a new Final Rule was adopted for 24 CFR Part 58, also known as the "HUD Environmental Review regulations." In that Final Rule, HUD made it clear that they consider the purchase of land or land/buildings, as well as construction activities or the letting of construction contracts, to be choice-limiting actions. *Choice-limiting actions are prohibited prior to the completion of a HUD Environmental Review.* For purposes of the City of Medford CDBG program, completion of a HUD Environmental Review means completion of both the applicant's and the City's reviews, the subsequent publication of review findings, and the issuance of an Authorization to Use Grant Funds by HUD.

As an applicant for funding from the City's CDBG program, you may be seeking to acquire property for your project, or you may already own the property on which your project will be located. Please read the following guidance carefully to determine whether your project will be compliant with the HUD requirements related to property acquisition and environmental reviews.

Overview of the Environmental Review Process

Environmental review processes, particularly the level of review required, vary with the type of project being considered. Housing and Community Development Division staff will ask that you provide information or complete an environmental review checklist based on the project being proposed. Housing and Community Development Division staff will utilize that information in determining whether a project may be considered to have "passed" environmental review, or whether more detailed information will be needed to evaluate that question.

It is the City's expectation that funding applicants will complete the ER checklist to the best of their knowledge and ability; City staff are always available to provide consultation and assistance, and will review the data gathered upon checklist completion. For a site that meets HUD's environmental review standards, for larger or complex projects, the typical outcome is for the City to publish a notice known as a "Finding of No Significant Impact," or "FONSI" in the Corvallis Gazette Times. That FONSI allows the public to comment directly to HUD on the content of and methodology used to create the Environmental Review record for the project. Following the comment period, any comments are considered by HUD in conjunction with the City's request that the record be approved, which is accomplished through a "Request for Release of Funds and Certification." Please be advised that a full environmental assessment may take from two to six months depending on project and site complexity. City staff will discuss this process with you in more detail as you work through your environmental review process.

Guidance for Purchase of Property After Completion of the Environmental Review Process

Please follow these steps if your project includes acquisition of land and/or buildings:

- At the time you submit your Letter of Intent for CDBG funds, you may have a written option or earnest money agreement with the seller of the property you would acquire for your project.
- ***Please be sure that your transaction follows the property acquisition guidelines included in Section Two of this manual as you begin to negotiate your purchase.*** You will need to be able to demonstrate that the seller's decision to sell you their property is voluntary. To help document a voluntary sale you will need to deliver and have the seller sign one or more specifically-worded acquisition notices. Unless the seller is properly notified of the market value of their property before the start of your negotiations, you will need to have an appraisal to determine the value of the property. This appraised value will need to be disclosed to the seller with an option to continue with the negotiated terms, void the sale, or reenter negotiations to reach a new, amicably determined sales price. In most cases, your purchase price must be the lesser of either the fair market value or an agreed upon sales price, and may not exceed the appraised fair market value of the property.
- No choice-limiting actions (acquisition, demolition, construction, awarding of construction contracts) may take place until the entire HUD Environmental Review process has been completed.
- The property may be purchased with CDBG funds, or with non-City funds, only after the completion of an entire HUD Environmental Review process.
- If CDBG funds are being used for the acquisition, you will also need to have completed and/or met all conditions of the City's award of funding, and have executed a CDBG Funding Agreement prior to completing your purchase transaction.

Guidance for Purchase of Property Prior to Submitting a Letter of Intent to Apply for Funding

If you or a third party purchased bare land or land with improvements before you submitted a Letter of Intent to the City to apply for CDBG funds, the following will apply:

- CDBG funds may not be used to reimburse you or the third party for your purchase ***if it occurred prior to the completion of the HUD Environmental Review.***
- Once an application for CDBG funds is submitted, no other choice-limiting actions can take place on the property prior to completion of the Environmental Review.
- You will still need to demonstrate that you acquired the property through a voluntary transaction with the seller, and that your purchase price was either the fair market value based on an appraisal or Certified Market Assessment, or another, lower negotiated price. ***Failure to provide documentation that the transaction was voluntary and at or below market value may cause the entire project to be found ineligible for City funding.***
- If the property has been purchased by a third party with the intent to transfer it to your ownership at some point, the transfer cannot take place until the Environmental Review

has been completed. The eventual transfer price from the third party to you cannot be for more than the price for which they purchased the property. In other words, the third party cannot receive holding fees for participating in the transaction.

- The third party also may not initiate any choice-limiting actions on the site after application for CDBG funds but prior to completion of the Environmental Review.

UNDER NO CIRCUMSTANCES MAY YOU, OR A THIRD PARTY INTENDING TO TRANSFER PROPERTY TO YOU, ACQUIRE THE PROPERTY USING ANY RESOURCE (CITY OR NON-CITY) AFTER YOU SUBMIT A LETTER OF INTENT TO APPLY FOR CDBG FUNDS BUT BEFORE THE ENVIRONMENTAL REVIEW IS COMPLETED. FAILURE TO COMPLY WITH THIS REQUIREMENT WILL CAUSE YOUR PROJECT TO BECOME INELIGIBLE FOR CDBG FUNDS.

Section 2
Uniform Relocation and Real Property
Acquisition Policies Act

City of Medford CDBG Program Manual:

Requirements of the Uniform Relocation and Real Property Acquisition Policies Act of 1970, as amended (49 CFR Part 24)

The CDBG program is covered by the federal Uniform Relocation and Real Property Acquisition Policies Act of 1970, as amended (URA). HUD consolidates its guidance regarding URA in the *Tenant Assistance, Relocation and Real Property Acquisition Manual (1378.0)*, henceforth referred to as Manual 1378, and which is available through HUD's relocation website www.HUD.gov/relocation.

Under the URA, all persons (families, individuals, businesses, not-for-profit organizations and farms) displaced (forced to move) as a direct result of rehabilitation, demolition or acquisition (privately undertaken or public) for a CDBG-assisted project are entitled to relocation payments. Displaced residential tenants are also entitled to replacement housing payments. It is the policy of the City to encourage project sponsors to pursue only those projects that will not permanently cause displacement.

Consistent with the goals and objectives of the URA, the CDBG recipient must ensure that all reasonable steps have been taken to minimize the displacement of persons as a result of a project assisted with federal funds. To the greatest extent feasible, residential tenants must be provided a reasonable opportunity to lease and occupy the same or another suitable, decent, safe, sanitary and affordable dwelling unit in the building/complex upon completion, and perhaps during the course of the project.

Displacement not only includes the physical displacement of persons, it also includes "economic displacement" which means that as a direct result of the project, the existing tenant is not able to afford a new, higher rent for their current unit. If a CDBG applicant intends to rehabilitate an occupied property, the issue of economic displacement needs to be of particular concern.

Acquisition of Tenant-Occupied Properties:

In most cases the more complex elements of the URA will come into play when residential rental properties are being acquired and/or rehabilitated. Applicants intending to acquire and/or rehabilitate tenant-occupied structures must follow the process outlined below. *If you, the applicant, are planning to acquire the property, you must advise the current owner that you will be providing notices to their tenants. Agreement from the property owner that they will not require tenants to move, except for cause, must be obtained. All new tenants (once the first contact with tenants has been made) must be advised of the project in writing, and documentation must be kept showing both that prospective tenants have been so notified, and that tenants moving from the property did so voluntarily.*

Steps to Take BEFORE YOU APPLY for CDBG Funds:

- 1. General Information Notice. A general information notice (GIN) must be sent to all tenants (residential and commercial) *prior to submission of a funding application*. The notice must be sent by certified mail/receipt requested, or hand delivered and a delivery receipt obtained.**

Copies of all notices must be provided to the City with your funding application. Copies of sample notices are attached for use for:

- Tenants whose displacement status is unknown at the time of application (Form 1);
- Tenants who will be permitted to reside in the project after completion (Form 2); and
- Tenants who will be required to move or may be displaced because of the project (Form 3).

Applicants must submit evidence to the City, with their application, indicating that the appropriate general information notices were issued to all tenants. This can be accomplished by submitting a copy of the signed receipt (if sent certified) for each tenant, or by submitting a copy of the notice that has been signed by each tenant to acknowledge their receipt.

2. Relocation Brochure. Under the URA, applicants must provide advisory services to tenants who occupy the property for which funds are being requested. At the time you provide the GIN, you should also provide tenants a copy of the brochure entitled “Relocation Assistance to Persons Displaced From Their Homes.” Contact Housing and Community Development staff to obtain a copy. The brochure is also available in Spanish. If the tenant in the property is a business, contact the Housing and Community Development Division for the appropriate brochure. A copy of the business brochure should be provided with the GIN.

- **A tenant survey must be completed.** This is a preliminary survey to determine who currently occupies the property and to identify potential URA problems. This includes both residential and commercial tenants. You may use the Tenant Survey Form attached as Form 11 & 12 or an equivalent form of your own, and present it at the same time you present the General Information Notice. Copies of all surveys must be provided to the City with your funding application. The tenant survey in combination with delivering the GIN is the beginning of your plan to fully comply with the requirements of the URA. It is where you begin to keep a record of the process (notices, tenants moving out, tenants moving in, advisory services, etc.). *Important: URA is about the tenants, not the units. You must keep track of each tenant from the time you submit a letter of intent to the final closeout process of your project.*

After Submitting your CDBG Application:

- **Displacement Prevention Plan (DPP).** HUD requires that all reasonable steps be taken to minimize displacement of tenants as a result of a HUD-assisted program or project. It is in the applicant’s best interest to avoid tenant displacement through careful planning and documentation of efforts to accommodate each tenant during rehabilitation of their rental unit. This means considering whether displacement or temporary relocation will occur, identifying potential relocation workload and resources early in project planning and feasibility determinations, and following notification and advisory services procedures carefully.

The purpose of developing a Displacement Prevention Plan (DPP) is to assure that tenants do not leave their rental unit because they have not been informed about plans for the project or their rights. It is imperative to document efforts to assure that each tenant will occupy a decent, safe and sanitary unit during and following construction, and that

concerns about tenants' special needs are considered early in the planning of the project. The DPP must be written to be your guide to keeping tenants informed about how and when the rehabilitation will impact their living conditions so that each may make an informed decision to remain in their unit during construction activities or be temporarily relocated to another unit. Questions to be answered in this plan include:

- Will any tenants be required to move permanently?
- Will any tenants need to be temporarily relocated during rehabilitation?
- How will temporary relocation be accomplished if needed?
- If a tenant elects to remain in their unit during construction, how will their living arrangements be affected, and will they occupy a decent, safe, and sanitary unit at all times?
- If lead-based paint or other construction related hazards are a factor, are the tenants adequately informed? Do you have verification?
- What precautions will be taken? Are young children living on the property? Can rehab activities be phased in such a way as to avoid temporarily relocating or permanently displacing tenants?
- Are there tenants who are elderly and/or with disabilities occupying the property, and if so, how will you accommodate their special needs through the rehabilitation?
- Will the units be affordable to existing tenants after rehabilitation?

- **Tenant Interviews.** If not already performed during the tenant survey process, you must document that tenants were interviewed to determine their specific needs and preferences for either temporary housing or staying in place while the work is being done. In addition, you must document that the tenant's rights and options under the URA was explained to them.

Although all displacement prevention plans will have common elements, each needs to be customized to the type of project and tenant needs. Housing and Community Development Division staff will request a draft of your preliminary DPP prior to executing a funding agreement.

Important: One of the keys to URA compliance is that you maintain a paper-trail (file) for each and every tenant. Your Tenant Survey and Displacement Prevention Plan must be set up to track the URA process as it evolves for each tenant. It is critical that your file system focuses on the tenant, not the unit. This is especially important when the project is as such that tenants may or may not move back into their original units. Your Tenant Survey format and Plan must document the entire URA process for each tenant such as: verification that the correct notices were delivered on time; that you interviewed each tenant to ascertain their needs; that you provided advisory services; special accommodations as needed; moving assistance as may be applicable; and permanent placement. You must also document the process for handling new tenants (post GIN), when tenants move on their own accord, evictions (for cause), and any other particular circumstance that may arise.

- **Notice to New Tenants.** After the GIN has been issued, each new prospective tenant must be provided a notice informing him or her about the rehabilitation project *before a lease or rental agreement is signed*. The tenant must sign a form (attached - Form 4)

acknowledging receipt of this notice. Failure to issue this notice can be very costly, as the tenant may later be able to prove eligibility for payment of relocation assistance.

- **Notice to Tenants Who Move.** After the GIN has been issued, documentation (Form 6) is necessary to show that each tenant moving (vacating) is doing so voluntarily. A tenant may only be evicted for cause. **Eviction for cause must be properly documented in order to avoid paying relocation assistance.**

Upon Date of Execution of CDBG Funding Agreement:

- **Update the Tenant Survey.** Update the survey to reflect tenants who have moved, new tenants, and other new information. It is imperative that a tenant-specific record be set up and maintained. (See Record Keeping requirements below.)
- **Relocation Eligibility.** As soon as possible after the date the CDBG funding agreement is executed, a notice of non-displacement or notice of relocation eligibility must be issued (Form 7, 8 or 9) to each tenant who was in occupancy on the date the funding application was submitted and did not subsequently move voluntarily after signing a Notice to Tenants Who Move.

Notice of Non-Displacement must:

- Advise the tenant of the determination and their right to appeal; and
- Contain the reasonable terms and conditions under which the tenant can continue to rent a suitable, affordable unit in the project;
- Notify the tenant if they may be temporarily relocated to complete the project;
- Inform the tenant that any person who is an alien not lawfully present in the United States may be ineligible for relocation advisory services and relocation payments.

Notice of Relocation Eligibility must:

- Describe the available relocation assistance; and
- Estimate an amount of assistance based on the person's individual circumstances;
- Describe the procedures for obtaining the assistance; and,
- Inform the tenant that any person who is an alien not lawfully present in the United States may be ineligible for relocation advisory services and relocation payments.

- **Ninety-Day Notice.** All displaced tenants must be provided a ninety-day notice prior to the date they must vacate the unit. When this date has not been determined, a tenant may be provided with a notice stating the tenant may remain in the unit and a minimum thirty-day notice will be provided once a date has been set.
- In extreme cases, where the property poses a serious risk to the tenant, the tenant may be required to move with less than ninety-days notice.
- **Temporary Moves.** Arrange for temporary moves if necessary. Planning for temporary moves should be addressed in the Displacement Prevention Plan (DPP) described above. Document temporary move notices and document all temporary moving costs. Tenants must be given reasonable advance written notice explaining the terms and conditions of the

move, and must be reimbursed for all reasonable out-of-pocket expenses relative to the move. Tenants cannot be required to move their personal belongings, but may choose to.

- If a construction project is designed to have tenants remain in their units while the work is being done, a temporary relocation plan should nonetheless be ready in case the need arises.
- **Lead-based Paint Disclosure Forms.** If the residential units were constructed before 1978, the project will be subject to the federal Lead Disclosure Rule (Section 1018 of the Residential Lead-Based Paint Reduction Act of 1992). Upon execution of a CDBG funding agreement, if not previously documented, you must contact each tenant household and provide them with a lead paint disclosure form (attached on back of Form 4). The form is a way to verify that all lead paint information has been disclosed to current and prospective tenants, and that each tenant household has received a copy of the pamphlet, "Protect Your Family From Lead In Your Home." It is also acceptable to have the Agent and/or Lessor (they may be the same) fill out, sign and date the disclosure form in advance, and then present a copy of that form to each tenant household for original signature. You are required to retain tenant-signed forms for review by the City. You must also obtain a signed copy of the lead paint disclosure form from each new tenant as they move in. It is suggested that you make these disclosure forms a part of the lease document for any buildings completed before 1978.

Residential property built prior to 1978 that will undergo construction work, unless determined to be exempt by Housing and Community Development Division staff, is subject to additional lead-based paint disclosure requirements. See Section 5: Lead Paint Guidelines for Rehabilitation Activities.

- **Occupant Protection Plan.** For pre-1978, non-exempt projects that involve the disturbance of lead paint or the control of lead hazards, a written Lead Hazard Occupant Protection Plan must be submitted to the City for approval prior to the initiation of any work. The Occupant Protection Plan for lead hazards will coincide with your Displacement Prevention Plan and, if necessary, will need to include provisions for temporary relocation to another unit that has been determined to be lead safe. If certified abatement work is involved, additional notifications to the State are required. Whenever a project includes lead-based paint disturbance or control, tenants will not be permitted to enter contained work areas, and may not be allowed to return to their unit until certified clearance by a certified lead-based paint inspector or risk assessor has been obtained.
- **Rehabilitation Project Completion/Project Closeout.** Update tenant survey to account for all tenants in place on date of project closeout. The project closeout date (approved by the Housing and Neighborhood Services Division) begins the compliance period for your project.
- **Comparable Units.** Prior to providing a tenant that is being displaced with the 90 day notice to move (Form 10), funding recipients must identify comparable units and provide the tenant with a list of such units. To be comparable, units must be inspected, meet the HUD Housing Quality Standards, and meet the

needs of the tenant. *For a definition of a “comparable unit” see HUD’s Manual 1378, Chapter 1-4, F. If you fail to document that you have identified comparable units, a displaced tenant may be entitled to a higher replacement housing payment.*

- **Record Keeping.** Funding recipients must keep records to document each step in the process of communicating with tenants about their rights and responsibilities under the URA. **These records must document what happens to each tenant, whether or not they are displaced, from the start to the finish of the project.** Copies of all records and documents related to URA, as gathered prior to or during your project, must be provided to the City’s Housing and Community Development Division.

Acquisition-specific Requirements of the URA

Site control is an important issue in the City’s consideration of funding proposed projects. Projects without control of a site, either through ownership, an option to purchase, or an earnest money agreement, will likely be at a competitive disadvantage.

HUD and the City prefer that, when an applicant does not already own a property prior to submitting an application to the City, purchase options be used to obtain site control for purposes of your funding application. Your option should provide adequate time (six months to a year, at least) to allow your funding application to be reviewed by the City, funding decisions made by the City, funding agreements executed, and your property transaction to close. Please keep in mind that other funding sources (e.g., private loan funding for acquisition) may also have time frames that need to be taken into account in determining the length of your purchase option agreement.

The City does not use its power of eminent domain to acquire properties under its CDBG program, so in every case ***you must acquire the proposed property by following the URA’s voluntary acquisition procedures.***

The following information must be provided to the owner prior to making an offer to purchase their property: (Form 13)

- You do not have the power of eminent domain and therefore will not acquire their property if you and the owner fail to reach an amicable agreement or the owner does not wish to sell.
- The owner must be notified of the estimated market value of their property. This value shall be based on a reasonable determination of value provided by a comparative market analysis completed by a licensed real estate broker or an estimation of value from a professional appraiser.

By providing this information to the owner prior to making an offer, you and the owner can then negotiate a sales price that is higher or lower than the market value provided in the notice. ***Failure to provide the owner with this information prior to making an offer on the property will trigger further URA acquisition requirements. These additional requirements include but are not limited to the following:***

- The owner must be informed of the fair market value of their property as determined by an appraisal conducted by a professional appraiser. Once the owner is notified of the appraised value, the owner must be given the opportunity to withdraw from the transaction without

penalty, even if there is a purchase agreement in place. The owner may elect to reconvene negotiations in an attempt to reach an amicable agreement, based on the appraised value.

- If negotiations resume and an amicable agreement is reached below the appraised value, the owner shall certify to the City that they acknowledge the fair market value of the property, but elect to voluntarily sell the property at below market rate.

For tenant-occupied properties, the seller must also allow the acquiring agency to send the following Relocation Notices to tenants:

- **General Information Notice.** A general information notice (GIN) must be sent to all tenants (residential and commercial) as soon as the Notice of Disclosure to Seller (Form 13) is sent and prior to submission of a funding application. The notice must be sent by certified mail/receipt requested, or hand delivered and a delivery receipt obtained. Copies of all notices must be provided to the City with your funding application.

Copies of sample notices are attached for use for:

- Tenants whose displacement status is unknown at the time of application (Form 1);
- Tenants who will be permitted to reside in the project after completion (Form 2); and
- Tenants who will be required to move or may be displaced because of the project (Form 11& 12)

- **A tenant survey must be completed.** This is a preliminary survey to determine who currently occupies the property and to identify potential URA problems. This includes both residential and commercial tenants. Please use the Tenant Survey Form attached as Form 11& 12, and present it at the same time you present the General Information Notice. Copies of all surveys must be provided to the City with your funding application.
- **Notices for prospective tenants.** All prospective tenants must be informed of their rights under the Uniform Relocation Act (Form 4 or Form 5).
- **Tenants Who Move.** Documentation (Form 6) is necessary to show that each tenant moving after the CDBG application submission date has done so voluntarily. A person may be evicted for cause, if properly documented, but not in order to avoid paying relocation assistance.
- **Relocation Eligibility.** As soon as possible after the date the CDBG funding agreement is executed, and prior to the property transaction closing, a notice of non-displacement or notice of relocation eligibility must be issued (Form 7, 8 or 9) to each tenant who was in occupancy on the date the funding application was submitted, and who did not subsequently move voluntarily after signing a Notice to Tenants Who Move. The notice must be sent by certified mail/receipt requested, or hand delivered and a delivery receipt obtained. Copies of all notices must be provided to the City.

Notice of Non-Displacement must:

- Advise the tenant of the determination and their right to appeal; and
- Contain the reasonable terms and conditions under which the tenant can continue to rent a suitable, affordable unit in the project

- Notify the tenant if they may be temporarily relocated to complete the project; and,
- Inform the tenant that any person who is an alien not lawfully present in the United States may be ineligible for relocation advisory services and relocation payments.

Notice of Relocation Eligibility must:

- Described the available relocation assistance; and
- The estimated amount of assistance based on the person's individual circumstances;
- Description of the procedures for obtaining the assistance; and,
- Inform the tenant that any person who is an alien not lawfully present in the United States may be ineligible for relocation advisory services and relocation payments.

Ninety-Day Notice:

All displaced tenants must be provided a ninety-day notice prior to the date they must vacate the unit. When this date has not been determined, a tenant may be provided with a notice stating the tenant may remain in the unit and a minimum thirty-day notice will be provided once a date has been set. In extreme cases, where the property poses a serious risk to the tenant, the tenant may be required to move with less than ninety-days notice.

Please plan to confer with a City Housing and Community Development Division staff member for more information about the URA and your obligations as an applicant and possible recipient of federal funds.

City of Medford CDBG Program Manual: Uniform Relocation Act (URA) Monitoring Checklist

The following checklist describes the various documents that pertain to URA. In order for your project to be compliant with this set of regulations, you will need to execute and include copies of the documents in your project file as a condition for funding through the City of Medford CDBG program. Please be sure to provide copies of all documents to the City's Housing and Community Development Division as they are executed.

PRIOR TO SUBMITTING YOUR APPLICATION FOR CDBG:

- *If Acquisition:* Notice of Disclosure to Seller (*Applicant's Manual, Form 13*)
- *If Acquisition:* Notice of Disclosure to Seller of Fair Market Value (*Applicant's Manual, Form 14*)
- General Information Notice (GIN) to tenants (*Applicant's Manual, Form 1,2, or 3*)
- Copy of Brochure, "Relocation Assistance to Persons Displaced From Their Homes" provided to tenants with the General Information Notice (*Applicant's Manual*)
- Tenant Survey (*Applicant's Manual, submit Form 11 and Form 12 to City*)
- Notice to new tenants (*Applicant's Manual, Form 5*)

AFTER SUBMITTING YOUR CDBG APPLICATION:

- Displacement Prevention Plan, approved by Housing and Community Development Division (*See Applicant's Manual for more detail*)
- Notice to **new** tenants (*Applicant's Manual, Form 4*)
- Notice to **tenants who move** (*Applicant's Manual, Form 6*)

UPON DATE OF EXECUTION OF CDBG FUNDING AGREEMENT:

- Notice of Displacement/Non-displacement (*Applicant's Manual, Form 7, 8, or 9; if tenant will be permanently displaced from the project, please consult with Housing and Community Development Division staff.*)
- 90-Day Notice to Permanently Displaced Tenants (*See Applicant Manual, Form 10*)

- Lead Based Paint Disclosure Form to tenants (*See Applicant's Manual for more detail*)
- Update Tenant Survey (*Form 11 as needed, submit Form 12 to City*)

UPON COMPLETION OF THE PROJECT:

- Update Tenant Survey (*Form 11 as needed, submit Form 12 to City*)

The pages that follow include the sample forms referenced above. Please contact the Housing and Community Development Division to obtain fillable versions of these forms and to discuss your approach to using them.

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Relocation Information Packet Contents

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Form 3: General Information Notice - Acquisition and/or Rehabilitation Projects -

Residential Tenant who **Will Be Displaced** Due to Project Development

Form 4: Notice to Prospective Tenants and Disclosure of Information on Lead-Based Paint

Hazards

Form 5: Pre-funding Application Notice to Prospective Tenants

Form 6: Information Form for Tenants Moving Voluntarily

Form 7: Notice of Non-Displacement to Residential Tenant

Form 8: Notice of Eligibility for Relocation Assistance -

Residential Tenant who **Will Be Displaced** (URA Status)

Form 9: Notice of Eligibility for Relocation Assistance -

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Form 10: Sample 90-day Notice to Vacate – Residential Tenant Who Will be Displaced (URA or 104(d) STATUS)

Form 11: Tenant Survey Form

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Part A: Tenant Notice Guide Forms

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FORM 1

GENERAL INFORMATION NOTICE - ACQUISITION AND/OR REHABILITATION PROJECTS

RESIDENTIAL TENANT WHOSE FUTURE DISPLACEMENT STATUS IS UNKNOWN AT APPLICATION

(Date)

Dear _____:

This notice is to inform you of your rights under federal law. If the funding is provided and the building is acquired and/or rehabilitated, **it is not known at this time if you will have to move**. Soon we will begin the process of determining eligibility. **DO NOT MOVE NOW**. This is **not** a notice to vacate the premises. If you elect to move for reasons of your own choice, you will not be provided possible relocation assistance.

Situation A)

If it is determined that you will be a **NON-DISPLACED** tenant, the following would apply:

If (CDBG Applicant name) receives federal funding from the City of Medford, and if it is determined that you **will not be required** to move by this action, then you will be able to lease and occupy your present unit (or another suitable, decent, safe and sanitary unit in the same complex) upon completion of the (acquisition and/or rehabilitation) under reasonable terms and conditions.* Of course, you must continue to pay your rent and comply with standard lease terms and conditions.

If you must move temporarily so that rehabilitation work can be completed, suitable housing will be made available to you for the temporary period, and you will be reimbursed for all reasonable extra expenses, including all moving costs and any increase in housing costs.

One of the URA protections for persons temporarily relocated is that such relocations shall not extend beyond one year. If the temporary relocation lasts more than one year, you will be contacted and offered all permanent relocation assistance as a displaced person under the URA. This assistance would be in addition to any assistance you may receive in connection with temporary relocation and will not be reduced by the amount of any temporary relocation assistance previously provided. You will also have the right to appeal the agency's determination, if you feel that your application for assistance was not properly considered.

** Based on the applicable HUD program regulations, if "reasonable terms and conditions" are defined, the following statement or other language may also be required in this Notice:*

Under CDBG at 24 CFR 570.606(b)(2)(D)(1): "Your monthly rent will remain the same or, if increased, your new rent and estimated average utility costs will not exceed 30% of the household's average monthly gross income."

(CDBG Applicant name) has submitted an application for federal funding from the City of Medford to (acquire and/or rehabilitate) the property you occupy at (address, unit #). The application is for project funding assistance from the U.S. Department of Housing and Urban Development (HUD) under the City's (CDBG) program. If HUD financial assistance is provided for the proposed project, you will be protected by a federal law known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA).

Type the letter below on your organization's letterhead and send/deliver it prior to your application for CDBG funding from the City of Medford.

Notes to sponsor:

1. Your project records must indicate the manner in which this notice was delivered (e.g., personally served or by certified mail, return receipt requested) and the date of delivery.
2. This is a guideform. It will need to be revised to reflect the circumstances of your project. Please confirm its appropriate revised content with the City's Housing and Community Development Division.

Situation B)

If it is determined that you will be a **DISPLACED** tenant, the following would apply: If (CDBG Applicant name) receives federal funding from the City of Medford, and it is determined that you will be required to move as a direct result of the project, you will be eligible for relocation assistance under the URA, as amended. **DO NOT MOVE NOW.**

- **This is not a notice to vacate the premises.**
- **This is not a notice of relocation eligibility.**

If it is determined that you will be eligible for relocation assistance in the future, you may be eligible for: 1) Relocation advisory services including help to find another place to live; 2) At least 90 days advance written notice of the date you will be required to move; 3) Payment for your moving expenses; and 4) Replacement housing payments to enable you to rent, or if you prefer to purchase, a comparable replacement home. You will also have the right to appeal the agency's determination, if you feel that your application for assistance was not properly considered. The enclosed HUD brochure, "Relocation Assistance To Tenants Displaced From Their Homes" provides an explanation of this assistance and other helpful information.

You should continue to pay your monthly rent to (landlord), because a failure to pay rent and meet your other obligations as a tenant may be cause for eviction and loss of relocation assistance. **You are urged not to move or sign any agreement to purchase or lease another unit before receiving formal notice of your eligibility for relocation assistance.** If you move or are evicted before receiving such notice, you will not receive any assistance. It is important for you to contact us before you make any moving plans. If for any reason other persons move into this unit with you after this notice, your assistance may be reduced.

If you have any questions, please contact (applicant contact person) at (phone) or (address).

This letter is important, and should be retained. Although it does not establish final eligibility for relocation payments or other relocation assistance, it informs you of possible future actions affecting you. If _____ (CDBG Applicant name) is not approved for City funding you will be notified in writing.

Again, we urge you not to move. If the project is approved, you can be sure that we will make every effort to accommodate your needs. Because federal assistance would be involved, you would be protected by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

(NOTE: Pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance, unless such ineligibility would result in exceptional hardship to a qualifying spouse, parent, or child. All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.)

Sincerely,

Name and title

Enclosure: "Relocation Assistance to Tenants Displaced From Their Homes"

Tenant Acknowledgment: I acknowledge receipt of and agree to the condition of the above notice.

Name of tenant (signature)

Date

Name of tenant (printed)

FORM 2

THIS LETTER IS IMPORTANT
KEEP THIS LETTER

GENERAL INFORMATION NOTICE - ACQUISITION AND/OR REHABILITATION PROJECTS

RESIDENTIAL TENANT WHO WILL NOT BE DISPLACED DUE TO PROJECT DEVELOPMENT

Type the letter below on your organization's letterhead and send/deliver it prior to your application for CDBG funding from the City of Medford.

Notes to sponsor:

1. Your project records must indicate the manner in which this notice was delivered (e.g., personally served or by certified mail, return receipt requested) and the date of delivery.
2. This is a guideform. It will need to be revised to reflect the circumstances of your project. Please confirm its appropriate revised content with the City's Housing and Community Development Division.

(Date)

Dear _____:

On or about (date) , (CDBG Applicant name) (will submit) (has submitted) an application to the City of Medford for federal financial assistance to (acquire and/or rehabilitate) the building which you occupy at (property address, unit #) .

The purpose of this notice is to inform you that you will not be displaced in connection with the proposed project.

If (CDBG Applicant name) receives federal funding from the City of Medford, you will be able to lease and occupy your present unit (or another suitable, decent, safe and sanitary unit in the same complex) upon completion of the (acquisition and/or rehabilitation) under reasonable terms and conditions.* Of course, you must continue to pay your rent and comply with standard lease terms and conditions. You should continue to pay your monthly rent to (landlord) , because a failure to pay rent and meet your other obligations as a tenant may be cause for eviction and loss of assistance.

If federal financial assistance is provided for the proposed project, you will be protected by a federal law known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA).

If the proposed project includes construction work, you may have to move temporarily so that the rehabilitation work can be safely completed. If you must move temporarily, suitable housing will be made available to you for the temporary period, and you will be reimbursed for all reasonable extra expenses, including all moving costs and any increase in housing costs.

One of the URA protections for persons temporarily relocated is that such relocations shall not extend beyond one year. If the temporary relocation lasts more than one year, you will be contacted and offered all permanent relocation assistance as a displaced person under the URA. This

assistance would be in addition to any assistance you may receive in connection with temporary relocation and will not be reduced by the amount of any temporary relocation assistance previously provided. You will also have the right to appeal the agency's determination, if you feel that your application for assistance was not properly considered.

We urge you not move at this time. If you choose to move, you will not be provided relocation assistance.

- **This is not a notice to vacate the premises.**
- **This is not a notice of relocation eligibility.**

(NOTE: Pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance, unless such ineligibility would result in exceptional hardship to a qualifying spouse, parent, or child. All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.)

**Note: Based on the applicable HUD program regulations, if "reasonable terms and conditions" are defined, the following statement or other language may also be required in this Notice:*

Under CDBG at 24 CFR 570.606(b)(2)(D)(1): "Your monthly rent will remain the same or, if increased, your new rent and estimated average utility costs will not exceed 30% of the household's average monthly gross income."

You will be contacted soon so that we can provide you with more information about the proposed project. If the project is approved, we will make every effort to accommodate your needs. In the meantime, if you have any questions about our plans, please contact:

Sincerely,

Name and title

(Name) _____ (Title) _____

(Address) _____ (Phone)(Email) _____

Tenant Acknowledgment:

I acknowledge receipt of and agree to the condition of the above notice.

Name (please print) and signature of tenant

Date

THIS LETTER IS IMPORTANT
KEEP THIS LETTER

FORM 3

GENERAL INFORMATION NOTICE - ACQUISITION AND/OR REHABILITATION PROJECTS

RESIDENTIAL TENANT WHO WILL BE DISPLACED DUE TO PROJECT DEVELOPMENT

Type the letter below on your organization's letterhead and send/deliver it prior to your application for CDBG funding from the City of Medford.

Notes to sponsor:

1. Your project records must indicate the manner in which this notice was delivered (e.g., personally served or by certified mail, return receipt requested) and the date of delivery.
2. This is a guideform. It will need to be revised to reflect the circumstances of your project. Please confirm its appropriate revised content with the City's Housing and Community Development Division.

(Date)

Dear _____ :

On or about (date), (CDBG Applicant name) (will submit) (has submitted) an application to the City of Medford for federal financial assistance to (acquire and/or rehabilitate) the building which you occupy at (property address, unit #). The application is for project funding assistance from the U.S. Department of Housing and Urban Development (HUD) under the City's (CDBG) program.

This notice is to inform you of your rights under federal law. If (Applicant name) receives HUD funding to (acquire and/or rehabilitate) the property, and you are displaced as a direct result of the project, you may be eligible for relocation assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. However, **do not move now.**

- **This is not a notice to vacate the premises.**
- **This is not a notice of relocation eligibility.**

If it is determined that you will be eligible for relocation assistance in the future, you may be eligible for: 1) Relocation advisory services including help to find another place to live; 2) At least 90 days advance written notice of the date you will be required to move; 3) Payment for your moving expenses; and 4) Replacement housing payments to enable you to rent, or if you prefer to purchase, a comparable replacement home. You will also have the right to appeal the agency's determination, if you feel that your application for assistance was not properly considered. The enclosed HUD brochure, "Relocation Assistance To Tenants Displaced From Their Homes" provides an explanation of this assistance and other helpful information.

(NOTE: Pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance, unless such ineligibility would result in exceptional hardship to a qualifying spouse, parent, or child. All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.)

Please be advised that you should continue to pay your monthly rent to _____ (landlord) _____, because a failure to pay rent and meet your other obligations as a tenant may be cause for eviction and loss of relocation assistance. **If you choose to move or if you are evicted prior to receiving a formal notice of relocation eligibility you will not be eligible to receive relocation assistance.**

You are urged not to move or sign any agreement to purchase or lease another unit before receiving formal notice of your eligibility for relocation assistance. If you move or are evicted before receiving such notice, you will not receive any assistance. It is important for you to contact us before you make any moving plans. If for any reason other persons move into this unit with you after this notice, your assistance may be reduced.

If you have any questions, please contact _____ (applicant contact person) _____ at _____ (phone) or _____ (email) or _____ (address).

Sincerely,

Name and title

(Name) _____ (Title) _____

(Address) _____ (Phone)(Email) _____

This letter is important, and should be retained. Although it does not establish final eligibility for relocation payments or other relocation assistance, it informs you of possible future actions affecting you. If _____ (CDBG Applicant name) _____ is not approved for City funding you will be notified in writing.

Again, we urge you not to move. If the project is approved, you can be sure that we will make every effort to accommodate your needs as you may be entitled under the URA.

Sincerely,

Enclosure: "Relocation Assistance to Tenants Displaced From Their Homes"

Tenant Acknowledgment: I acknowledge receipt of and agree to the condition of the above notice.

Name of tenant (printed)

Date

Name of tenant (printed)

Date

THIS LETTER IS IMPORTANT
KEEP THIS LETTER

FORM 4

NOTICE TO PROSPECTIVE TENANTS AND DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT HAZARDS

Type the letter below on your organization's letterhead. Provide a copy to every prospective tenant after your application for CDBG funding has been submitted to the City of Medford, and your General Information Notices have been sent.

Notes to sponsor:

Give this notice to any prospective tenant, in person, at the time he/she inquires about renting a vacant unit and/or prior to that individual signing a lease or rental agreement. It is a good idea to attach this information to the actual lease agreement and have the tenant initial beside the paragraph acknowledging receipt. Your project file must contain a signed/acknowledged copy of each notice.

This is a guideform. It will need to be revised to reflect the circumstances of your project. Please confirm its appropriate revised content with the City's Housing and Community Development Division.

(Date)

Dear Prospective Tenant:

On (date), (CDBG Applicant name) submitted an application to the City of Medford and may be/has been provided with financial assistance to (acquire, rehabilitate, demolish, convert) the building(s) at (address). Because federal funds are being or would be used for this project, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as amended, **applies only to the tenants in residence at the time (CDBG Applicant name) originally applied** to the City of Medford for funding.

Should you become a new tenant at the address above, you will not be eligible for relocation benefits under the URA.

This notice is to inform you of the following information **before** you enter into any lease agreement and occupy a unit at the above address:

- You may be displaced by the project development.
- You may be required to relocate temporarily.
- You may be subject to a rent increase.
- You will not be entitled to any relocation benefits provided under the URA. If you have to relocate or your rent is increased as a result of development of the above project, you will not be reimbursed for any such rent increase or for any moving costs or expenses you incur.

Please read this notice carefully prior to signing a rental agreement and moving into the address named above. If you should have any questions about this notice, please contact _____ (contact person) _____ at _____ address and phone number _____. After you have read and understand this notice, please sign the statement below if you still desire to lease the unit at this time.

Sincerely,

Name and title

I have read the above information and understand the conditions under which I am moving into this unit/address.

Name of tenant (signature)

Date

Name of tenant (printed)

Address and unit number

Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards

Lead Warning Statement

Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips and dust can pose health hazards if not taken care of properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, landlords must disclose the presence of known lead-based paint and lead-based paint hazards in the dwelling. Tenants must also receive the federally-approved pamphlet, *Protect Your Family From Lead In Your Home*.

Lessor's Disclosure (initial)

_____ (a) Presence of lead-based paint or lead-based paint hazards (check one below)

- Known lead-based paint and/or lead-paint hazards are present in the housing (explain).
- Lessor has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

_____ (b) Records and reports available to the lessor (check one below).

- Lessor has provided the lessee with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing. (List all documents below.)
- Lessor has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Lessee's Acknowledgment (initial)

_____ (c) Lessee has received copies of all information listed above.

_____ (d) Lessee has received the pamphlet "Protect Your Family from Lead in Your Home."

Agent's Acknowledgment (initial)

_____ (e) Agent has informed the lessor of the lessor's obligations under 42 U.S.C. 4852(d) and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information provided by the signatory is true and accurate.

Lessor

Date

Lessor

Date

Lessee

Date

Lessee

Date

Agent

Date

Agent

Date

FORM 5

PRE-FUNDING APPLICATION NOTICE TO PROSPECTIVE TENANTS

Type the letter below on your organization's letterhead. Provide a copy to every prospective tenant you interview between the time you determine that you intend to apply, and the time you actually submit your application for CDBG funding to the City of Medford.

Notes to sponsor:

Give this notice to any prospective tenant, in person, at the time he/she inquires about renting a vacant unit prior to that individual signing a lease or rental agreement. It is a good idea to attach this information to the actual lease agreement and have the tenant initial beside the paragraph acknowledging receipt. Your project file must contain a signed/acknowledged copy of each notice.

This is a guideform. It will need to be revised to reflect the circumstances of your project. Please confirm its appropriate revised content with the City's Housing and Community Development Division.

(Date)

Dear Prospective Tenant:

There is a possibility that (CDBG Applicant name) may apply to the City of Medford for financial assistance to (acquire, rehabilitate, demolish, convert) the building(s) at (address). If that assistance is approved and it includes any federal funds, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as amended, will apply to the project.

If you become a new tenant at the address above, after (CDBG applicant name) has submitted an application with the City of Medford for federal funding assistance, you will not be eligible for relocation benefits under the URA.

This notice is to inform you of the following information **before** you enter into any lease agreement and occupy a unit at the above address:

- You may be displaced by the project development.
- You may be required to relocate temporarily.
- You may be subject to a rent increase.
- You will not be entitled to any relocation benefits provided under the URA. If you have to relocate or your rent is increased as a result of development of the above project, you will not be reimbursed for any such rent increase or for any moving costs or expenses you incur.

Please read this notice carefully prior to signing a rental agreement and moving into the address named above. If you should have any questions about this notice, please contact (contact

person) at address and phone number. After you have read and understand this notice, please sign the statement below if you still desire to lease the unit at this time.

Sincerely,

Name and title

I have read the above information and understand the conditions under which I am moving into this unit/address.

Name of tenant (signature)

Date

Name of tenant (printed)

Address and unit number

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FORM 6

INFORMATION FORM FOR TENANTS MOVING VOLUNTARILY

Type the letter below on your organization's letterhead. Have each tenant who voluntarily moves from your property after the time you determine that you intend to apply for CDBG funding to the City of Medford complete the form.

Notes to sponsor:

1. Your project file must contain a signed/acknowledged copy of each notice.
2. This is a guideform. It may need to be revised to reflect the circumstances of your project. Please confirm its appropriate revised content with the City's Housing and Community Development Division.

VERIFICATION OF TENANT MOVING VOLUNTARILY (AKA: Tenant Vacation Notice)

Owner/Manager complete the following:

Date		
Owner Name		
Property address		
Manager name		
Tenant name		
Tenant Address		
Date of move in		Date of move out

Tenant complete the following:

Tenant name		
New address		
Phone		
Why are you moving?		

I am moving from this project of my own free will and have not been displaced by the project, and I will have no claim against the property owner or the City of Medford for being displaced, as defined by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

Tenant Signature

Date

Owner/Manager Signature

Date

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Form 7

GUIDEFORM NOTICE OF NONDISPLACEMENT TO RESIDENTIAL TENANT

(Put on your agency's letterhead)

Notes to sponsor:

1. Serve this notice to each tenant who will not be displaced by your CDBG-funded project **immediately after executing your funding agreement** with the City.
2. Your project file must contain a copy of each notice, and each must indicate the manner in which this notice was delivered (e.g., personally served or certified mail-return receipt requested) and the date of delivery.
3. This is a guideform. It may need to be revised to reflect the circumstances of your project. Please confirm its appropriate revised content with the City's Housing and Community Development Division.

(Date)

Dear _____:

On (date), the (City, County, State, Public Housing Authority (PHA), other) notified you of proposed plans to rehabilitate the property you currently occupy at (address) for a project which could receive funding assistance from the U.S. Department of Housing and Urban Development (HUD) under the program. On (date) , the project was approved and will receive federal funding. Repairs will begin soon.

- **This is a notice of non-displacement.** You will not be required to move permanently as result of the rehabilitation.

This notice guarantees you the following:

1. Upon completion of the rehabilitation, you will be able to lease and occupy your present apartment or another suitable, decent, safe and sanitary apartment in the same building/complex under reasonable terms and conditions. * (see additional note below)
2. If you must move temporarily so that the rehabilitation can be completed, you will be reimbursed for all of your extra expenses, including the cost of moving to and from temporary housing and any increased interim housing costs. The temporary unit will be decent, safe and sanitary, and all other conditions of the temporary move will be reasonable.

Since you will have the opportunity to occupy a newly rehabilitated apartment, I urge you not to move. (If you do elect to move for your own reasons, you will not receive any relocation

assistance.) We will make every effort to accommodate your needs. Because federal funding is involved in this project, you are protected by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. Of course, you must continue to comply with the terms and conditions of your lease.

If you have any questions, please contact _____ (name) _____, at _____ (phone) _____, _____ (address).

This letter is important to you and should be retained.

Sincerely,

Name and title

(Name) _____ (Title) _____

(Address) _____ (Phone)(Email) _____

If not sent by certified mail, obtain signature of tenant and date verifying receipt of notice:

Tenant signature

Date received

***Additional Note to sponsor:**

Based on the applicable HUD program regulations, if “reasonable terms and conditions,” are defined, the following statement or other language may also be required in this Notice:

Under CDBG at 24 CFR 570.606(b)(2)(D)(1): “Your monthly rent will remain the same or, if increased, your new rent and estimated average utility costs will not exceed 30% of the household’s average monthly gross income

FORM 8

NOTICE OF ELIGIBILITY FOR RELOCATION ASSISTANCE - RESIDENTIAL TENANT WHO WILL BE DISPLACED (URA STATUS)

Type the letter below on your organization's letterhead.

Notes to sponsor:

1. Serve this notice to each tenant who will be displaced by your CDBG-funded project **immediately after executing your funding agreement** with the City.
2. Your project file must contain a copy of each notice, and each must indicate the manner in which this notice was delivered (e.g., personally served or certified mail-return receipt requested) and the date of delivery.
3. This is a guideform. It may need to be revised to reflect the circumstances of your project. Please confirm its appropriate revised content with the City's Housing and Community Development Division.

(Date)

Dear _____:

On (date of General Information Notice), we notified you that the owner of your building had applied to the City of Medford for federal funding assistance to acquire and/or rehabilitate the building you occupy. On (date of funding agreement) the owner's request was approved, and acquisition and/or rehabilitation will begin soon.

This is a notice of eligibility for relocation assistance. To carry out the project, it will be necessary for you to relocate. However, **you do not need to move now.** You will not be required to move without at least 90 days advance written notice of the date by which you must vacate. And when you do move, you will be entitled to relocation payments and other assistance in accordance with federal regulations implementing the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA).

The effective date of this notice is (date of execution of funding agreement) . You are now eligible for relocation assistance, including:

- Counseling and Other Advisory Services.
- Payment for Moving Expenses. You may choose either (1) a payment for your actual reasonable moving and related expenses, or (2) if you prefer, a fixed moving expense and dislocation allowance of \$_____.
- Replacement Housing Payment. You may be eligible for a replacement housing payment to rent or buy a replacement home. The payment is based on several factors, including the cost of a "comparable replacement home," the monthly rent and average cost of utility services for your present home, and 30 percent of your average gross household income.

Listed below are three “comparable replacement homes” that you may wish to consider:

<u>Address</u>	<u>Rent & Utility Costs</u>	<u>Name/Phone of Contact Person</u>
1.		
2.		
3.		

We would be pleased to provide you with transportation to inspect these dwelling units. We believe that the unit at (address) is the most representative of your present home. The rent and the estimated average cost of utility services for that unit is \$_____. Based on the information you have provided about your income, you may be eligible for a rental assistance payment up to \$_____ ($42 \times \$_____\$). This is the maximum amount that you would be eligible to receive. It would be paid in (indicate number of installments or lump sum). If you rent a decent, safe and sanitary home where the monthly rent and average estimated utility costs are less than \$_____, your rental assistance payment would be based on the actual cost of that unit.

Contact us immediately if you do not agree that these units are comparable to your current unit. We will explain the basis for our selecting these units. And, if necessary, we will find other units for you to inspect. We will not base your payment on any unit that is not a “comparable replacement home.” Should you choose to buy (rather than rent) a decent, safe and sanitary replacement home, you would be eligible for a down payment of \$_____. Let us know if you would prefer to buy a replacement home, and we will help you find such housing.

I am enclosing a brochure entitled “Relocation Assistance to Tenants Displaced From Their Homes.” Please read the brochure carefully. It explains your rights and some of the things you must do to obtain a payment. For example, to obtain a replacement housing payment you must move to a decent, safe, and sanitary home within one year after you vacate your present home. Therefore, do not commit yourself to rent or buy a unit until we inspect it.

I want to make it clear that you are eligible for assistance to help you relocate. In addition to relocation payments and housing referrals, counseling and other services are available to you. A representative of this organization will soon contact you to determine your needs and preferences. He/she will explain your rights and help you obtain the relocation payments and other assistance for which you are eligible.

(NOTE: Pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance, unless such ineligibility would result in exceptional

hardship to a qualifying spouse, parent, or child. All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.)

If you have any questions, please contact (CDBG recipient agency) at (phone) , (address). Remember, do not move before we have a chance to discuss your eligibility for assistance. This letter is important to you and should be retained.

Sincerely,

Name and Title

Enclosure: "Relocation Assistance to Tenants Displaced From Their Homes."

FORM 9

**NOTICE OF ELIGIBILITY FOR RELOCATION ASSISTANCE -
RESIDENTIAL TENANT WHO WILL BE DISPLACED (104(d) STATUS)**

Type the letter below on your organization's letterhead.

Notes to sponsor:

Serve this notice to each tenant who will be displaced by your CDBG-funded project **immediately after executing your funding agreement** with the City.

Your project file must contain a copy of each notice, and each must indicate the manner in which this notice was delivered (e.g., personally served or certified mail-return receipt requested) and the date of delivery.

This notice goes to residential households whose income is under 80% AMI where Section 8 assistance will **not** be offered to the displaced tenant.

This notice should be used if the required move will be a direct result of the demolition or conversion of a low income dwelling unit.

Dear _____:

(Date)

This is a guideform. It may need to be revised to reflect the circumstances of your project. Please confirm its appropriate revised content with the City's Housing and Community Development Division.

This is a notice of eligibility for relocation assistance. To carry out the project, it will be necessary for you to relocate. However, **you do not need to move now**. You will not be required to move without at least 90 days advance written notice of the date by which you must vacate. And when you do move, you will be entitled to relocation payments and other assistance. You may choose assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), or section 104(d) of the Housing and Community Development Act of 1974, as amended (section 104(d)).

On ____(date of General Information Notice) , we notified you that the owner of your building had applied to the City of Medford for federal funding assistance to acquire and/or rehabilitate the building you occupy. On ____(date of funding agreement) the owner's request was approved.

The effective date of this notice is (date of execution of funding agreement). You are now eligible for relocation assistance, including:

Counseling and Other Advisory Services.

Security Deposit and Credit Checks. (Not provided under URA.) We will pay the cost of any security deposit required to rent a replacement dwelling unit and for required credit checks.

Payment for Moving Expenses. You may choose either (1) a payment for your actual reasonable moving and related expenses, or (2) if you prefer, a fixed moving expense and dislocation allowance of \$_____.

Replacement Housing Payment. You may be eligible for a replacement housing payment to rent or buy a replacement home. The payment is based on several factors, including the cost of a "comparable replacement home" and your average household income.

Listed below are three "comparable replacement homes" that you may wish to consider:

<u>Address</u>	<u>Rent & Utility Costs</u>	<u>Name/Phone of Contact Person</u>
1.		
2.		
3.		

We would be pleased to provide you with transportation to inspect these dwelling units. We believe that the unit at (address) is the most representative of your present home. The rent and the estimated average cost of utility services for that unit is \$_____. Based on the information you have provided about your income, you may be eligible for a rental assistance payment up to \$_____ ($60 \times \_____). This is the maximum amount that you would be eligible to receive. It would be paid in (indicate number of installments or lump sum). If you rent a decent, safe and sanitary home where the monthly rent and average estimated utility costs are less than \$_____, your rental assistance payment would be based on the actual cost of that unit.

Contact us immediately if you do not agree that these units are comparable to your current unit. We will explain the basis for our selecting these units. And, if necessary, we will find other units for you to inspect. We will not base your payment on any unit that is not a "comparable replacement home."

Should you choose to buy (rather than rent) a decent, safe and sanitary replacement home, you would be eligible under the URA for a down payment of \$_____. Under the URA, you are not limited in the type of home you choose. Section 104(d) assistance for a down payment is available only for purchasing an interest in a housing cooperative or mutual housing association. We estimate that you are eligible for a down payment of \$_____ under Section 104(d). Let us know if you would prefer to buy a replacement home, and we will help you find such housing.

I am enclosing a brochure entitled "Relocation Assistance to Tenants Displaced From Their Homes." Please read the brochure carefully. It explains your rights and some of the things you must do to obtain relocation payments under the URA. With the exception of the differences explained in this letter, this information also applies to section 104(d) assistance. For example, to

obtain a replacement housing payment you must move to a decent, safe, and sanitary home within one year after you vacate your present home. Therefore, do not commit yourself to rent or buy a unit until we inspect it.

I want to make it clear that you are eligible for assistance to help you relocate. In addition to relocation payments and housing referrals, counseling and other services are available to you. A representative of this organization will soon contact you to determine your needs and preferences. He/she will explain your rights and help you obtain the relocation payments and other assistance for which you are eligible.

(NOTE: Pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance, unless such ineligibility would result in exceptional hardship to a qualifying spouse, parent, or child. All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.)

If you have any questions, please contact (CDBG recipient agency) at (phone) , (address) . Remember, do not move before we have a chance to discuss your eligibility for assistance. This letter is important to you and should be retained.

Sincerely,

Name and Title

Enclosure: "Relocation Assistance to Tenants Displaced From Their Homes."

FORM 10

SAMPLE 90-DAY NOTICE TO VACATE --

RESIDENTIAL TENANT WHO WILL BE DISPLACED (URA or 104(d) STATUS)

Type the letter below on your organization's letterhead.

Notes to sponsor:

Serve this notice to each tenant who will be displaced by your CDBG-funded project **after executing your funding agreement** with the City and not less than 90 days prior to the date when the tenant must vacate the property.

Your project file must contain a copy of each notice, and each must indicate the manner in which this notice was delivered (e.g., personally served or certified mail-return receipt requested) and the date of delivery.

This notice must be given to all displaced residential households.

This is a guideform. It may need to be revised to reflect the circumstances of your project. Please confirm its appropriate revised content with the City's Housing and Community Development Division.

(Date)

Dear _____:

On (Date of General Information Notice), a General Information Notice was delivered to you, stating that the owner of the building located at (Address of Building) had applied to the City of Medford for federal funding assistance to acquire and/or rehabilitate the building. On (date of funding agreement) the owner's request to acquire and/or rehabilitate was approved. In order to help you locate and move into suitable replacement housing, we have referred you to a minimum of three such units.

This letter is to notify you that you must vacate the residence located at (address of displacement unit) within 90 days of the date of this Notice. Any personal property remaining on the premises after you have moved from or abandoned the rental unit shall be disposed of in accordance with ORS 90.425.

A second notice will be delivered to you 30 days prior to the end of the 90 day period stated above. You are required to continue to pay utilities (electric, gas, water, etc.) for as long as you remain on the property at (address of displacement unit). You continue to be responsible for the general upkeep of your home, preserving its present condition.

Additionally, you are responsible for insuring your own personal property and contents of your home, and your own safety and the safety of your guests. (The owner/sponsor) shall not be liable for any accidents or damages caused by the negligence of you or your guests. Your continuing tenancy is conditioned on appropriate conduct during this 90-day period. Violations of these conditions are grounds for eviction.

If you have any questions or need additional assistance to complete your move, please contact me at (sponsor's phone, address).

Sincerely,

(Sponsor's Representative)

(Title)

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FORM 11

TENANT SURVEY FORM

Notes to sponsor:

Attach this survey form to the appropriate tenant notice form (Form 1, 2 or 3) you provide to existing tenants prior to your application for funding to acquire a residential property. **The head of each household in the project you are hoping to acquire should complete the survey.**

Your project file must contain a copy of each survey; summarize the information on Form 11.

This is a guideform. It may need to be revised to reflect the circumstances of your project. Please confirm its appropriate revised content with the City's Housing and Community Development Division.

This information is being collected for the purposes of compliance with federal relocation and anti-displacement regulations. **The information is considered private and will not be made available to the public.** Your timely and accurate completion of this form will help the City of Medford and the project sponsor named on the notice this survey is attached to by giving us information to evaluate their eligibility for federal funding, and your potential eligibility for relocation assistance. Please help us by completing and signing this form.

Your Name: _____ Address/Unit #: _____

Date: _____

Household Information:

How many people live in your household? _____ How many adults? _____

Children? _____ Ages: _____

If required to move, will you or any member of your household have special needs or require special accommodations? If yes, please explain (additional paper may be used):

What is the race of the head of household? (Please check all that apply)

White Black or African American Asian
 Native American or Alaska Native Native Hawaiian or Other Pacific Islander

What is the ethnicity of the head of household? (Please check only one box)

Hispanic or Latino Not Hispanic or Latino

What is the gender of the head of household? Male Female Other

Unit and Rent Information:

How many bedrooms are there in your unit? _____

How much do you pay each month toward rent? _____

How much do you pay for utilities (gas, electric, water, sewer and garbage service) each month?

Do you receive any rent assistance (Section 8, other)? Please circle one: Yes No

If "yes," how much assistance do you (or your landlord, on your behalf) receive each month?

Income Information:

What is your total (gross) monthly income? \$_____

What is your total (gross) annual income? \$_____

I/we certify that the information provided is true and correct as of the date written next to my/our signature(s).

Tenant Signature

Date

Tenant Signature

Date

FORM 12: MONTHLY TENANT SURVEY SUMMARY FORM

Month/Year _____

Management Company Name _____

Owner's Name _____

Management Company Address _____

Property Address _____

Sponsor Contact Name/Phone _____

			Family Information							Monthly Expenses	
Name Head of Household	Unit No.	No. of Bedrooms	No. of adults/ages No. of children/ages	Race/Ethnicity (Head of Household)	Gender (Head of Household)	Date of First Occup ancy	Self- Disclosed Disability (Any family member)	Sec. 8 Y/N	Est. Annual House hold Income	Monthly Rent	Monthly Utility Cost
			A: C:								
			A: C:								
			A: C:								
			A: C:								

If there is an existing business(es) located in the project, list the business name and address, owner contact person, and phone number of each.

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Part B: Other Tenant Information

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U.S. Department of Housing and Urban Development

Office of Community Planning and Development

RELOCATION ASSISTANCE TO TENANTS DISPLACED FROM THEIR HOMES

Introduction

This booklet describes the relocation payments and other relocation assistance provided under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA) to tenants displaced from their homes. This includes any family or individual that must move as a direct result of rehabilitation, demolition or acquisition for a project in which Federal funds are used.

If you are notified that you will be displaced, it is important that you **do not move** before you learn what you must do to receive the relocation payments and other assistance to which you are entitled.

Pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance, unless such ineligibility would result in exceptional hardship to a qualifying spouse, parent, or child. All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.

This booklet may not answer all of your questions. If you have more questions about your relocation, contact the Agency responsible for the project. (Check the back of this booklet for the name of the person to contact at the Agency.) Ask your questions before you move. Afterwards, it may be too late.

Summary of Relocation Assistance

As an eligible tenant displaced from your home, you will be offered the following advisory and financial assistance:

Advisory Services. This includes referrals to comparable and suitable replacement homes, the inspection of replacement housing to ensure that it meets established standards, help in preparing claim forms for relocation payments and other assistance to minimize the impact of the move.

Payment for Moving Expenses. You may choose either a:

Payment for Your Actual Reasonable Moving and Related Expenses, or

Fixed Moving Expense and Dislocation Allowance.

Replacement Housing Assistance. To enable you to rent, or if you prefer, buy a comparable or suitable replacement home, you may choose either:

Rental Assistance, or

Purchase Assistance.

If you disagree with the Agency's decision as to the relocation assistance for which you are eligible, you may appeal that decision.

General Questions

How Will I Know I Am Eligible For Relocation Assistance?

You should receive a written notice explaining your eligibility for relocation assistance. You should not move before receiving that notice. If you do, you may not receive relocation assistance.

How Will The Agency Know How Much Help I Need?

You will be contacted at an early date and personally interviewed by a representative of the Agency to determine your relocation needs and preferences for replacement housing and advisory services. The interviewer will ask certain questions about you and other members of your household, including questions about your income. It is to your advantage to provide the information so that the Agency can assist you in moving with a minimum of hardship. The information you give will be kept in confidence.

How Soon Will I Have To Move?

If possible, a mutually agreeable date for the move will be worked out. You will be given enough time to make plans for moving. Unless there is a health or safety emergency, you will not be required to move without at least 90 days advance written notice of (1) at least one "comparable replacement home" that is available to you and (2) the earliest date by which you must move.

What Is A Comparable Replacement Home?

A comparable replacement home is:

Decent, safe, and sanitary.

Functionally equivalent to (and equal or better than) your present home.

Actually available for you to rent.

Affordable.

Reasonably accessible to your place of employment.

Generally as well located with respect to public and commercial facilities, such as schools and shopping, as your present home.

Not subject to unreasonable adverse environmental conditions.

Available to all persons regardless of race, color, religion, sex, or national origin.

What is Decent, Safe, and Sanitary Housing?

Decent, safe, and sanitary housing is housing that:

Meets applicable housing and occupancy requirements.

- Is structurally sound, weathertight, and in good repair.
- Contains a safe, adequate electrical wiring system.
- Has adequate living space for the occupants.
- Has a kitchen with a sink, hot and cold running water, and connections for a stove and refrigerator (if you were displaced from a housekeeping unit).
- Has a separate, complete bathroom with hot and cold running water.
- Has heating as required by climatic conditions.
- Has an unobstructed exit to safe, open space at ground level.
- Meets standards protecting occupants from lead-based paint hazards.
- If you are physically handicapped, is free of any barriers which would preclude your reasonable use of the unit.

Will The Agency Help Me Find A Replacement Home?

Yes. You will be provided with referrals to housing that has been inspected to ensure that it meets established standards. If possible, you will be referred to at least three comparable replacement homes. The maximum financial assistance for which you may qualify will be based on the cost of the most representative comparable replacement home that is available to you. Promptly after you become eligible for relocation assistance, the Agency will inform you of such unit and the maximum payment available.

Once the Agency representative has a clear understanding of your needs and preferences, he or she will work with you to assure that you are given the best possible choice of housing. The Agency will offer you appropriate transportation to inspect these units.

If you would like to move to government-owned housing or obtain a Section 8 "housing voucher" or "certificate," let the Agency representative know of your interest. Generally, an eligible displaced person receives preference for such long term housing assistance. You will be given assistance in completing any required application forms.

What If I Find My Own Replacement Housing?

You have every right to find your own replacement housing. However, before you rent or buy, ask the Agency to inspect the unit to make sure that it is decent, safe, and sanitary. If the housing unit is not decent, safe, and sanitary, you will not receive a replacement housing payment.

What If I Encounter A Problem In Obtaining Housing Of My Choice?

If you encounter a problem in buying or renting housing of your choice, notify the Agency immediately. The Agency will look into the matter and try to resolve it. You will receive this help whether you were referred to the housing unit or found it yourself.

If you are unable to buy or rent a housing unit because of discriminatory practices on the part of a real estate broker, rental agent, lender, or a property owner, the Agency will help you file a formal

housing discrimination complaint with the U.S. Department of Housing and Urban Development or the appropriate State or local fair housing agency.

What Other Services Will I Receive?

In addition to help in obtaining a comparable replacement home, other assistance, as necessary, will be provided in order to minimize the impact of your move. This assistance may include referral to appropriate public and private agencies that provide services concerning housing financing, employment, health, welfare, or legal assistance. The range of services depends on the needs of the person being displaced. You should ask the Agency representative to tell you about the specific services that will be available to help you and your family.

What Is a Payment For Actual Reasonable Moving and Related Expenses?

You may choose to receive a relocation payment to cover the reasonable cost of your move. If you choose a Payment For Actual Reasonable Moving And Related Expenses, you may include in your claim the reasonable and necessary costs for:

Transportation for you and your family.

Packing, moving and unpacking your household goods.

Disconnecting and reconnecting household appliances and other personal property (e.g., telephone and cable TV).

Storage of household goods, as may be necessary.

Insurance for the replacement value of your property during the move and necessary storage.

The replacement value of property lost, stolen or damaged in the move (but not through your neglect) if insurance is not reasonably available.

The Agency will explain all eligible moving costs, as well as those which are not eligible. You must be able to account for any costs that you incur, so keep all your receipts. Select your mover with care. The Agency can help you select a reliable and reputable mover.

You may elect to pay your moving costs yourself and be repaid by the Agency or, if you prefer, you may have the Agency pay the mover. In either case, let the Agency know before you move.

What Is A Fixed Moving Expense And Dislocation Allowance?

If you choose a Fixed Moving Expense and Dislocation Allowance, you will receive an allowance which is based on the number of rooms in your home or the number of rooms of furniture you will be moving, as shown on a schedule. The Agency has a copy of the schedule and will help you decide whether choosing this allowance is in your best interest.

If you do not have a large amount of personal property to move, this payment should be more advantageous. No special documentation is required to support your claim. You need only move your personal property and complete the appropriate claim form in order to receive your payment.

How Much Rental Assistance Will I Receive?

You may be eligible to receive Rental Assistance for a 42-month period. The assistance is computed in the following manner:

The assistance needed for one month is determined by subtracting the "base monthly rent" for your present home from the cost of rent and utilities for your new home (or a comparable replacement home, if that cost is lower). That monthly need, if any, is multiplied by 42, to determine the total amount that you will receive. This amount will be paid directly to you. The Agency must provide the assistance in monthly installments or other periodic payments. Generally, the base monthly rent for your present home is the lesser of: (1) the monthly rent and average monthly cost for utilities, or (2) thirty (30) percent of your average monthly gross household income.

Examples:

Let's say that the monthly rent and average cost for utilities for your present home are \$250; the monthly rent and estimated average utility costs for a comparable replacement home are \$350; and your monthly gross income is \$700. In this case your "base monthly rent" would be \$210 because that amount (30 percent of your income) is less than the monthly cost of rent and utilities at your present home (\$250).

If you rent a replacement home for \$360 per month, including estimated average monthly utility charges, you will receive \$5,880. That amount is 42 times \$140 (the difference between the "base monthly rent" for your present home (\$210) and the cost for a comparable replacement home (\$350)).

If you rent a replacement home for \$310, including estimated average monthly utility charges, you will receive \$4,200. That amount is 42 times \$100 (the difference between the "base monthly rent" for your present home (\$210) and the actual cost of your new home (\$310)).

To qualify for rental assistance, you must rent and occupy a decent, safe, and sanitary home within one year after the date you move. However, the Agency will extend this period for good cause.

If I Decide to Buy, Rather Than Rent, How Much Assistance Will I Receive?

If you buy a replacement home, you may be eligible for assistance to make a down payment equal to the amount you would receive if you rented a comparable replacement home (i.e., 42 times the amount obtained by subtracting the "base monthly rent" for your present home from the monthly rent and estimated average monthly utility costs for a comparable replacement home). A down payment assistance payment will be paid in a lump sum.

Example:

Assuming the information in the prior examples, the down payment assistance payment would be \$5,880. That amount is 42 times \$140 (the difference between the "base monthly rent" for your present home (\$210) and the monthly rent and estimated average monthly utilities cost for a comparable replacement home (\$350). The full amount of the payment must be applied to the purchase of the replacement dwelling.

Must I File A Claim To Obtain A Relocation Payment?

Yes. You must file a claim for each relocation payment. The Agency will, however, provide you with the required claim form, help you to complete it, and explain the type of documentation, if any, that you must submit in order to receive the payment.

If you must pay any relocation expenses before you move (e.g., a security deposit when you sign a lease for your new home), discuss your financial needs with the Agency. You should be able to obtain an advance payment to meet these costs. An advance payment may be placed in "escrow" or paid directly to a contractor to ensure that the move will be completed on a timely basis.

You must file your claim within 18 months after the date you move. However, it is to your advantage to file as soon as possible after you move. The sooner you submit your claim, the sooner it can be processed and paid. If you are unable to file your claim within 18 months, ask the Agency to extend this period.

Be careful not to confuse this 18-month period with the 12-month period within which you must rent (or buy) and occupy a replacement dwelling in order to be eligible for a replacement housing payment.

You will be paid promptly after you file an acceptable claim. If there is any question regarding your right to a relocation payment or the amount of the payment, you will be notified, in writing, of the problem and the action you may take to resolve the matter.

Will I Have To Pay Rent To The Agency Before I Move?

If the Agency acquires the property in which you live, you may be required to pay a fair rent to the Agency for the period between the acquisition of the property and the date that you move. Such rent will not exceed the market rent for comparable properties in the area.

Do I Have To Pay Federal Income Taxes On My Relocation Payments?

No. Section 216 of the URA states that you need not report relocation payments as part of your gross income for Federal tax purposes. For information on State or local income taxes, you should check with the State or local income tax office in your area or with your personal tax advisor.

What If I Don't Receive The Required Assistance. Can I Appeal?

If you disagree with the Agency's decision as to your right to relocation assistance or the amount of a payment, or the adequacy of the housing to which you have been referred, you may appeal the decision to the Agency.

The Agency will inform you of its appeal procedures. At a minimum, you will have 60 days to file your appeal with the Agency after you receive written notification of the Agency's determination on your claim. Your appeal must be in writing. However, if you need help, the Agency will assist you in preparing your appeal.

If you are a low- or moderate-income person and are dissatisfied with the Agency's determination on your appeal, you may have an additional right to request administrative review of that decision (e.g., by HUD or the State).

You can expect a fair decision on any appeal. However, if you are not satisfied with the final administrative decision on your appeal, you may seek review of the matter by the courts.

I Have More Questions. Who Will Answer Them?

If you have further questions after reading this booklet, contact the Agency and discuss your concerns with an Agency representative.

Agency _____

Address _____

Office Hours _____ Telephone No. _____

Person to Contact _____

The Uniform Relocation Act

Seven Things Every CDBG Funding Applicant Should Know

1. HUD cares about this. The federal government takes the rights of tenants in rental acquisition and rehabilitation properties very seriously.

2. So should we. Sponsors and developers who are working on HUD-funded projects need to understand that the Uniform Relocation Act (URA) is basic consumer legislation that addresses “fairness” issues.

- Tenants whose living circumstances are changed by a project—either by higher rents or involuntary moves—should and will be protected and compensated.

Tenants must continue to pay rent and comply with their lease during the process.

These actions include informing tenants about the project, treating them fairly during the process, staging work if it is feasible, and keeping their rents affordable.

3. The relocation rules are not all one-sided. There are actions that can be taken to control costs and prevent displacement.

4. Mistakes can be costly. Planning for relocation and tenant concerns is critical because tenants can take actions that can incur a financial liability for the sponsor/developer.

Although some claims are unavoidable, there is no reason to incur these costs by failure to follow the rules.

Displaced tenants are entitled to 42 or 60 months of rental assistance, depending on the situation. Many claims exceed \$10,000 per household.

5. Planning is critical. Relocation concerns must be thought about early in the process so decisions about rents, construction timing and project feasibility can be considered before they are a crisis.

6. Cooperation is essential. All parties involved in the project must “do the right thing” in order to make the process work.

7. There are three basic requirements for tenants in rental acquisition and/or rehabilitation projects.

They must be given **timely information** about the pending application. If the project is approved, they must be **advised about any changes** that will occur to their situation. If they are not advised—and move—they could claim that they were displaced even if that was not intended.

If they must be displaced, they must be **offered a comparable replacement unit** that is decent, safe and sanitary. **Moving expenses** must be paid. No one can be required to move without **90 days notice**.

Tenants who will stay in the property after work is complete must be **offered a suitable unit** that is decent, safe and sanitary, and **affordable** to them.

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Part C: Acquisition Notice Guideform

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FORM 13

DISCLOSURES TO SELLER WITH VOLUNTARY, ARM'S LENGTH PURCHASE OFFER

Type the letter below on your organization's letterhead and send/deliver it to the seller of the property you would acquire with City assistance—if possible and practical, prior to your application for CDBG funding from the City of Medford.

Notes to sponsor:

Your project records must include a copy of this notice with signed acknowledgment of receipt by the seller of the project property.

This is a guideform. It will need to be revised to reflect the circumstances of your project. Please confirm its appropriate revised content with the City's Housing and Community Development Division.

Single Family Residence Acquisition:

Notice of Arms Length Transaction and Estimated Property Value

This notice is to be presented to the seller of the described real property prior to the initiation of negotiation as a requirement for consideration of funding, in part, from the U.S. Department of Housing and Urban Development through the City of Medford.

(Date)

Dear _____ (Owner) :

This notice is to inform you that _____ (Buyer) _____ is interested in purchasing your property located at _____ (Address) _____, if a satisfactory agreement can be reached.

Because federal financial assistance may be used in the purchase, the following disclosures must be given prior to proceeding with negotiations:

The sale of your property is a voluntary transaction between you and _____ (Buyer) _____. If you do not wish to sell or an amicable agreement cannot be reached, _____ (Buyer) _____ will not acquire your property, as they do not have the power to acquire your property by condemnation (i.e., eminent domain).

The estimated fair market value of your property is \$ _____. This value is based on the known improvements to the property and their perceived condition. Unknown improvements and unforeseen conditions could influence this value. The following method was used in estimating your property's value:

____ A comparative market analysis completed by a qualified real estate broker. (See attached copy.)

____ An estimation of value completed by a professional appraisal.

Since the negotiated purchase of your property would be a voluntary arm's length transaction, you would not be eligible for relocation payments or other relocation assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Relocation Act), or any other law or regulation.

If an amicable agreement can be reached, the following marked conditions shall be included in the sales contract:

- If the residence is an owner-occupied single-family dwelling, the sale shall be made on the condition that no tenant will be permitted to occupy the property before the sale is completed.
- If the residence is a tenant-occupied single-family dwelling, the sale shall be made on the condition that you will facilitate and allow _____ (Agency/Person) to deliver to all tenants who currently occupy the property a General Information Notice and brochure, which outlines the tenants' rights under the Uniform Relocation Act.
- If the residence is a tenant-occupied single-family dwelling, the sale shall be made on the condition that should the current tenant move out, a new tenant will not be allowed to move into the unit without first contacting the City of Medford's Housing and Community Development Division.

Again, please understand that if you do not wish to sell your property, no further action will be taken to acquire it.

If you have any questions about this matter, please contact _____. (His/Her) telephone number is _____.

Agent's Contact:

Sincerely,

(Name/Title)

Enclosure

I, THE UNDERSIGNED HEREBY CERTIFY THAT I HAVE RECEIVED, READ AND UNDERSTAND THE CONTENTS OF THE ABOVE STATED NOTICE OF ARMS LENGTH TRANSACTION AND ESTIMATED PROPERTY VALUE.

Name of seller (signature)

Date

Name of seller (printed)

FORM 14

NOTICE OF DISCLOSURE TO SELLER OF FAIR MARKET VALUE WITH VOLUNTARY,

ARM'S LENGTH PURCHASE OFFER

Type the letter below on your organization's letterhead and send/deliver it to the seller of the property you would acquire with City assistance—if possible and practical, prior to your application for CDBG funding from the City of Medford.

Notes to sponsor:

Your project records must include a copy of this notice with signed acknowledgment of receipt by the seller of the project property.

This is a guideform. It will need to be revised to reflect the circumstances of your project. Please confirm its appropriate revised content with the City's Housing and Community Development Division.

(Date)

Dear _____:

You have been informed that _____ (Agency/Person) would like to purchase the property located at _____ (Street Address or Other Property Identification) , if a satisfactory agreement can be reached. The fair market value of the real property to be acquired is \$ _____ , as confirmed through (Select one: a professional appraisal or an estimate of its value by a qualified real estate broker).

We are prepared to pay \$ _____ for clear title to the property under the conditions described in the attached proposed contract of sale.

Since the purchase would be a voluntary, arm's length transaction, if you do not wish to sell or an amicable agreement cannot be reached, no further action will be taken to acquire your property. If an amicable agreement can be reached, you would not be eligible for relocation payments or other relocation assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), or any other law or regulation.

If you are willing to sell the property under the conditions described in the attached contract of sale, please sign the contract and return it to _____ (Agency/Person) _____.

If you have any questions about this matter, please contact _____. (His/Her) telephone number is _____.

Sincerely,

(Name/Title)

Enclosure

I acknowledge receipt of and understand the conditions of the above notice.

Name of seller (signature)

Date

Name of seller (printed)

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Section 3:

Guidelines for Project Beneficiary Income Verification/Documentation

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City of Medford CDBG Program Manual: Project Beneficiary Income Verification/Documentation

One basic intent of the CDBG program is to assist people with low incomes in meeting their needs for housing or services. As this is a prime purpose of the programs, it is of critical importance for funding recipients, the City, and HUD to know that low income people are indeed benefitting from the investment of CDBG resources. The best way to gain this knowledge is to verify and document the incomes of all of the project or activity beneficiaries who qualify based on income. This section details the responsibilities each recipient of City CDBG funding must accept, and the tasks that must be carried out, in order to qualify for funding from either program.

Key Program Goal: Benefit to Low Income Families

The City and its funding recipients generally must verify household income eligibility for all of the beneficiaries of federally assisted programs and activities. Community Development Block Grant resources are federal funds that must be used in ways that primarily benefit people in Medford with incomes at or below 80% of the median income for our community. Some programs or activities require that beneficiaries have incomes at or below 60%, 50%, or possibly 30% of the Medford median income.

Overview of Income Certification Process

Funding recipients are required to determine and certify the annual gross income of all program beneficiaries. In order to complete the income qualification process, the recipient will need to obtain detailed information about each beneficiary such as:

Personal information for each household member including: name, address, phone number, social security number, and age;

Household information such as: size of household, number of household members 18 years or older;

Employment information such as: status of employment for every household member 18 years or older; unemployment benefit information, if applicable; employer's name and contact information; income amounts;

Other income information such as: Does anyone operate their own business? Does anyone receive income or support from a source other than employment? Social Security? Alimony? Dividends or interest income?

Asset information

Eligibility determinations are based on a documented “snapshot” of current sources of income and what can be projected or anticipated as income for the immediate year-to-come. For example, a previous year's tax return might not reflect the earnings for the coming year, nor does it constitute adequate source documentation for income verification. Additional information and documentation is necessary such as wage statements (pay stubs), interest statements, unemployment compensation statements, employer verification, etc. (Refer to the *Types of Information Required to Income/Asset Qualify Applicants* and the *Income Documentation*

Checklist forms at the end of this section for additional examples of required information and source documentation.) These documents are then reviewed in order to calculate a projected annual income.

Once source documentation has been received and analyzed, an income certification process must be implemented which shows how income is calculated. The *Income Calculation Worksheet* included at the end of this section allows you to show how each household member's source of income is calculated and identifies the source documentation form which the information is derived. Once a projected (anticipated) annual income is calculated, you should have the beneficiary sign an *Income Certification* form. City staff will provide this form and an explanation of its use as your need arises.

Definitions of Income

The CDBG program have given the City the flexibility to choose among the following definitions of "annual income" when calculating income for CDBG-assisted activities.

"Adjusted gross income" as defined for reporting purposes under the **IRS Form 1040 long form** (not IRS Forms 1040A or 1040EZ); or

Annual income as defined in 24 CFR 5.609, referred to as "**Part 5 annual income.**"

The City may allow the use of more than one definition of annual income within its CDBG program; however, the City and its funding recipients must also ensure that beneficiaries of CDBG-funded programs and activities are treated equitably. **For this reason, the same definition of income must be used for all of the households or individuals that will benefit from your project.**

For example, if you decide to use the Part 5 definition of annual income for qualifying tenants for your CDGB assisted rental units, you must use this definition for all of your tenants. You may not use the IRS 1040 definition for one tenant and the Part 5 definition for another tenant.

Defining Annual Income

The term "annual income" is used in the CDBG program to refer to **annual (gross) income***, as calculated using one of the definitions allowed under the CDBG program.

Notes:

The IRS uses the term "adjusted gross income." This amount is considered "annual (gross) income" for the purposes of the CDBG program.

Do not confuse the IRS's term "adjusted gross income" with the term "adjusted income" as used in the CDBG program. "Adjusted income" is a process of subtracting certain deductions from annual (gross) income to determine subsidy or payment levels for Housing Choice Voucher-type programs.

Comparing the Definitions of Income

The major differences between the IRS Form 1040 and the Part 5 definitions of annual income can be divided into the following categories.

*F*amiliarity and C*onsistency***

Many funding recipients have the most experience with the Part 5 definition of annual income, and many have developed administrative procedures and forms based on these rules and requirements. The Part 5 definition of annual income was the only definition of annual income used in the CDBG Program prior to the publication of the HOME Final Rule in October 1996. The Part 5 definition has been used for many years in various HUD programs, such as Section 8 and public housing. The Part 5 definition is also used in the Low Income Housing Tax Credit Program, which is often used in combination with CDBG program funding in rental housing projects.

Note: CDBG funding applicants need to be aware of the fact that over the years, numerous “hybrid” versions of the definition of annual income have also evolved. These composite definitions combine aspects of more than one definition. Please make certain that the income definition you use is not a composite of two or more definitions. (HUD publishes a *Technical Guide for Determining Income and Allowances for the HOME Program*, currently in its third edition, 2005. Housing staff can assist you with obtaining a copy of this guide.)

*T*ypes of I*ncome to C*ount****

There are some differences between the definitions of income that can result in different income calculations. **The four most significant differences between the definitions are:**

Child support payments are **not** included in the IRS Form 1040 definition of income.

The IRS Form 1040 definition allows the deduction of alimony payments.

Inheritances and insurance settlements are included in the Part 5 asset calculation, but not included in the IRS definition of annual income.

The Part 5 definition has a method for converting assets (e.g. cash accounts, property, etc.) into sources of income in order to calculate a projection of income.

*T*reatment of A*ssets***

The Part 5 definition of annual income requires the special computations concerning assets. The IRS Form 1040 definition does not require such calculations. However, income from certain kinds of assets may be included under this definition.

N*ote: A R*eminder on A*pplying the S*elected D*efinition of I*ncome******

The City and its funding recipients must ensure that beneficiaries of the CDBG program are treated equitably. For this reason, recipients must use the same definition of income for all of the people they will assist as they carry out their project or activity.

General Requirements for Income Verification

(Regardless of Which Definition of Income is Used)

There are several CDBG rules and requirements regarding income qualification that apply regardless of which definition of income is used. **These overarching rules and requirements cover:**

1. Determining whose income to count;
2. Anticipating income;
3. Verifying income;
4. Reviewing and assessing income information;
5. Comparing income to CDBG Program Income Limits*; and,
6. Timing income certifications (rental housing).

CDBG Program Income Limits refer to the HUD Median Income Levels for the Medford area. These income limits are included in the application package for CDBG funding, and are also available on the City's Web site. However, prior to conducting an income certification, you check with the Housing and Community Development Division to ensure that you have the latest updates.

1. Whose Income to Count and How to Determine Household Size

The CDBG program regulations require that the income of all adult (18 or older) household members (with certain exceptions) be included in the determination of "annual income." Also, income limitations are relative to household size. In practice, this means that before determining income, you must first determine the number of persons comprising the household, then calculate the income of all adult persons in the household.

Determining Household Size

Some households may include persons who are not counted as household members for the purposes of CDBG program Income Limits and whose income, if any, is not considered when calculating the household's annual (gross) income. Therefore, do not count the following household members when determining household size for the purpose of comparing "annual income" to CDBG program Income Limits:

Foster children

Live-in aides

Children of live-in aides

Unborn children

Children being pursued for legal custody or adoption who are not currently living with the household.

Note: A child who is subject to a shared-custody agreement in which the child resides with the household at least 50 percent of the time can be counted. Consult with Housing and Community Development Division staff if uncertain about who to include in the household and whose income to count. Typically, everyone living in the house, except for the above exceptions, is counted as part of the household, whether related or not. **The income, or lack of income, of all household members 18 years of age or older must be verified.**

2. Calculating Anticipated Income

For the purpose of determining eligibility for assistance, the CDBG regulations require that funding recipients **anticipate (project)** a beneficiary household's annual income. In order to accomplish this, a "snapshot" of the household's current circumstances can be used to project future income. Unless there is verifiable evidence to the contrary, you can then assume that a household's current circumstances will continue for the next 12 months.

For example, if a head of household is currently working for \$8.50 per hour, 40 hours per week, you should assume that this person would continue to do so for the next year. Thus, estimated earnings for this person would be \$8.50 per hour multiplied by 2,080 hours, or \$17,680 per year.

As a general rule, this method should be used even when it is not certain that the type of income currently received will continue in the coming year.

For example, assume a household member has been receiving unemployment benefits of \$100 per month for 16 weeks at the time you are determining their income. It is unlikely that the person will continue on unemployment for another 52 weeks. However, because it is not known whether or when the person will find employment, you should use the current circumstances to anticipate annual (gross) income. Income for this person would therefore be \$100 per week x 52 weeks, or \$5,200.

The exception to this rule is when documentation is available or provided that shows current circumstances are about to change.

For example, an employer might report that an employee currently makes \$8.50 an hour, but a negotiated union contract will increase this amount to \$9.25 an hour eight weeks from the date of assistance. In such cases, income can be calculated based on the information provided. In this example, this household member's income would be:

\$8.50/hour x 40 hours/week x 8 weeks = \$2,720

\$9.25/hour x 40 hours/week x 44 weeks = \$16,280

\$2,720 + \$16,280 = \$19,000 as the projected annual gross income

3. Verifying Income

The CDBG regulations require that funding recipients determine the income eligibility of beneficiaries of the CDBG programs by examining **source documentation** which provides evidence of annual income, such as:

Wage statements

- Pay stubs
- Interest statements
- Unemployment compensation statements
- Social Security benefit statements

The following methods of verification are acceptable.

Third Party Verification

Third-party verifications are a useful form of income verification because they provide independent verification of information and permit you to determine if any changes to current circumstances are anticipated. **Third party verification is necessary when the source documentation provided by your beneficiary is insufficient or when the situation may be transitional.**

Third-party verification involves contacting an outside entity to obtain information about the income of household member(s). Examples of third parties that may be appropriate for these purposes include:

- Employers
- Banks
- The U.S. Social Security Administration
- Public assistance agencies

In order to conduct third-party verifications, you must obtain a signed release from the household member(s) authorizing the third party to release the required information. Release forms can be obtained from the City's Housing and Community Development Division office.

Verbal Third Party Verification

Although written requests and responses are generally preferred, conversations with third parties are also acceptable if they are documented through a memorandum to the file. This memorandum should record the:

- Name of the contact person
- Official position of the contact person (e.g. supervisor, payroll manager, case manager, etc.)
- Phone number and/or address of the contact person
- Information conveyed
- Date of conversation

Some third-party providers may be unwilling or unable to provide the needed information in a timely manner. Other third-party providers (such as banks) may charge a fee to provide the

information. In such cases, you should attempt to find suitable documentation without the third-party verification, for example, bank statements or a savings passbook.

If suitable alternative documentation is not available, the costs associated with third party verifications are considered eligible expenses under the CDBG Program. **Low-income beneficiaries must not be required to pay for verifications as a condition of receiving assistance.**

Review of Documents

Documents provided by the beneficiary may be the most appropriate documentation for certain types of income and can be used as an alternative to third-party verifications. Examples of appropriate documents that may be provided include:

- Wage statements
- Pay Stubs
- Interest statements
- Unemployment compensation statements
- Social Security benefit statements
- Tax returns

Note: Tax returns are typically used for comparison purposes only, and are not intended as an “official” documentation of income. In order to use a tax return as such, or if you need to obtain a copy of the beneficiary’s tax return, you and the beneficiary need to complete an IRS Form 4506 “Request for Copy of Tax Form.” Although tax returns are needed, **you cannot rely solely upon tax returns to determine and anticipate annual income. Additional verification is always necessary.**

Copies of documents provided by potential project beneficiaries should be retained in your project files. Although easier to obtain than third-party verifications, a review of documents may not provide all the information necessary to project the annual (gross) income of household member(s). For instance, an employed beneficiary’s pay stubs may not provide sufficient information about the average number of hours worked, overtime, tips, and bonuses. In this case, a conversation with the employer may be necessary to accurately project annual income.

Important: All documentation of sources of income must be current and accurately reflect the household’s current situation. The CDBG program requires that income documentation be not less than six months old.

4. Assessing Income Information

At first glance, the income information provided by beneficiaries and/or third parties may seem elementary. However, you should exercise great care to ensure that you accurately assess all of the facts underlying the income information collected. Consider the following:

- a) What is the basis on which employees are paid:
 - Hourly, weekly, or monthly?

Note: If using the IRS 1040 definition of income, you may obtain and use the *Income Certification* and *Income Calculation Worksheet* that are included at the end of this section. The important thing is to demonstrate in written form and with attached documentation the process or calculation used to derive annual income.

5. Comparing Income to CDBG Income Limits

Once the household and income information has been obtained, verified, and calculated, you must then compare the result to the *HUD Median Family (Household) Income Levels for the Medford Area* to determine if the household is eligible to receive assistance. You will need to ensure that you have a copy of the most recent area median income table, adjusted for household size and applicable to the Medford area. **Check with the City's Housing and Community Development Division to determine if you have the most up-to-date area median income table.**

To compare a household's annual income information to the area median income table:

Find the column that corresponds to the number of persons in the household, then

Compare the verified annual gross income to the household with the income limit for that household size

If the annual gross income is at or below the limit for the household size, then the beneficiary is determined to be income qualified. **Both an authorized member of your staff, and the beneficiary, need to sign the income certification.**

6. Timing of Income Certifications

- With or without overtime?
- b) An employee who gets paid "twice a month" may actually be paid either twice a month (24 times a year) or every two weeks (26 times a year). Be sure to get clarification!
- c) Similarly, it is important to identify whether overtime is an occasional occurrence or if it is a fairly predictable component of an employee's income.
- d) An annual salary is counted as annual income regardless of the payment schedule. For example, if a teacher's annual salary is \$30,000, this is the amount used to calculate annual (gross) income regardless of whether the teacher is paid over a nine- or twelve-month period.

You will need to demonstrate in writing the process by which income has been determined. The City recommends the use of a worksheet of some kind which clearly illustrates the following:

Name of the household member

Source of income

Calculation (show what numbers were added together or subtracted)

Source document(s) used to verify amounts (e.g. pay stubs, Employer Verification, Social Security Benefit Statement, etc.)

Initial Income Certifications vs. Annual Certifications

All CDBG funding recipients are required to initially certify the income eligibility of their beneficiaries. Depending upon the particular CDBG program or activity, some recipients will be required to re-certify their beneficiaries on an annual basis. You should consult with the City's Housing and Community Development Services Division to determine if annual recertifications are required for your particular project or activity.

Initial Certifications

Beneficiary households must qualify as low income at the time they receive assistance, or at the time CDBG funds are invested, whichever is later through the review of source documentation. A preliminary determination of eligibility probably can (and should) be made much earlier. Because application processing is labor intensive, early screening for income eligibility can eliminate unnecessary work in processing ineligible applicants. For example, if you are planning on rehabilitating an existing rental project, it is important to know whether the current tenants will continue to be eligible once the CDBG funds are invested in the project.

Establishing a deadline for the completion of income certifications can be a challenging part of the planning process. Because income determinations involve the collection of information from potential beneficiaries and/or third parties, waiting too long can delay a project. Conducting income certifications too early in the process, however, might mean that certifications become outdated and must be redone. Generally speaking, the CDBG programs permit income certifications dated no earlier than six months prior to the provision of funding.

Annual Income Recertifications

In addition to the initial income certifications performed when potential beneficiaries are determined eligible to receive CDBG assistance, it may also be necessary to re-certify the incomes of your beneficiaries on an annual basis.

Rental Housing Recertifications

Assisted rental housing projects only, the regulations allow you to use one of the following three methods to recertify tenant incomes. All other types of projects require the use of the first method only.

1. A review of current source documentation, as is done for a household's initial eligibility determination
2. A written statement from the household, indicating their household size and annual income. This statement must include a certification from the beneficiary that the information is

complete and accurate, and that source documents will be provided upon request. A sample household certification form is available from the City's Housing and Community Development Division.

3. A written statement from the administrator of another government program under which the household receives benefits and that examines the annual (gross) income of the household each year. The statement must also indicate the household size, or provide the current income limit for the program and a statement that the household's income does not exceed the limit.

Recertification prior to households moving back

If households have been temporarily relocated during a construction (rehabilitation) project, it may be required that the household be income recertified prior to moving back into the project. Check with the Housing and Community Development Division.

7. Which Definition to Use?

You might already be using one of the allowed definitions of annual income, and may have developed administrative procedures and forms based on the applicable rules and requirements. In this case, you should verify with the Housing and Community Development Division as to the validity and thoroughness of your certification procedures.

If you have not yet developed income qualification and verification procedures for your beneficiaries, you should consult with Housing and Community Development Division staff prior to making a final decision about which definition of income you will use. Each of the definitions has benefits and drawbacks that may make one more appropriate for a particular project or activity.

More information about each of the income definitions is available from the City's Housing and Community Development Division. Staff can provide you with a link to the most current version.

Beneficiary Income Certification for CDBG Program

PERSONAL INFORMATION

Date: _____

Applicant Name: _____ Social Security #: _____

Property Address: _____

Date of Birth: _____ Home Phone: _____ Work Phone: _____

Co- Applicant Name: _____ Social Security #: _____

Property Address: _____

Date of Birth: _____ Home Phone: _____ Work Phone: _____

HOUSEHOLD COMPOSITION (ALL PERSONS LIVING IN HOUSEHOLD)

Total Number in Household: _____ 18 and older: _____ 6 and younger: _____

Do any household members operate their own business: YES NO Type: _____

INCOME INFORMATION

Applicant's Gross Salary/Pay (circle: annual/monthly/weekly) \$ _____

Co-Applicant's Gross Salary/Pay (circle: annual/monthly/weekly) \$ _____

Applicant's Pension, Soc. Security, Other Retirement Income (circle: annual/monthly/weekly) \$ _____

Co-Applicant's Pension, Soc. Security, Other Retirement Income (annual/monthly/weekly) \$ _____

Gross Income from Real Estate (rents, land lease, etc.) \$ _____

Other Earnings (please describe): _____ \$ _____

Are there other income earners of 18 years or older living in household: YES NO

If "Yes," indicate total income of these individuals (annual/monthly/weekly): \$ _____

EMPLOYMENT INFORMATION

Applicant's Employer: _____ Position: _____

Employer's Address: _____ Date Employed: _____

Co-applicant's Employer: _____ Position: _____

Employer's Address: _____ Date Employed: _____

**Other Wage Earner
Employer:** _____ Position: _____

Employer's Address: _____ Date Employed: _____

Signature _____ Date _____

FY 2019/20 HUD MEDIAN FAMILY INCOME LEVELS FOR MEDFORD

These numbers are provided by HUD for use as qualifying incomes for the CDBG Program. (Check with the Housing and Community Development Division regarding updates.)

Limits Effective April 1, 2019:

Area Median Income	Family Size							
	1	2	3	4	5	6	7	8
Area Median Income								
80% (Low Income)	36,300	41,450	46,650	51,800	55,950	60,100	64,250	68,400
50% (Very Low Income)	22,700	25,950	29,200	32,400	35,000	37,600	40,200	42,800
30% (Extremely Low Income)	13,650	16,910	21,330	25,750	30,170	34,590	39,010	42,800

CDBG and Fair Market Rents

If using low- and moderate-income national objective, there is no direct requirement for a specific rent schedule, other than at least 51% of units in multifamily projects are affordable to low- and moderate-income tenants. Please see [\(24 CFR 570.208\(a\)\(3\)](#) and/or [570.483\(b\)\(3\)](#) to access criteria for meeting a national objective. Please contact the Housing and Community Development Division at 541-774-2390 to determine if your project requires affordable rents.

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Document Checklist for Verification of Income, Equity, and Assets

Income Verification

- Most Recent Federal Tax Return
- W-2s
- Pay Stubs (last three months)
- Social Security Statement of Benefits
- VA Statement of Benefits
- Welfare Statement of Benefits
- Alimony/Child Support Statement of Benefits (e.g. Divorce Decree)
- Pension Plan

Most recent statements for things like:

(At least a 3-month Average Balance Report, 6-month reports are preferable)

- Checking account
- Savings account
- Credit card accounts
- Credit line accounts
- Student loans
- Stock portfolio
- Pension plan/IRA accounts

Property Verification (Copies)

- Most Recent Property Tax Statement
- Trust Deed, Land Sales Contract (Whatever shows ownership of your home)
- Mortgage Agreement/Promissory Note
- Home Insurance Declaration

Assets

Generally, there are no explicit asset limitations for beneficiaries of CDBG-funded projects. However, in some cases, the Part 5 definition of income described earlier in this section converts assets to income. If you intend to use the Part 5 definition of income in qualifying beneficiaries for your project, please consult with Housing and Community Development Division staff regarding which assets are included for purposes of calculating income.

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Income Calculation Worksheet

Applicant Name: _____ Date: _____

Property Address: _____

Household Size: _____ Income Limit: _____

If \geq Age 18	1	2	3	4	5
Household Member					
Age					
Income Earner?					

Household Member	Calculation of Sources of Income		Source Documentation
<u>Total Household Income</u>		% of AMI for Household Size (ex: 3 @ 49% AMI)	

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Section 4:
Guidelines for Selection and Procurement
Of
Project Contractors

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City of Medford CDBG Program Manual:

Selecting and Procuring Project Contractors

(Applies to both Architectural/Design Services and Construction Contracting Services)

It is the policy of the City of Medford to encourage and foster competition in the awarding of contracts to be funded with federal CDBG resources. Applicants must be aware of the requirements that will apply to their selection of the contractors that will carry out the work proposed in a CDBG funding application.

Depending upon various factors such as the type of agency seeking funds, the type of project, and the contractual relationship that an applicant will have with the City (subrecipient or non-subrecipient as defined by HUD), specific federal procurement regulations (e.g., 24 CFR 84) may or may not apply. Prior to developing project plans or specifications, or soliciting contractors for a project, applicants should contact the Housing and Community Development Division to request that a determination be made regarding the procurement requirements for their project. Early determination is critical because applicants may need to proceed differently depending upon which requirements apply.

If the City of Medford's Housing and Community Development Division determines that an applicant is a "non-profit subrecipient," as defined by HUD, the two most important and pertinent federal documents that apply are:

- 1) Circular A-122, Cost Principles for Non-Profit Organizations, which outlines the project costs that are and are not eligible for payment with federal funds (available online at <http://www.whitehouse.gov/omb/circulars/index.html>); and,
- 2) 24 CFR 84.40-48, Procurement Standards for Non-Profits (available at www.gpoaccess.gov/ecfr/). Applicants are encouraged to review both documents as you prepare your project application.

Regardless of whether or not specific federal procurement regulations such as 24 CFR 84 apply to an applicant, there are a number of universal procurement standards that apply to all capital projects funded in whole or in part through the City's CDBG or HOME programs. Key procurement and contracting requirements that apply to all projects include:

Cost reasonableness must be determined and documented for all project costs including costs for design and contracting services. Some form of price analysis must be made and documented in the applicant's procurement files in connection with every procurement action. At a minimum, records must include: criteria for proposal selection, justification for lack of competition when competitive bids or offers are not obtained, and the basis for making a cost reasonableness determination.

OMB Circular A-87, (available at <http://www.whitehouse.gov/omb/circulars/index.html>), stipulates that a cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost.

Using a price analysis to determine cost reasonableness may be accomplished in various ways, including: the comparison of price quotations (bids or proposals) submitted; independent and

qualified third party estimates or in-house estimates that are performed and documented prior to receiving contractor proposals; or written comparisons to market prices and similar indicators.

Procurements shall, to the maximum extent practical, provide for open and free competition. To achieve this goal the City requires that you secure at least two, preferably three or more, proposals from architectural, design or engineering firms if their services will be needed for your project, as well as at least two, preferably three or more, proposals from licensed, bonded and insured contractors for construction or rehabilitation elements of your project.

If an applicant chooses to negotiate a price from a specific contractor in lieu of a competitive bidding process, the applicant must clearly demonstrate cost reasonableness of the negotiated price by using one or a combination of the aforementioned methods of price analysis.

The favored approach to contractor selection shall be a “Request for Proposals” process rather than a sealed bid process. Applicants may also want to conduct a “Request for Qualifications” outreach process first in order to establish a pool of interested and qualified proposers.

Proposals shall be reviewed and compared in order to assess cost reasonableness, scope, completeness, and satisfaction of other criteria that may have been stipulated in the request for proposal. While project cost will in all cases be weighted heavily in reviewing competing proposals, the selected proposal shall be the one determined to be most advantageous when price, quality, and other factors such as contractor experience and capacity for your specific project, are considered.

Cost agreements with contractors shall be in the form of a lump sum (aka: fixed sum or stipulated sum) for work or services that are clearly delineated.

The applicant makes the final contractor selection and will contract directly with the contractor. Although the City of Medford may provide lists of contractors who specialize in certain work or special training (e.g., HUD approved training in lead safe work practices) the City does not and will not have a contractual relationship with the contractor, does not endorse or recommend one contractor over another, warranty the work or performance of any contractor, or require that the applicant relies solely upon the list or lists of contractors that may be provided.

When soliciting for proposals affirmative effort shall be made to provide opportunities for minority business enterprises (MBEs) and women’s business enterprises (WBEs) to submit project proposals. Listings can be found at Additional information on these requirements follows (see “MBE/WBE Outreach Requirement Overview”).

In selecting project contractors for projects where the recipient of CDBG funding assistance exceeds \$200,000 in combined covered annual assistance, affirmative efforts must be made to solicit proposals from Section 3 firms. Additional information on these requirements follows (see “Section 3 Overview”).

Funding recipients are required to maintain records and documentation relative to their efforts to contract with MBE/WBE firms and Section 3 firms. These requirements are detailed further in other parts of this section covering each topic.

Solicitation documents must be provided for City review prior to distribution to contractors. **All solicitation documents must include the following language:**

“The project described in this (Request for Proposals or other solicitation document as applicable) is being funded in whole or in part with funding from the U.S. Department of Housing and Urban Development through the City of Medford CDBG program.”

All construction contractors must be CCB licensed, bonded and insured (verification may be found at <http://www.oregon.gov/CCB/>). Contractors may not be listed on the federal debarred, suspended or ineligible contractor list (found at <https://www.sam.gov/portal/SAM/#1>).

Contractors that assist you in the development of specifications, requirements, statements of work, invitations for bids and/or requests for proposals for the project you are proposing for City funding may be precluded from competing for contracts on your project. Check with the Housing and Community Development Division prior to making such an arrangement with a contractor.

For construction contracts that exceed \$100,000, a bid/performance/payment type bond may be required. If you choose, you may also require these bonds for contracts in amounts less than \$100,000. If applicable, make sure your project budget reflects the costs of this type of bond.

All City-funded contracts must be provided for City review prior to execution. **All contract documents must include the following language:**

“This contract and the work it will carry out is being funded in whole or in part with funding from the U.S. Department of Housing and Urban Development through the City of Medford CDBG program.”

In addition to the above statement, contract documents must also include certain federally required clauses. See, “Contract Clauses Required in All CDBG Project Contracts.”

Designated Project Manager. Funding recipients will be required to designate a project manager to facilitate the selection of contractors, executing construction contracts, and coordinating funded activities with the City’s Housing and Community Development Division. See “Section 8: Funding Recipient Housing Rehabilitation Project Management Responsibilities.”

Projects funded with City assistance must meet HUD Housing Quality Standards (24 CFR 982.401) upon completion of the assisted project. Examples of such repairs that would need to be addressed include inadequate plumbing, heating, or electrical systems or failing structural components. Recipients of federal funds shall be responsible for an initial determination, with the review and approval of the City Housing and Community Development Division staff, of the scope of work to be performed at the project site. An initial HQS inspection is recommended to determine deficiencies that will need to be included in the scope of work. At a minimum, the scope of work to be performed on a property must correct any HQS deficiencies upon project completion. The project contractor(s) are required to adhere to all applicable building codes, and either the owner or the contractor(s) shall obtain all required building permits. Where permits are required, documentation that all work has passed final inspections must be verified prior to final payment to the contractor(s). From a City perspective, HQS standards require that housing be free of lead-base paint hazards.

Meeting Davis-Bacon Labor Standards

(Applies to Construction Contracting Services)

Applicability

The Davis Bacon and Related Acts (DBRA) requires all contractors and subcontractors performing work on certain federal construction contracts or federally assisted contracts, whereby the cumulative total of contracts is in excess of \$2,000, to pay their laborers and mechanics not less than the federal prevailing wage rates and fringe benefits for corresponding classes of laborers and mechanics employed on similar projects in the area. The federal prevailing wage rates and fringe benefits are determined by the Secretary of Labor for inclusion in covered contracts.

Note: Do not confuse the federal Davis-Bacon requirements with the State of Oregon “Prevailing Wage Project” requirement which is administered by the Oregon Bureau of Labor and Industries (BOLI). Although very similar, there are distinct differences in terms of applicability to projects, wage rate requirements, and administrative oversight. Some projects may be subject to the federal prevailing wage rate requirements but not the state’s, or vice-versa; some may be subject to both sets of regulations. For more information regarding the BOLI requirements, please contact BOLI directly at (971) 673-0838.

Federal Davis-Bacon prevailing wage rate requirements apply to your project if you are proposing a:

CDBG-funded project that will involve construction or rehabilitation of a public facility (e.g., a homeless shelter), installation of public improvements to support affordable housing (e.g. streets, water/sewer lines), or rehabilitation of multifamily housing containing eight (8) or more assisted units, or

These requirements often have an impact on the cost of projects, and carry with them significant record keeping procedures. Applicants are encouraged to contact the City of Medford’s Housing and Community Development Division early in their project planning to ascertain whether or not a proposed project will be subject to Davis-Bacon. If your project will be a covered project, your solicitation documentation will need to alert contractors that Davis-Bacon requirements will apply, and will need to include the appropriate federal wage decision* and other federally required documentation. Federal wage decisions will be made available by the Housing and Community Development Division for project cost feasibility determinations.

*A wage decision (also known as a “wage determination”) is a document issued and frequently updated by the Federal Department of Labor. Wage decisions are specific to the county in which the project is located (e.g. Benton), and are specific to the type of construction project being done. You must obtain City of Medford’s Housing and Community Development Division’s confirmation of which is the applicable wage decision for your project prior to requesting proposals from contractors.

The following checklist has been prepared to assist project managers, contractors and subcontractors in meeting contractual labor standards responsibilities:

CHECKLIST FOR PROJECTS SUBJECT TO DAVIS-BACON

1) **Request of Proposal:** In conjunction with your “request for proposal” you must check that:

- Your request for proposal clearly informs all potential bidders that the project is covered by the federal Davis-Bacon and Related Acts.
- The correct wage decision (confirmed by the City of Medford’s Housing and Community Development Division) is included in your request for proposal.
- A copy of the latest Federal Labor Standards Provisions (as issued by HUD’s Office of Labor Relations) is also included in request for proposal packet.
- Prior to issuing your request for proposal, you have put together a final draft of the proposal, submitted it to the City of Medford’s Housing and Community Development Division, and have received approval of your packet from the City of Medford’s Housing and Community Development Division.

2) **Pre-Contract:** Before awarding the construction contract, and before work begins, you must check that:

- The contractor has not been debarred or otherwise made ineligible to participate in any Federal or Federally-assisted project (found at <https://www.sam.gov/index.html#1>).
- The contractor has reviewed and understands all labor standards contract provisions and has attended a pre-contract meeting hosted by City of Medford’s Housing and Community Development Division covering the Davis-Bacon payment and reporting requirements.
- The contractor has consulted with the City of Medford’s Housing and Community Development Division regarding worker classifications not listed on the applicable wage decision. (The contractor who is awarded the job will need to work with the City of Medford’s Housing and Community Development Division to obtain an “additional classification” for such workers. (Time is of the essence for this process.)
- If an apprentice will be performing work on the project, the contractor has requested and received certification of his/her apprentice program from the State’s Bureau of Apprenticeship and Training (recognized by U.S. BAT) and submitted copy thereof to the recipient prior to employment on the project. Likewise, “trainee” program certification from U.S. BAT, if applicable, must be submitted.
- The construction contract includes a copy of the applicable (correct) wage decision and Federal Labor Standards Provisions.
- The construction contract includes other provisions as may be required by the City of Medford’s Housing and Community Development Division. (See Contract Clauses Required in All CDBG Project Contracts listed later in this section.)
- Prior to signing a construction contract, you have put together a final draft of the contract packet, submitted it to the Housing and Community Development Division, and have received approval of your packet from the Housing and Community Development Division.

3) **Pre-Construction:** Prior to, or at start of construction, you must check that the primary contractor has:

- Notified, in writing, the Housing and Community Development Division of the construction start date.
- Provided a list of all subcontractors and worker classifications to the Housing and Community Development Division.
- Posted (and taken a picture) of each of the following on a bulletin board prominently located on the project site which can be seen easily by workers (and replaced if lost or unreadable at any time during construction):
 - A copy of the Wage Decision
 - “Notice to Employees” poster in English and Spanish.
- Before assigning each project worker to their tasks, obtained the worker’s name, best mailing address, and last four digits of their Social Security number (for Payroll reporting purposes).
- Informed each worker of:
 - A. His/her work classification (journeyman or job title) as it will appear on the payroll
 - B. His/her duties of work
 - C. The U.S. DOL’s requirements on this project that he/she is either a journeyman, apprentice, or laborer:
- If a journeyman, he/she must be paid a journeyman’s minimum wage rate or more.
- If apprentice, he/she is to be paid not less than the apprentice’s rate for the trade based on his year of apprenticeship.
- If a laborer, he/she is to do laborer’s work only—not use any tool or tools of the trade and not perform any part of the journeyman’s work and is to be paid the laborer’s minimum rate or more.
- If applicable, obtained a copy of each apprentice’s certificate with the apprentice’s registration number, percentage of wage to be paid and his year of apprenticeship from the State BAT.
- An understanding of the requirement that each laborer or mechanic who performs work on the project in more than one classification within the same work week shall be classified and paid at the highest wage rate applicable to any of the work which he performs unless certain requirements are met.
- Informed each worker of:
 - His/her hourly wages (not less than the minimum wage rate for his/her work as stated on the Wage Decision);

- Payment of overtime at the rate of time and one half for all work over 40 hours per week;
- Fringe benefits must be paid in cash or into an approved third party trust;
- Permissible deductions from his/her pay and/or any deductions voluntarily requested in writing from the employee.
- Informed each worker that he is subject to being interviewed on the job by a representative of the City of Medford's Housing and Community Development Division to confirm that the employer is complying with all labor requirements.
- Informed each foreman, journeyman, and apprentice that the proper journeyman-to-apprentice ratio must be observed on the job site at all times when an apprentice is working.

4) During Construction: During construction, you must check that each contractor:

- Has not selected, assigned, paid different pay rates to, transferred, upgraded, demoted, laid off, and not dismissed any project worker because of race, color, religion, sex, or national origin.
- Has employed all registered apprentices referred to him through normal channels up to the applicable ratio of apprentices to journeyman in each trade used by the employer.
- Will maintain basic employment records for no less than three years, accessible to inspection by HUD, the City of Medford, or other U.S. government representatives.
- Must comply with all safety and health standards.
- Must pay workers weekly.**
- Must submit weekly certified payroll reports** prepared on either recommended form WH-347 (or on computerized printouts approved by the City of Medford's Housing and Community Development Division) and accompanied by the Statement of Compliance (which is found on the reverse of the WH-347).
- Knows that the following project workers are exempt from Davis-Bacon labor requirements and are not required to be shown on certified payrolls:
 - Project superintendent (performing administrative work only)
 - Supervisory foreman (performing less than 20% manual labor in a worker classification)
 - Clerical workers

5) Weekly Payroll Review:

- Weekly payrolls must be reviewed and approved by Housing and Community Development Division staff or by someone appointed by the Housing and Community Development Division.
- All weekly payroll reports are due within one week (seven days) after the workweek has been completed.** (Late reports shall be cause to delay payments to the contractor.)

- All payroll reports from subcontractors must be reviewed, approved, and submitted by the prime contractor, prior to forwarding them to the Housing and Community Development Division or its appointee.
- All weekly payroll reports must contain the correct information in the correct places (boxes) on the payroll form. Inaccurate payroll reports may be cause for delaying payment to contractor.** (Sample Payroll Reports are available from the Housing and Community Development Division.)
- All weekly payroll reports must be certified, meaning that the back of the report contains the HUD approved Statement of Compliance and that the report has been reviewed and signed by the prime contractor or a designated agent of the prime contractor. (Designated signers of payroll reports must have been previously approved by the Housing and Community Development Division.)
- If a week goes by without any work being done, all project contractors must still issue certified payroll reports that no work was performed, unless payroll reports have been sequentially numbered.
- As previously stated, payment to contractors may be delayed if payroll reports are late or inaccurate.

6) After Project Completion:

- Each employer is required to keep all weekly payroll reports on the project for no less than three years after the Prime Contractor's project completion date.

Additional guidance is available from the City of Medford's Housing and Community Development Division.

MBE/WBE Outreach Requirement

Applicability

Applicable to all funded projects.

The City of Medford and the recipients of funding through its CDBG program is required to implement outreach programs to ensure that contracting opportunities are provided to minority owned business enterprises (MBE) and women owned business enterprises (WBE). All funding recipients, prime contractors, and owners of CDBG-assisted projects must comply with the MBE/WBE outreach program procedures as a condition of assistance. At a minimum, all recipients must conduct a five-county search for MBE/WBE enterprises which may be interested in and qualified to submit proposals for a funded project. The five counties include Benton and its four contiguous counties: Lane, Lincoln, Linn, and Polk. However, if you wish, you may solicit proposals from MBE/WBE located in other counties in addition to five counties listed here.

Definitions

A Minority Business Enterprise (MBE) is defined as a business firm which is at least 51 percent (51%) owned by minority group members, or in the case of a publicly owned business, at least 51 percent (51%) of the stock of which is owned by minority group members. A Women's Business

Enterprise (WBE) is defined as a business which is at least 51 percent (51%) owned by women group members, or in the case of a publicly owned business, at least 51 percent (51%) of the stock of which is owned by women group members. The minority or women's ownership must exercise actual day to day management and control of the business; **Minority and Women's Business Enterprises must be officially certified or recognized as such, and must be included on the state of Oregon's listing of such firms**, available at: <https://oregon4biz.diversitysoftware.com/FrontEnd/VendorSearchPublic.asp>

Note: It is not mandatory that you reach out to other types of certified businesses listed on this website such as ACDBE, DBE, or ESB (see listing below). When conducting your countywide search on this website be sure to check and not check the appropriate "Certification Type" prior to launching the search.

Search by Certification Type

Certifications	
	<input type="checkbox"/> Airport Concessionaire Disadvantaged Business Enterprise (ACDBE)
	<input type="checkbox"/> Disadvantaged Business Enterprise (DBE)
	<input type="checkbox"/> Emerging Small Business (ESB)
	<input checked="" type="checkbox"/> Minority Business Enterprise (MBE)
	<input checked="" type="checkbox"/> Women Business Enterprise (WBE)

Requirements and Procedures

Again, you must conduct a five-countywide search using the above website to find contractors and businesses that may be qualified to work on the project. There are various ways to utilize the search mechanism of this web site. For example, if you hold down the control key, you can select all five counties (Benton, Lane, Lincoln, Linn, and Polk) to be searched together. You can also download the search results to an Excel spreadsheet which will contain all of the contact information and a description of the type of work each business specializes in.

Working from this list, you should make a list of all MBE and/or WBE businesses that appear to be qualified for the project. You then need to reach out to each of these businesses to inquire as to whether or not they would be interested in receiving a Request for Proposal packet.

Document! Document! Document! You must create and maintain documentation of your process. Keep a brief account of your activities: Companies contacted, date, response, packet sent or not, proposal received or not, etc. Emails are a good way to verify your outreach efforts. Keep a log of all phone calls to and from MBE or WBE contacts. The City of Medford will want to see your documented efforts to reach out and include MBE and WBE in your procurement process. Recipients must do so when soliciting for professionals (e.g. architects, engineers) and general contractors. Recipients are also responsible for explaining the MBE/WBE outreach requirements to their general contractor and other contractors who in turn are soliciting lower tier contractors. Documentation is required throughout the entire procurement process.

As a prerequisite to demonstrate MBE/WBE goal achievement, applicants will need to provide the City with the following information:

- List of MBE and/or WBE enterprises you informed (contacted) about your project.
- Copies of timely solicitation letters or emails sent to MBE/WBE firms identified in your five-county search.

Documentation of any other efforts to extend opportunities to MBE/WBE firms, such as advertisements in minority and women trade association newsletters and minority-owned media and written notification sent to minority and women contractor associations; or press releases in the local media.

Project Name: _____ Project Owner: _____
Project Address: _____
Amount of this
contract/subcontract: _____

List of MBE/WBE businesses who expressed an interest in your project and to whom you sent a request for proposal.

List of MBE/WBE businesses which submitted proposals.

A description of your proposal analysis and contractor selection process.

The names of selected MBE/WBE contractors or subcontractors to be utilized (awarded contracts).

The type of work and dollar amount to be awarded to each MBE/WBE subcontractor.

HUD's mandate is to achieve reasonable minority business participation in contracts let as a result of its grants and agreements. This means that, all else being equal (e.g. price, qualifications), MBE and WBE businesses will be given priority when selecting professionals, contractors, and subcontractors for a CDBG or HOME funded project.

Post Contract Award Compliance

General contractors must promptly report in writing any and all proposed changes in the utilization of MBE/WBE firms to the funding recipient and the City. If a recipient or a general contractor intends to select another business in lieu of an equally qualified and competitive MBE or WBE firm, or does not intend to follow through with a previously selected MBE or WBE, the City of Medford will consider approving such action only if:

- The MBE/WBE firm is unable to meet the delivery requirements of the construction schedule.
- The MBE/WBE firm is not punctual in complying with the requirements of the contract documents.
- The MBE/WBE firm is not capable of fulfilling contract obligations.
- The MBE/WBE firm is prevented from performing due to bankruptcy, insolvency or other incapacities.

The forms that follow on the next two pages provide tools 1) for contractors and subcontractors to report on their MBE/WBE status, and 2) for contractors to report on their use of subcontractors. The City will be happy to provide these forms for use by funding recipients and contractors throughout the course of a project.

CITY OF MEDFORD CDBG PROGRAM

CONTRACT AND SUBCONTRACT ACTIVITY REPORT FORM

The following information is required by the U.S. Department of Housing and Urban Development (HUD) for projects funded in whole or part with federal money. Part of the information is used to monitor and evaluate Minority Business Enterprise (MBE) and Women-owned Business Enterprise (WBE) contracting opportunities.

A. Project Identification

Project name: _____ Project owner: _____
Project address: _____ City, State, Zip: _____

B. Contractor Information

Name of Contractor or Subcontractor:	_____	CCB #:	_____	IRS Identification Number: (Business Tax ID or SSN)	_____	
Prime Contractor? (Circle one)	Yes	No	_____	Subcontractor? (Circle one)	Yes	No
Physical Address: (Not PO Box)	_____			City, State, Zip:	_____	
Mailing Address: (if different)	_____			City, State, Zip:	_____	
Phone:	_____			Email:	_____	

C. Other Requested Information

Woman owned business? (Circle one) **Yes** **No** State Certification Number: _____

Minority-owned business? (Circle one) **Yes** **No** State Certification Number: _____

Which best indicates Contractor's/Subcontractor's service: (check all that apply)

<input type="checkbox"/> (1) New Construction	<input type="checkbox"/> (6) Professional
<input type="checkbox"/> (2) Substantial Rehab.	<input type="checkbox"/> (7) Tenant Services
<input type="checkbox"/> (3) Repair	<input type="checkbox"/> (8) Education/Training
<input type="checkbox"/> (4) Service	<input type="checkbox"/> (9) Architectural/Engineering Appraisal
<input type="checkbox"/> (5) Project Management	<input type="checkbox"/> (10) Other: _____

General or prime contractor's name: _____ CCB #: _____
Company's physical address: _____ City, State, Zip: _____
Amount of general/prime contract: \$ _____

Indicate the racial/ethnic character of the owner/controller(s) of the business:

White American Hispanic American
 Black American Asian/Pacific American
 Native American Hasidic Jew

Have you and/or your employees completed 8-hour Certified Renovator training? **Yes / No**

If yes, list names below:

1) _____ 3) _____
2) _____ 4) _____

Please attach proof or certification of training for all employees listed.

D. Please sign and return:

Signed: _____ Date: _____

Print Name: _____ Title: _____

To be completed by City staff

Project Name: _____	Funding Agreement number: _____	Date executed: _____
Funding source: _____	Award amount: \$ _____	

City of Medford CDBG Program

Subcontractor List Reporting Form

The Prime Contractor must identify all subcontractors who will perform work on the project identified above. Please use additional sheets (or alternate format with equivalent information) if necessary.

Subcontractor's company name:	CCB #
Physical address:	Tax ID #
Specialty trade:	Subcontract Amount:
Check all that apply:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Section 3 Business <input type="checkbox"/> Certified Renovator Firm
Contact person:	Phone:
Title:	Email:

Subcontractor's company name:	CCB #
Physical address:	Tax ID #
Specialty trade:	Subcontract Amount:
Check all that apply:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Section 3 Business <input type="checkbox"/> Certified Renovator Firm
Contact person:	Phone:
Title:	Email:

Subcontractor's company name:	CCB #
Physical address:	Tax ID #
Specialty trade:	Subcontract Amount:
Check all that apply:	<input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> Section 3 Business <input type="checkbox"/> Certified Renovator Firm
Contact person:	Phone:
Title:	Email:

Section 3 Overview

What is Section 3?

Section 3 is a provision of the Housing and Urban Development (HUD) Act of 1968 (implemented through HUD's regulations at 24 CFR Part 135) that helps foster local economic development, neighborhood economic improvement, and individual self-sufficiency. The Section 3 program requires that recipients of certain HUD financial assistance, to the greatest extent feasible, provide

job training, employment, and contracting opportunities for low- or very-low income residents in connection with projects and activities in their area (e.g. Benton County).

How does Section 3 affect my organization?

Section 3 requirements are not imposed on a recipient unless the organization receives Section 3 covered assistance (*CDBG funding assistance*) that exceeds \$200,000 in combined assistance during the City's fiscal year. *It is important to note that if your organization receives Section 3-covered assistance from other federal sources, in addition to amounts received from the City of Medford, those amounts will contribute to your organization's combined federal assistance.*

What is "Section 3 covered assistance?"

Covered assistance is funding provided under any HUD housing or community development program (including but not exclusive to HOME and CDBG funding) that is expended for work arising in connection with a Section 3 covered project as defined below. All such federal funds received in total per any one year for all activities count toward the \$200,000 annual threshold.

What is a Section 3 covered project?

A Section 3 covered project means:

- Housing rehabilitation (including reduction and abatement of lead-based paint hazards, but excluding routine maintenance, repair and replacement);
- Housing construction (including reconstruction, conversion); or
- Other public construction including other buildings or improvements, regardless of ownership, assisted with federal housing or community development assistance.

What contracts are affected by Section 3?

- All contracts, regardless of the amount of each contract, executed by the recipient to perform work or professional services on a "Section 3 covered project" are affected.
- If a contract exceeds \$100,000 then that contractor or business has additional responsibilities to ensure outreach and employment of any lower tier subcontractors hired under their contract.

Are any other contracts excluded?

Contracts exclusively for supplies or materials, unless the contract includes installation.

In a Section 3 covered project, what does Section 3 require the funding recipient to do?

- 1) Commit to awarding to Section 3 covered businesses **at least**:
 - a. 10% of the total dollar amount of contracts for building trades work arising in connection with housing rehab, housing construction or other public facility/improvement construction; and
 - b. 3% of the total dollar amount of all other contracts; and in addition,

- c. Commit to employ section 3 residents as 30 percent of the aggregate number of new hires for each year over the duration of the section 3 project.
- 2) Notify Section 3 businesses of contracting opportunities funded by Section 3-covered assistance.
- 3) In your request for proposal you must include a “Section 3 Packet #1” as provided by the City of Medford’s Housing and Community Development Division.
 - a. Packet #1 includes:
 - i. A cover letter explaining Section 3 applicability and requirements to prospective contractors
 - ii. *HUD Section 3 Clause Certification* (Note: The Section 3 Clause must be included in all subsequent contracts.)
 - iii. *Application For Certification As A HUD Section 3 Business Concern*
 - iv. *HUD Section 3 Employment Forecast Report* (Note: If prospective contractor indicates that they intend to hire new employees for the proposed project then you must provide them with Packet #2, “Hiring Protocol For Section 3 Covered Projects In Medford, Oregon.” (See “How can businesses find Section 3 residents to work for them?” later in this section.)
- 4) Notify all potential contractors for Section 3-covered projects of the Section 3 contracting requirements and include the required Section 3 clause in all Section 3-covered contracts.
- 5) Assist and actively cooperate with HUD and the City of Medford in obtaining contractor/subcontractor compliance with Section 3 requirements.
- 6) Not award contracts to any contractor who has been found to have violated the Section 3 requirements.
- 7) Take appropriate remedial action against contractors who fail to comply with the Section 3 requirements (e.g. termination).
- 8) Provide employment and training opportunities for Section 3 residents by meeting the percentage goals in 24 CFR 135.30(b)(3).
- 9) Document actions (including results and impediments) taken to comply with Section 3 requirements.
- 10) **Upon request, submit a Section 3 report which documents that you have met Section 3 numeric goals or explains your best efforts to do so.**

What does Section 3 require contractors and subcontractors to do?

To the **greatest extent feasible**:

- 1) Provide employment opportunities (*when hiring is required to facilitate completion of the Section 3 covered project*) and training opportunities for Section 3 residents by meeting the percentage goals in 24 CFR 135.30(b)(3)
- 2) The prime contract holder shall provide subcontracting opportunities to Section 3 businesses by meeting the percentage goals in 24 CFR 135.30.
- 3) Subcontracts exceeding \$100,000 shall provide lower tier contracting opportunities to Section 3 businesses by meeting the percentage goals in 24 CFR 135.30 and shall provide employment opportunities (*when hiring is required to facilitate completion of the Section 3 covered project*) and training opportunities for Section 3 residents by meeting the percentage goals in 24 CFR 135.30(b)(3)
- 4) Notify labor unions and organizations of the contractor's commitments under Section 3.
- 5) Post notices conspicuously at all Section 3-covered work sites describing:
 - a. The Section 3 preference
 - b. The minimum number and job titles subject to hire
 - c. Apprenticeship and training positions available; the qualifications for each; and the name and location of the person taking applications
 - d. The anticipated start date of the work
- 6) Include the full Section 3 Clause in all applicable subcontracts.
- 7) Take appropriate action if a subcontractor violates the Section 3 regulation.
- 8) Not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found to be in violation of the Section 3 regulation.
- 9) Certify that the contractor did not circumvent the Section 3 employment opportunity requirements, if the contractor hired any persons not covered by Section 3 between the time the contractor was selected and the contract was executed.
- 10) Document actions (including results and impediments) taken to comply with Section 3 requirements.

Who are Section 3 residents?

Section 3 residents are:

- Public housing residents, or
- Persons who have a household income that falls below HUD's definition of "low income" or "very low income" and
- Reside in the Medford Metropolitan Statistical Area

(Note: Contact the City of Medford's Housing and Community Development Division for current low- and very-low income limits.)

What is a Section 3-covered business?

A business:

- That is 51 percent or more owned by Section 3 residents; **or**
- Employs Section 3 residents for at least 30 percent of its full-time, permanent staff; **or**
- Provides evidence of a commitment to subcontract to Section 3 business concerns, 25 percent or more of the dollar amount of the awarded contract.

How can I be sure that a business is really a Section 3-covered business?

Businesses must self-certify as to their qualification for Section 3 preference. If in doubt and for the purpose of promoting fair competition, you, or the City of Medford's Housing and Community Development Division, may request supporting evidence.

What types of economic opportunities are available under Section 3?

Opportunities include:

- Job training
- Employment
- Contracts

Examples of opportunities include, but are not limited to:

• Accounting	• Architecture	• Appliance repair
• Bookkeeping	• Bricklaying	• Carpentry
• Carpet Installation	• Cement/Masonry	• Computer/Information
• Demolition	• Drywall	• Electrical
• Elevator Construction	• Engineering	• Fencing
• Florists	• Heating	• Iron Works
• Janitorial	• Landscaping	• Machine Operation
• Manufacturing	• Marketing	• Painting
• Payroll	• Plastering	• Plumbing
• Printing Purchasing	• Research	• Surveying
• Tile setting	• Transportation	• Word processing

Who receives priority under Section 3?

For training and employment:

- Persons in public and assisted (e.g. your project) housing
- Persons residing within the Medford MSA
- Participants in HUD Youthbuild programs
- Homeless persons

For contracting:

- Businesses that meet the definition of a Section 3 business concern

How can businesses find Section 3 residents to work for them?

Businesses can recruit Section 3 residents in public housing developments and in the neighborhoods where the HUD assistance is being spent. Effective ways of informing residents about available training and job opportunities include:

- Contacting resident organizations, local community development and employment agencies
- Distributing flyers
- Posting signs
- Placing ads in local newspapers

Note: If you are aware of any business who may be hiring additional employees to work on a covered project, please contact the Housing and Community Development Division and request: Section 3 Packet #2: “Hiring Protocols For Section 3 Covered Projects In Medford, Oregon.”

Are recipients, contractors, and subcontractors required to provide long-term employment opportunities, not simply seasonal or temporary employment?

Recipients are required, to the greatest extent feasible, to provide all types of employment opportunities to low and very low-income persons, including permanent employment and long-term jobs.

Recipients and contractors are encouraged to have Section 3 residents make up at least 30 percent of their permanent, full-time staff.

A Section 3 resident who has been employed for 3 years may no longer be counted towards meeting the 30 percent requirement. This encourages recipients or contractors to continue hiring Section 3 residents when employment opportunities are available.

What if it appears an entity is not complying with Section 3?

There is a complaint process. Section 3 residents, businesses, or a representative for either may file a complaint if it seems a recipient is violating Section 3 requirements are being on a HUD-funded project.

Will HUD require compliance?

Yes. HUD monitors the performance of contractors, reviews annual reports from recipients, and investigates complaints. HUD also examines employment and contract records for evidence that recipients are training and employing Section 3 residents and awarding contracts to Section 3 businesses.

The following forms have been developed to document compliance with Section 3 requirements. These forms should be used in conjunction with the City of Medford Section 3 Policy. Prior to executing the funding agreement, an organization that is subject to the Section 3 requirements should meet with a Housing and Community Development Division Specialist to discuss your project and your organizations approach to ensure compliance.

The following Section 3 Guide Forms are available from the Housing and Community Development Division:

1. HUD Section 3 Clause Certification
2. Application For Certification As A HUD Section 3 Business Concern
3. HUD Section 3 Employment Forecast Report
4. HUD Section 3 Prime Contractor's Report
5. HUD Section 3 Hiring Report
6. HUD Section 3 Project Employee Survey Report
7. HUD Section 3 Sample Outreach Letter

Contract Clauses Required in All CDBG Project Contracts

Construction/Rehabilitation Contracts

1. Acknowledgement of HUD Funding

The project described herein is being funded in whole or in part with funding from the U.S. Department of Housing and Urban Development through the City of Medford Community Development Block Grant program.

2. Access to Records and Retention of Records

The (CDBG) recipient, the City of Medford, the U.S. Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the contractor which are directly pertinent to this contract, for the purpose of making audit, examination,

excerpts, and transcriptions. All required records must be maintained by the contractor for three years after the recipient makes final payments and all other pending matters are closed.

3. Section 3 of the Housing and Community Development Act

(Applicable to Section 3 covered projects: When the funding recipient has cumulatively received in a given year more than \$200,000 in CDBG funding from the City of Medford or from other covered funding sources; and, the project is for construction type work (excluding routine maintenance). Applies to all contracts under a covered project, regardless of amount of each contract.)

A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

G. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

4. Minority and Women-owned Business Enterprise

Affirmative steps must be taken to assure that small, minority and women-owned businesses and firms located in labor surplus areas are used when possible as sources of supplies, equipment, construction and services. Affirmative steps shall include the following:

1. Include any such qualified firms on solicitation lists.
2. Assure that such firms are solicited whenever they are potential sources.
3. When economically feasible, divide total requirements into smaller tasks or quantities so as to permit such firms maximum opportunities for participation through subcontracting.
4. Where possible, establish delivery schedules which will encourage such participation.
5. Use the services and assistance of the Small Business Administration, the Office of Minority, Women and Emerging Small Business (State of Oregon) and other sources when appropriate.

5. Prohibition on the Use of Federal Funds for Lobbying (Applicable to contracts/subcontracts of ≥\$100,000)

The contractor hereby certifies that:

1. No federal funds have been paid or will be paid, by or on behalf of the City of Medford, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
2. If any funds other than federal funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the local government shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

6. Lead-Based Paint

The use of lead-based paint on any interior or exterior surface is prohibited. The construction or rehabilitation of residential structures built prior to 1978 with assistance provided under this Agreement is subject to the revised HUD Lead-based Paint regulations at 24 CFR Part 35 which was published September 15, 1999 and took effect in Medford on January 10, 2002; and to the Environmental Protection Agency's Renovation, Repair, and Painting Rule as co-administered by the Oregon Health Authority and the Oregon Construction Contractors Board as stipulated in Oregon Administrative Rules Divisions 69 and 70.

7. Equal Employment Opportunity

Contractor shall comply with the requirements of Executive Order 11246, "Equal Employment Opportunity," as amended by Executive Orders 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR Chapter 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor," which provide that no person shall be discriminated against on the basis of race, color, religion, sex or national origin in all phases of employment during the performance of federal or federally assisted construction contracts. Contractors and subcontractors on federal and federally assisted construction contracts shall take affirmative action to insure fair treatment in employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination, rates of pay or other forms of compensation and selection for training and apprenticeship.

8. Copeland "Anti-Kickback" Act

Contractor shall comply with the Copeland "Anti-Kickback" Act (18 USC 874), as supplemented by Department of Labor regulations (29 CFR part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). Contractor and all subcontractors shall be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he is otherwise entitled.

9. Davis-Bacon Act (Applicable to CDBG contracts for construction or rehabilitation of housing containing eight or more CDBG assisted units, any public facility or public improvement project; applicable to HOME contracts for construction of rehabilitation of twelve or more HOME assisted units.)

All laborers and mechanics employed by contractors or subcontractors on construction work assisted under this part shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 USC 276a-276a-5), and shall receive overtime compensation in accordance with and subject to the provisions of the Contract Work Hours and Safety Standards Act (40 USC 327-333), and the contractors and subcontractors shall comply with all regulations issued pursuant to these Acts and with other applicable Federal laws and regulations pertaining to labor standards.

10. Contract Work Hours and Safety Standards Act

In compliance with Sections 102 of the Contract Work Hours and Safety Standards Act (40 USC. 327–333), as supplemented by Department of Labor regulations (29 CFR part 5), each contractor/subcontractor shall compute the wages of every mechanic and laborer on the basis of a standard workweek of 40 hours. Work in excess of the standard workweek is permissible provided that the worker is compensated at a rate of not less than 1 ½ times the basic rate of pay for all hours worked in excess of 40 hours in the workweek. In compliance with Section 107 of the Act, no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

11. Clean Air Act and the Federal Water Pollution Control Act (Applicable to contracts and subcontracts in excess of \$100,000)

This contract is subject to the requirements of the Clean Air Act, as amended, 42 USC 1857 et seq., the Federal Water Pollution Control Act, as amended, 33 USC 1857 et seq., and the regulations of the Environmental Protection Agency with respect thereto, at 40 CFR Part 15, as amended from time to time.

Contractor and any of its subcontractors agree to the following requirements:

1. A stipulation by the contractor and subcontractors 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 32;
2. Agreement by the contractor to comply with all requirements of Section 114 of the Clean Air Act, as amended (42 USC 1857c-8) and Section 308 of the Federal Water Pollution Control Act, as amended, (33 USC 1318) relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in said Section 114 and Section 308, and all regulations and guidelines 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 he will include or cause to be included the criteria and requirements in paragraph (1) through (4) of this section in every non-exempt subcontract and requiring that the contractor will take such action as the government may direct as a means of enforcing such provisions.

In no event shall any amount provided under this contract be utilized with respect to a facility which has given rise to a conviction under Section 113(c)(1) of the Clean Air Act or Section 309© of the Federal Water Pollution Control Act.

12. Debarment and Suspension

Contractor certifies that neither it nor any of its employees or subcontractors are parties listed on the General Services Administration's List of Parties Excluded from Federal Procurement or Nonprocurement Programs in accordance with Executive Orders 12549 and 12689, "Debarment and Suspension," as set forth at 24 CFR part 24. This list contains the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible under statutory or regulatory authority other than E.O. 12549.

13. Access to the Work

The City of Medford and its representatives (e.g. Building Inspector) shall at all times have access to the work while it is in preparation or progress. If the specifications, the instructions, laws, ordinances or any public authority requires any work to be specially tested or approved, the Contract shall give the City timely notice of the date fixed for such inspections. Required certificates of inspection shall be secured by the Contractor and made evident, upon request, to Owner and the City of Medford.

14. Indemnification

Contractor and Owner shall indemnify, defend, and hold harmless the City of Medford and its officers, divisions, employees and members, from all claims, suits or actions of any nature arising out of or relating to the acts or omissions of Contractor, its officers, subcontractors, agents or employees under this Contract.

15. Termination of Contract

15a. Termination By Owner

1. Without Cause

This contract and the work it will carry out is being funded in whole or in part with funding from the U.S. Department of Housing and Urban Development through the City of Medford (CDBG) program. The owner may terminate this contract:

- a. In the event that CDBG or HOME funding has been rescinded in part or in whole; or
- b. If the work is stopped under an order of any court, or other public authority, for a period of thirty (30) calendar days, through no act or fault of the owner, owner's employees, or legal representatives.

2. With Cause

The owner may terminate this contract if the contractor is in substantial breach of the provisions contained in the contract documents and/or repeatedly fails to:

- a. Comply with federal, state, and local laws and regulations;
- b. Provide for the safety of all occupants and public at large during the execution of the work;
- c. Properly pay subcontractors or suppliers for material or labor;

- d. Correct defective work; or
- e. Progress in a timely manner which demonstrates that the contractor can complete the project within the specified time-frame.

The contractor, upon receipt of written notice from the owner to terminate this contract, shall:

- a. Cease operation in a manner that protects and preserves work already performed.
- b. Instruct all subcontractors to cease work and cancel all special orders with suppliers.
- c. Leave the work site in a condition that is free of hazards to occupants and public.

If the owner terminates the contract, the contractor may be eligible to receive payment for all work completed, and for material orders already in progress and for which cancellation is not possible. Payment is contingent upon the same inspection and approval procedures by owner and funder as specified for progress payments. If the owner terminates this contract with cause, the owner may withhold payment until all work is otherwise completed by reasonable means determined by owner. If the unpaid balance of this contract is not sufficient to cover reasonable costs incurred by the owner to complete the work, the contractor shall pay the difference to the owner. If the unpaid balance of this contract is in excess of the reasonable costs incurred by the owner to complete the work, then the owner shall pay the difference to the contractor. Reasonable costs include architect fees, administrative fees, and other expenses made necessary by the above causes.

15b. Termination by Contractor

Contractor may terminate this contract if:

- 1. Work is stopped under an order of any court, or other public authority, for a period of thirty (30) calendar days, through no act or fault of the contractor, contractor's employees, subcontractors, or other persons or agents performing work under direct or indirect contract with the contractor;
- 2. Work is stopped due to a declared state of emergency by government action;
- 3. Owner fails to make payment within the time-frame and conditions stated in the Contract Documents;
- 4. Owner repeatedly, through no fault of the contractor, contractor's employees, subcontractors, or other persons or agents performing work under direct or indirect contract with the contractor, causes delay of the work; and, such delay constitutes in excess of 100 percent of the total number of days scheduled for completion of the work specified in the Contract Documents.

15 c. Termination by Mutual Consent

Both parties may terminate this contract by mutual written consent.

Contract Clauses Required in All CDBG Project Contracts

Professional Services Contracts (Architects, Engineers, Consultants)

1. Acknowledgement of HUD Funding

The project described herein is being funded in whole or in part with funding from the U.S. Department of Housing and Urban Development through the City of Medford Community Development Block Grant program.

2. Access to Records and Retention of Records

The (CDBG) recipient, the City of Medford, the U.S. Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the contractor which are directly pertinent to this contract, for the purpose of making audit, examination, excerpts, and transcriptions. All required records must be maintained by the contractor for three years after the recipient makes final payments and all other pending matters are closed.

3. Section 3 of the Housing and Community Development Act

(Applicable to Section 3 covered projects: When the funding recipient has cumulatively received in a given year more than \$200,000 in CDBG funding from the City of Medford or from other covered funding sources; and, the project is for construction type work (excluding routine maintenance). Applies to all contracts under a covered project, regardless of amount of each contract.)

In hiring or soliciting businesses for goods, services or other types of work, consideration must first be given to local residents and firms. The work to be performed under this contract is on a project assisted under a program providing direct federal financial assistance from the U.S. Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 USC 170(1)(u). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to lower income persons residing in the project's City and County, and contracts for work in connection with the project be awarded to eligible business concerns which are located, or owned in substantial part by persons residing, in the project City and County.

4. Minority and Women-Owned Business Enterprises

Affirmative steps must be taken to assure that small, minority and women-owned businesses and firms located in labor surplus areas are used when possible as sources of supplies, equipment, construction and services. Affirmative steps shall include the following:

1. Include any such qualified firms on solicitation lists.
2. Assure that such firms are solicited whenever they are potential sources.
3. When economically feasible, divide total requirements into smaller tasks or quantities so as to permit such firms maximum opportunities for participation through subcontracting.
4. Where possible, establish delivery schedules which will encourage such participation.

5. Use the services and assistance of the Small Business Administration, the Office of Minority, Women and Emerging Small Business (State of Oregon) and other sources when appropriate.

5. Prohibition on the Use of Federal Funds for Lobbying (Applicable to contracts/subcontracts of \$100,000 or more.)

The contractor hereby certifies that:

1. No federal funds have been paid or will be paid, by or on behalf of the City of Medford, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

2. If any funds other than federal funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the local government shall complete and submit Standard Form- LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

6. Indemnification

Contractor and CDBG recipient shall indemnify, defend, and hold harmless the City of Medford and its officers, divisions, employees and members, from all claims, suits or actions of any nature arising out of or relating to the acts or omissions of Contractor, its officers, subcontractors, agents or employees under this Contract.

Recommended Contract Clauses Outlining the Roles, Rights and Responsibilities of the City of Medford

Execution

Owner acknowledges that this contract was procured by the Owner and that the Owner has assumed responsibility for the procurement of the Contractor by selecting the Contractor and negotiating the price. Owner acknowledges that the City of Medford (hereinafter called Funder) is not responsible for the performance of the Contractor. The Owner is responsible for enforcing the provisions of and satisfactory performance of the Contract. The Funder has responsibilities as specifically described in the Contract documents.

The Construction Contract shall be signed in triplicate by Owner and Contractor. One copy to be retained by each party and another to be kept in Funder's project file.

List of Subcontractors and Suppliers

Prior to start of work, the Contractor shall provide to the Owner and Funder a list of all subcontractors and suppliers to be used in completing the project. The list will include the amount of each subcontract and total cost of materials anticipated for each supplier. The Contractor will

provide timely updates to this list as subcontractors and suppliers are added to or deleted from participation in the project or as monetary amounts may change.

Funder Status/Funder Supervision

Funder may make periodic inspections to verify the progress and quality of work and to determine in general if the work is proceeding in accordance with the Contract Documents. Funder will not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the work and will not be responsible for Contractor's failure to carry out the construction work in accordance with the Contract Documents. During such visits and on the basis of observations while at the site, the Funder will maintain a Project file documenting the progress of the Project. When at the site, if a construction defect is noted by Funder, Funder shall notify Owner and Contractor. Funder shall have authority to stop work whenever such stoppage may be necessary in its opinion to insure the proper execution of the Contract, Funding Agreement or to protect occupant or public safety.

Correction of Work Before Substantial Completion

Contractor shall remedy construction defects, work not conforming with recognized construction standards, due to faulty materials or workmanship declared by Funder, or Owner, as failing to conform to the Contract, whether incorporated or not, and Contractor shall promptly rectify the work and make good the materials in accordance with the Contract and without expense to Owner and shall bear the expense of making good all work destroyed or damaged by such removal or replacement.

Resolution of Claims and Disputes

For claims or disputes by the Owner regarding the Contractor, the Owner reserves the right to file a claim with and seek the assistance of the Oregon Construction Contractors Board. Funder may, at Funder's discretion, intervene in any dispute as to protect Funder's interest in the completion of the Project, as to comply with the Funding Agreement.

Payment Process

Work performed or materials supplied prior to the issuance of a City grant or loan award are not eligible for reimbursement with HOME or CDBG program funds. Program funds cannot be disbursed for advance payments. Progress payments will be made at the discretion of the Funder. Owner will submit the completed Payment Request with a request for a project inspection to verify the quantity and quality of the work performed and materials supplied. All progress payments are subject to the Funder's inspection and final approval of work performed, materials supplied and that the amount requested is proportionate to the amount of work performed and materials supplied. Funder will facilitate payments by issuing an Authorization to Pay (ATP), signed by Owner and Funder, to the escrow company. Contractor will acknowledge, in writing, all payments received. Per Funding Agreement, Funder has 30 days to release funds but will make every effort to process the ATP within 15 days. Progress payments shall not exceed ninety percent (90%) of the value of the Contract price.

Final contract payment will not be released until all inspections related to permits issued for work under this contract are completed and passed, the work has been approved by Owner and Funder, and Contractor provides evidence of payment-in-full to all subcontractors and suppliers who have issued a notice of right to lien.

Change Orders

Funder shall have final approval of change if such change affects the amount of the funding award, deviates from the stated use of funds, or substantially alters the scope of work. Owner will forward all such change orders to the Funder in a timely fashion for approval. Approval will not be unreasonably withheld. Contractor will not proceed with such work until a change order, signed and dated by Owner and Contractor, and approved in writing by Funder, has been obtained. The only exception to such written, signed, and approved change order requirements shall be in the case of an emergency endangering life or property.

Lien Waiver

Upon payment, the original contractor, hereby waives any lien or right to lien, under the construction lien statutes of the State of Oregon, which contractor may have against the described property. Contractor warrants to save harmless, the property owner and the City of Medford from any lien or liens which are now in existence as a result of the services or materials that the contractor has provided. Furthermore, contractor absolutely, unconditionally, and irrevocably guarantee that if any construction liens should be filed, or should attach, with respect to the project by reason of the services or materials provided by contractor, to immediately cause the removal of such liens, or post security against the consequences of their possible foreclosure and procure an endorsement(s) to the title policy insuring owner and the City of Medford against the consequences of the foreclosure or enforcement of such lien(s).

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Section 5:

Lead Paint Guidelines for Rehabilitation Activities

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City of Medford CDBG Program Manual:

Lead Paint Guidelines for Rehabilitation Activities

(Lead-based Paint Poisoning Prevention in Certain Residential Structures Built Prior to 1978)

The intent of the information that follows is to provide CDBG project sponsors with general background information about federal lead-based paint regulations, and to give you a basic understanding of what the regulations will mean for your project, especially as you determine project scope and solicit contractor bids for rehabilitation work. Please note that the following information is very general, and that you will need to consult very closely with the City if your project contains or may contain any lead-based paint. Please contact Angela Durant, City Principal Planner for the Housing and Community Development Division, as you begin preparing your rehab project application.

Lead is a poison. Lead-based paint can pose a significant health hazard when the paint is in poor condition and/or when being disturbed during construction work. Lead is particularly dangerous to young children and fetuses. It can affect every organ in the body causing a range of irreversible damage ranging from behavior and learning problems to seizures to death.

HUD, the EPA, and the Oregon Health Authority have issued regulations to protect occupants, especially young children (six years of age or younger), from lead-based paint hazards in pre-1978 housing or child-occupied facilities. These regulations address the requirements for notification, evaluation and reduction of lead-based paint hazards in both federally assisted and non-assisted properties. More information on the regulations and other educational materials can be found at:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/healthy_homes/enforcement/lshr
<http://www2.epa.gov/lead>, and
<http://public.health.oregon.gov/PHD/Directory/Pages/program.aspx?pid=73>.

This section addresses the requirements that must be met for rental housing projects that will receive City of Medford CDBG funding.

HUD's Lead Safe Housing Rule

The HUD lead paint regulations, commonly known as the Lead Safe Housing Rule, took effect September 15, 2000, and affect both acquisition and rehabilitation of housing that was constructed prior to 1978 (known as “target housing”). All CDBG and HOME projects for pre-1978 housing activities must comply with the Lead Safe Housing regulations which can be found at 24 CFR Part 35. All units in an assisted project, not just the federally assisted units, must comply with these regulations.

Residential Properties exempt from HUD's lead based paint regulations include:

- Properties for which construction was completed on or after January 1, 1978;
- Properties found not to have lead-based paint by an inspection conducted in accordance with 24 CFR Part 35.1320(a);

- Properties where all lead-based paint has been identified and removed using approved methods;
- Unoccupied units that will be demolished;
- Properties where rehab will literally not disturb paint and no paint hazards have been identified;
- Properties where occupancy by a child is unlikely:
 - Housing designated exclusively for elderly and/or disabled tenants
 - Single room occupancy units;
- Emergency action activities (within certain parameters).

EPA's Renovation, Repair and Painting Rule

In addition to the HUD regulations regarding lead-based paint in federally assisted projects, the EPA has also issued a set of lead-based paint regulations which took effect on April 22, 2010. These regulations are called the EPA's "Renovation, Repair, and Painting (RRP) Rule." The RRP Rule applies to all pre-1978 houses, apartments, and child-occupied facilities such as schools and day-care centers, regardless of whether federal funding is present. Although there are some important differences, the EPA rule and HUD rule are similar; and, both apply to most projects on structures built prior to 1978 that are financed through the City's HOME and CDBG programs.

Oregon's Administrative Rules

In addition to HUD and EPA lead-based paint regulations, the State of Oregon has adopted its own administrative rules (OAR 333.069 and 333.070) regulating lead-based paint activities. Oregon rules basically parallel EPA rules. In 2010, Oregon was federally authorized to appoint the Oregon Health Authority and the Oregon Construction Contractors Board to partner in the administration and enforcement of the RRP Rule.

HUD's and EPA's Lead Disclosure Rule, and Other Notification and Education Requirements

Section 1018 of Title X (also known as the Disclosure Rule) requires disclosure of known information regarding lead-based paint and lead-based paint hazards before the sale or lease of most housing built before 1978. In addition to the Disclosure Rule, both HUD's Lead Safe Housing Rule and EPA's RRP Rule require that various notifications and educational material be provided to tenants and occupants of target housing or child-occupied facilities prior the renovation or repair of such buildings.

Critical for rental properties

When leasing and/or performing construction work on rental properties an owner is required to provide various notices and educational material as follows:

- Prior to leasing, owners/landlords/property managers must ensure that all tenants receive:
 - The lead hazard information pamphlet, *Protect Your Family From Lead in Your Home.*

- o In addition, tenants also must be provided the *Lead Hazard Warning Statement*; and,
- o Any known information about lead-based paint or lead-hazards must be disclosed to them.
- If lead-hazard evaluations are performed (e.g. paint testing, inspections, or risk assessments), the findings of these evaluations must be disclosed to the tenants within 15 days of when the report is obtained by the owner. The information may be delivered to each tenant, or it may be posted in a public area such as a common lobby.
- If lead-hazard reduction activities are performed, tenants must be provided a Notice of Lead Hazard Reduction Activities within 15 days of completion of the work.
- Construction contractors, prior to starting work, must provide occupants with the EPA's lead hazard information pamphlet: *Renovate Right*.

Funding recipients must provide verification that each of these notices is delivered in a timely manner.

Critical for acquisition

Disclosure of information about lead-based paint is also required in real estate transactions involving housing built prior to 1978 as follows:

- Sellers must disclose any known information regarding lead-base paint or lead-based paint hazards.
- Sellers must provide the “Lead Warning Statement:”

“Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips, and dust can pose health hazards if not managed properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, lessors must disclose the presence of lead-based paint and/or lead-based paint hazards in the dwelling. Lessees must also receive a federally approved pamphlet on lead poisoning prevention.”
- Sellers must provide the buyer a 10-day period to conduct a paint inspection or risk-assessment. However, parties may mutually agree to shorten or lengthen this period, or waive this opportunity.

For additional information about disclosure of lead information, please see the EPA and HUD “Real Estate Notification and Disclosure Rule Question and Answers” at the end of this section. A sample “Disclosure Notification Form” is also provided in both English and Spanish. This form also contains the *Lead Hazard Warning Statement* mentioned above.

Lead Hazard Evaluation

Lead hazard evaluation methods involve an examination of a dwelling to check for lead-based paint hazards. There are four methods that may meet minimum requirements for HUD activities:

1. Visual Assessment

A visual assessment consists of a visual search for cracking, scaling, peeling, or chipping paint. This is used during the period of affordability for HOME projects. Visual assessment must be conducted by people trained to identify deteriorated paint. Persons trained to do HUD Housing Quality Standards (HQS) inspections are qualified only if they get some additional training. HUD has a training program on visual assessments available online at: <http://www.hud.gov/offices/lead/training/visualassessment/h00101.htm>

Note: Technically, a visual assessment is not considered an “evaluation” by HUD or EPA, thus disclosure (i.e. to tenants) of the findings of a visual assessment is not mandatory.

2. Paint Testing

HUD Perspective:

Paint testing determines whether a painted surface has lead-based paint (≥ 1 milligram of lead per square centimeter of surface area, or 0.5 percent by weight) using methods such as “reading” the surface with an XRF analyzer, or by taking paint samples and sending them to a certified laboratory for analysis. This type of testing must be performed by a certified inspector or risk assessor. Testing is typically done on deteriorated painted surfaces, and/or on painted surfaces that are to be disturbed or replaced during the course of a rehabilitation project.

EPA Perspective:

In addition to the above testing methods, the EPA also recognizes paint testing by certified renovators (contractors) using a recognized test kit (aka swab test). **Important Note:** For projects funded in whole or in part with HUD funds, the test kit (swab) method to test paint used by certified renovators is not sufficient.

3. Lead Based Paint Inspection

A lead-based paint inspection is a comprehensive surface-by-surface investigation to determine the presence of lead-based paint. A lead-based paint inspection must be conducted by a person certified by the Oregon Health Authority as a lead inspector or lead-hazard risk assessor. The certified inspector must carefully follow EPA and HUD protocols.

4. Risk Assessment

A risk assessment is an on-site investigation of a dwelling unit to identify lead-based paint hazards. A risk assessment includes paint testing, dust and soil sampling, and a visual evaluation. A lead-hazard risk assessment can only be performed by a certified risk assessor. After receiving the laboratory analysis of the samples that were taken, the risk assessor prepares a report which explains the results of the investigation and includes recommendations for reducing all hazards. Unlike a lead-based inspection, a risk assessment does not necessarily include testing all painted surfaces on a property.

5. Lead hazard screen

A hazard screen is similar to a risk assessment but with less extensive sampling. Lead hazard screens are not typically used for projects funded through the City’s CDBG or HOME programs.

Approaches to Addressing Lead-Based Paint in Rehabilitation Projects

The lead hazard evaluation and reduction activities required for rehabilitation projects depend on the level of rehabilitation assistance received by the project and is determined by taking the lower of the following two options:

1) **The per unit rehabilitation hard costs** which are calculated using only hard construction costs. “Hard” costs include costs for construction work. They do not include “soft” costs such as project overhead costs (e.g. permits and other fees)), architectural and engineering services, administrative costs, relocation costs, environmental review, acquisition of property, or lead hazard evaluation and reduction costs.

2) **The amount of federal assistance per unit.**

Approaches to addressing lead-based paint hazards include:

- Do no harm This approach is for projects where the level of federal rehabilitation is less than \$5,000. It is intended to allow low-cost repairs and other work to proceed without costly lead-based paint requirements, yet at the same time, to prevent lead-based paint hazards from being created while that work is being done. Painted surfaces that are to be disturbed must either be tested or presumed to contain lead based paint. If testing positive or presumed to contain lead based paint, lead safe work practices and a clearance examination (of at least the contained work area) must be performed. Note: Clearance is not required if the amount of painted surface being disturbed is less than “de minimus” levels. (The de minimus area is two square feet or less of interior painted surface, twenty square feet or less of exterior painted surface, or 10% or less of total surface area on any interior or exterior component such as a window or door.)

- Clearance is a required procedure under HUD’s Lead Safe Housing Rule. Clearance is an examination by a certified inspector or risk assessor following the completion of work that disturbs painted surfaces (which were identified as, or presumed to be, lead based paint) to insure that a unit is safe for occupancy. This examination is done in two parts, a visual assessment, and dust testing. The visual assessment assures that the work is completed, the site has been cleaned, and that there are no visible dust or soil lead hazards exist in the home or the work site. Dust testing involves taking dust wipe samples and sending them to a laboratory for analysis to confirm that no lead dust hazards remain. Soil samples may also be taken. At this time there are no certified testing laboratories in Oregon, so samples must be sent to an out-of-state lab for testing, thus obtaining results is, at best, an overnight process. If the site fails, the process, beginning with cleaning, will have to be repeated. Your project schedule for occupancy will need to factor adequate time to obtain clearance.

Note: For non-HUD-assisted properties, the EPA’s RRP Rule allows a process known as “cleaning verification.” Cleaning verification is performed by the contractor (certified renovator) who has done the work; the contractor “verifies” that he has meticulously cleaned the worksite. “Cleaning verification” in lieu of “clearance” is not permitted for HUD-assisted properties.

- Identify and control lead-based hazards This approach is for projects where the level of rehabilitation assistance related to project hard costs or per-unit-funding is between \$5,000 and \$25,000. For projects of this size, lead paint and lead hazards are typically identified by conducting a certified lead-hazard risk assessment. However, there is also the option to presume lead paint, and thus presume lead hazards where ever the paint is deteriorated, or subject to friction or impact. All lead hazards, whether identified through a risk assessment or presumed, must be remediated using approved interim control or abatement methods.

Clearance is typically conducted for the whole unit/building as applicable. **Ongoing maintenance** may be required for the HOME period of affordability (minimum of 5-15 years dependent on the amount of HOME funds per unit).

- Identify and abate lead-based paint hazards This approach is for projects where the level of rehabilitation assistance related to project hard costs (or level of federal assistance, whichever is lower) is over \$25,000. Lead hazard abatement measures are implemented to remediate lead hazards on a permanent, or for at least a 20 year, basis. This approach is used when federal funds are used to make a more substantial investment in the property. Mandatory abatement (e.g. component removal) is waived in some cases whereby the lead-based hazard is on the exterior of the building and/or the historic integrity of the building must be preserved.

If you are planning a rehabilitation project which will disturb lead-based paint, your specifications and request for proposals must alert contractors that both HUD's Lead Safe Housing Rule and EPA's RRP Rule will be applicable with all ramifications included.

Lead Hazard Reduction Methods

1. Interim Control Interim control measures are intended to temporarily reduce lead paint hazards. Such measures include paint film stabilization; treatment of friction and impact surfaces; specialized cleaning, covering bare soil, and resident education. Interim control measures are fully effective only as long as they are performed by trained persons using lead safe work practices, monitored, maintained, and periodically reevaluated. Interim controls include:

A. Paint film stabilization A process of wet scraping, priming, and repainting surfaces coated with deteriorated lead-based paint. Paint film stabilization includes correction of conditions that caused the accelerated paint deterioration, repairs to substrate, specialized cleanup and certified clearance.

B. Treatment of friction and impact surfaces Friction surfaces are those surfaces covered with lead-based paint that are subject to abrasion which may generate leaded dust. Examples include: operable windows, cabinet doors and drawers, stairway treads and railings, and painted floors. Impact surfaces are generally protruding surfaces that tend to be bumped or banged, such as: doors and doorjambs, walls behind swinging doors, outside corners, stair risers, chair rails, etc.

Treatment may include interim control and abatement measures such as: removal of paint from all operating surfaces; covering the surface with abrasion resistant, smooth, cleanable material; entirely removing and replacing the component; or other measures as prescribed in HUD Guidelines.

C. Lead-contaminated dust control If the level of lead in dust exceeds EPA/HUD limits, the cause of the lead dust needs to be corrected and the area needs to be cleaned using specialized cleaning

methods. Rough, pitted or porous surfaces, such as window troughs, floors, stairs, etc., need to be covered with a smooth, cleanable material. Although educating tenants to routinely clean using wet methods is a form of interim control, cleaning areas that exceed the EPA/HUD hazard limits should be performed by persons who have successfully completed EPA/HUD approved training.

2. Standard Treatments. Standard treatments are a series of lead hazard reduction activities that must be implemented when the option to presume lead based paint is selected in lieu of conducting a risk assessment or lead inspection. These treatments include: paint stabilization or paint removal; smoothing and cleaning of horizontal surfaces; correcting all conditions that are causing the accumulation of dust; treating bare residential soil; using lead-safe work practices; and passing a clearance test.

3. Abatement. Abatement permanently removes lead-based paint and lead-based paint hazards by removing lead-based paint and its dust, or permanently encapsulating or enclosing the lead-based paint, or replacing components that contain lead-based paint, and removing or permanently covering lead-contaminated soil. Encapsulation and enclosures require ongoing maintenance to check their continued effectiveness. Abatement can only be performed Oregon Health Authority certified “lead-abatement” contractors. **The Oregon Health Authority must be notified at least seven business days before the start date of a lead-abatement project** by completing and submitting a notice of abatement form available from the Authority.

Carrying out Lead Hazard Reduction Work in City-funded Rehabilitation Projects

Use of Certified Contractors is REQUIRED

Only contractors/workers who have been trained and received a completion certificate in “lead-safe work practices” may perform work to carry out interim controls and standard treatments. Abatement work must be conducted by certified abatement contractors/workers. In all cases, workers need to follow lead-safe work practices throughout a rehab project.

Note: The EPA’s RRP Rule allows one person from a company to obtain the certificate of training and then train the rest of the crew. This is not acceptable for HUD-assisted properties. When working on HUD-assisted projects each and every worker must have obtained a certificate of training. In other words, each worker must be a “Certified Renovator.”

Lead-safe Work Practices

Lead-safe work practices include, but are not limited to, the following:

- Prepare a plan for protecting the occupants and the public.
- Notify occupants and adjacent properties regarding the nature of the work to be done.
- Close and seal as necessary doors, windows, HVAC registers, other rooms, etc.
- Remove or cover occupant belongings.
- Post approved Lead Hazard Warning Signs.
- Erect adequate containment (barriers) to prevent the spread of dust.

- Minimize lead dust (e.g. working wet) when performing various types of construction work.
- Do not use prohibitive work practices (see below).
- Conduct daily and final specialized cleaning, which includes using a HEPA (High Efficiency Particulate Air) filtered industrial vacuum.
- Pass clearance.

Prohibited Work Practices

The following techniques may not be employed when lead-based paint is involved:

- Open flame or torching
- Machine sanding or grinding without a HEPA local exhaust control
- Abrasive blasting or sandblasting without HEPA local exhaust control
- Heat guns operating above 1,100 degrees Fahrenheit
- Dry sanding or dry scraping
- Paint stripping in a poorly ventilated space using a volatile stripper. Paint stripping that uses methylene chloride is prohibited.
- High pressure power washing which removes lead-based paint from the building components. (Low pressure power washing which does not disturb the paint is permitted.)

Occupant Protection and Potential Temporary Relocation

Appropriate actions must be taken to protect any occupants in your project from exposure to lead-based paint hazards associated with construction work and lead reduction activities. As you plan the timing and staging of your project, please keep in mind that:

1. Occupants may not enter the work site during lead hazard reduction activities. Re-entry is permitted only after work is completed and the dwelling has passed a clearance examination.
2. Tenant's belongings must be protected from lead contamination during lead hazard reduction activities by relocating or covering and sealing them. The work site must be secured against entry during non-working hours until the units pass a clearance examination.
3. Relocation is not required if: 1) The work is contained, completed in one period of 8-daytime hours, and does not create other safety, health or environmental hazards; or, 2) the work is completed within 5 calendar days, after each work day, the worksite and the area within 10 feet of the containment area are cleaned of visible dust and debris, and occupants have safe access to sleeping areas, and bathroom and kitchen facilities; or, 3) only the building's exterior is treated (with special conditions met).
4. Depending upon the scope of work, sponsors will need to include in their project budget the cost of temporarily relocating tenants to a decent, safe and sanitary unit that is free of lead hazards during the course of lead reduction work. Tenants cannot move back into their unit until it has received clearance.

Important Note: Although clearance is critical in order to move tenants back into their unit, it is not necessarily the final requirement for meeting lead-safety standards for a City funded rehabilitation project. Additional standards apply such as meeting HQS. The set of standards requires that the entire unit be free of lead hazards. This may include addressing issues beyond the original scope of the rehabilitation work. For example, if the scope of the rehabilitation project is strictly on the exterior of the building, you may also need to address lead-hazard issues on the interior of the unit.

Pre-Renovation Lead Education Rule

EPA's Pre-Renovation Lead Education Rule requires that prior to the start of any construction work on pre-1978 housing or child-occupied facility the contractor must provide the owner and/or tenants a copy of the EPA pamphlet "*The Lead-Safe Certified Guide To Renovate Right.*" Commonly known as the Renovate Right pamphlet, this pamphlet must be provided no earlier than 60 days prior to the start of work; and, if mailed, no later than 7 days prior to the start of work. **Delivery of the pamphlet must be verified.**

Ongoing Maintenance After Lead Hazard Reduction Work Has Been Completed

For any rental housing activities assisted with HOME funding, owners must perform ongoing maintenance to ensure that lead reduction measures are maintained, and that lead hazards do not re-emerge. Maintenance activities include:

1. Conducting visual assessments for deteriorating paint, bare soil, and failure of any lead hazard reduction measures at unit turnover and every twelve months.
2. Addressing deteriorated paint through paint stabilization unless an evaluation states that there is no lead-based paint.
3. Treating bare soil with interim controls or standard treatments unless an evaluation indicates that there is no exterior lead-based paint.
4. Repairing failing enclosures or encapsulations.
5. Performing other lead hazard reductions, as necessary.
6. As the project sponsor/owner, you will need to provide notice to occupants of your project (in the language of the occupant, to the extent feasible) asking them to report any deteriorated paint they see. This notice should be provided every twelve months or at unit turnover.

Summary of Lead Safe Housing Rule and other rules about lead-based paint safety

The information contained in this Section is intended only as an introduction to the numerous federal and state lead-based paint regulations applicable to most housing or child-occupied facilities built prior to 1978, especially if funded through the City's CDBG or HOME programs. Regulations require disclosure, notifications, certified personnel, evaluations, occupant protection, and clearance (if HUD-assisted).

In addition to various Codes of Federal Regulations (CFRs), the single most comprehensive manual about lead-based paint and working on structures containing lead-based paint is **HUD's Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing (HUD Guidelines), Second Edition, July, 2012**. Housing and Community Development Division staff will often refer to this manual when providing guidance to project managers. Upon request, staff will provide a current web link to this document.

Occupant Protection

Occupant (and public and worker) protection is really the bottom line; it is the primary purpose for all the rules regarding lead-based paint. If your project involves the rehabilitation of pre-1978 housing, it may be necessary to temporarily relocate the occupants to lead-safe housing. In such cases, both the Lead Safe Housing Rule and the Uniform Relocation Act govern the temporary relocation process. Your project's budget will need to factor this and other costs associated with lead-based paint compliance.

For all projects that involve the disturbance of lead paint (identified or presumed) on targeted housing, a written Occupant Protection Plan must be reviewed and approved by the City's Housing and Community Development Division prior to the start of work. The Housing and Community Development Division reserves the right to request a preliminary Occupant Protection Plan prior to executing a funding agreement.

For more information and guidance on the subject, contact Angela Durant, City Principal Planner for the Housing and Community Development Division at: 541-774-2390 or via email at: angela.durant@cityofmedford.org.

EPA and HUD Real Estate Notification and Disclosure Rule Questions and Answers

The Disclosure Rule

What is the purpose of this rule and who is affected?

To protect the public from exposure to lead from paint, dust, and soil, Congress passed the Residential Lead-Based Paint Hazard Reduction Act of 1992, also known as Title X. Section 1018 of this law directed HUD and EPA to require disclosure of information on lead-based paint and lead-based paint hazards before the sale or lease of most housing built before 1978. The rule would ensure that purchasers and renters of housing built before 1978 receive the information necessary to protect themselves and their families from lead-based paint hazards.

When did the rule take effect?

The rule's effective date depends on the number of housing units owned.

- For owners of more than four dwelling units, the effective date was September 6, 1996.
- For owners of four or fewer dwelling units, the effective date was December 6, 1996.

Affected Housing

What type of housing is affected by this rule?

This rule applies to all housing defined as “target housing,” which includes most private housing, public housing, housing receiving federal assistance, and federally owned housing built before 1978.

What type of housing is not affected by this rule?

Housing that is not affected by this rule includes:

- 0-bedroom dwellings, such as lofts, efficiencies, and studios.
- Leases of dwelling units of 100 days or fewer, such as vacation homes or short-term rentals.
- Designated housing for the elderly and the handicapped unless children reside or are expected to reside there.
- Rental housing that has been inspected by a certified inspector and is found to be free of lead-based paint.

How does this rule apply to common areas such as stairwells, lobbies, and laundry rooms?

Common areas are those areas in multifamily housing structures that are used or are accessible to all occupants. The rule requires that sellers and lessors disclose available lead information about common areas so that families can be informed about preventive actions.

Why doesn't this rule affect housing built after 1978?

Congress did not extend the law to housing built after 1978 because the Consumer Product Safety Commission banned the use of lead-based paint in housing in 1978.

Is my home unsafe if it contains lead-based paint?

Approximately three-quarters of the nation’s housing built before 1978 contains some lead-based paint. This paint, if properly managed and maintained, poses little risk. However, painted surfaces (even if in good condition) that are subject to friction and/or impact (e.g., windows and doors) may generate hazardous levels of lead dust through normal use. If allowed to deteriorate, lead from paint can threaten the health of occupants, especially children six years old and younger. If families and building owners are aware of the presence of lead-based paint and the proper actions to take, most lead-based paint hazards can be managed. The EPA pamphlet *Protect Your Family From Lead in Your Home* provides important information for families and home owners to help them identify when lead-based paint is likely to be a hazard and how to get their home checked.

Seller & Lessor Responsibilities

What if I'm selling target housing?

Property owners who sell target housing must:

- Disclose all known lead-based paint and lead-based paint hazards in the housing and any available reports on lead in the housing.
- Give buyers the EPA pamphlet *Protect Your Family from Lead in Your Home*.

- Include certain warning language in the contract as well as signed statements from all parties verifying that all requirements were completed.
- Retain signed acknowledgments for 3 years, as proof of compliance.
- Give buyers a 10-day opportunity to test the housing for lead.

What if I'm renting target housing?

Property owners who rent out target housing must:

- Disclose all known lead-based paint and lead-based paint hazards in the home and any available reports on lead in the housing.
- Give renters the EPA pamphlet *Protect Your Family From Lead in Your Home*.
- Include certain warning language in the lease as well as signed statements from all parties verifying that all requirements were completed.
- Retain signed acknowledgments for 3 years, as proof of compliance.

Am I required to give the EPA/HUD pamphlet “Protect Your Family From Lead in Your Home” to existing tenants?

No, except in the following instances:

- When tenants renew their leases you must give them the pamphlet and disclose any available lead paint related reports. In other words, you must give them the same information that you are required to provide new tenants.
- Prior to performing construction or maintenance work that will disturb painted surfaces, you must ensure that tenants receive a copy of the EPA pamphlet *Renovate Right*.

Where can I get copies of the Lead Pamphlets: Protect Your Family . . . and Renovate Right?

- A limited number of copies are available from the City of Medford Housing Office.
- For additional copies, call the Oregon Lead Line at 1-800-368-5060.

The *Protect Your Family . . .* pamphlet can also be found on the Internet in PDF and multilingual form at: <http://www.epa.gov/lead/pubs/brochure.htm>

The *Renovate Right* pamphlet can also be found on the Internet in PDF and Spanish form at:

<http://www.epa.gov/lead/pubs/brochure.htm>

What if the buyers/renters don't speak English?

In cases where the buyer or renter signed a purchase or lease agreement in a language other than English, the rule requires that the disclosure language be provided in the alternate language. The EPA pamphlet *Protect Your Family From Lead in Your Home* is printed in English, Spanish and Vietnamese, and other languages and be accessed at the above Internet site.

Must I check my house for lead prior to sale?

No. The rule does not require that a seller conduct or finance an inspection or risk assessment. The seller, however, is required to provide the buyer a 10-day period to test for lead-based paint or lead-based paint hazards.

Is the seller required to remove any lead-based paint that is discovered during an inspection?

No. Nothing in the rule requires a building owner to remove lead-based paint or lead-based paint hazards discovered during an inspection or risk assessment. In addition, the rule does not prevent the two parties from negotiating hazard reduction activities as a contingency of the purchase and sale of the housing.

What if I know there is lead-based paint in my home?

If you know there is lead-based paint in your home, you are required to disclose this information to the buyer or renter along with any other available reports on lead.

What if the lessor knows that there is no lead-based paint in my rental housing?

If your rental housing has been found to be free of lead-based paint by a certified inspector, this rule does not apply. However, landlords seeking an exclusion to this rule must use state certified inspectors.

Agent Responsibilities

What are my responsibilities as an agent?

Agents must ensure that:

- Sellers and landlords are made aware of their obligations under this rule.
- Sellers and landlords disclose the proper information to lessors, buyers, and tenants.
- Sellers give purchasers the opportunity to conduct an inspection.

- Lease and sales contracts contain the appropriate notification and disclosure language and proper signatures.

What is the responsibility of an agent if the seller or landlord fails to comply with this rule?

The agent is responsible for informing the seller or lessor of his or her obligations under this rule. In addition, the agent is responsible if the seller or lessor fails to comply. However, an agent is not responsible for information withheld by the seller or lessor.

Purchaser & Renter Rights

As a purchaser, am I required to conduct and finance an inspection?

No. The rule simply ensures that you have the opportunity to test for lead before purchase.

Can the inspection/risk assessment period be waived?

Yes. The inspection or risk assessment period can be lengthened, shortened, or waived by mutual written consent between the purchaser and the seller.

If I am renting, do I have the same opportunity to test for lead?

Under the law, the 10-day inspection period is limited to sales transactions, but nothing prevents the renter from negotiating with the lessor to allow time for an inspection before rental.

Where can I find a qualified professional to conduct an inspection?

Contact the State of [Oregon's Health Authority](#) at 1-800-368-5060. The EPA pamphlet *Protect Your Family From Lead in Your Home* provides the phone numbers of other agencies. It is important to verify the qualifications of individuals and firms before hiring them.

Must inspectors be certified?

Yes, by the State of Oregon's Health Authority.

Liability

Does this rule increase my liability for future lead poisoning on my property?

In some cases, disclosure may actually reduce the owner's liability since occupants may be able to prevent exposure from the beginning. Under this rule, however, sellers, landlords, or agents who fail to provide the required notices and information are liable for triple the amount of damages.

Are mortgage lenders liable under these rules if the seller or lessor fails to disclose?

Under the disclosure regulation, the rule does not identify mortgage lenders as liable parties. This rule does not affect other state and federal provisions regarding the obligations and responsibilities of lenders.

What if a seller or lessor fails to comply with these regulations?

A seller, lessor, or agent who fails to give the proper information can be sued for triple the amount of damages. In addition, they may be subject to civil and criminal penalties. Ensuring that

disclosure information is given to home buyers and tenants helps all parties avoid misunderstandings before, during, and after sales and leasing agreements.

Disclosure Notification Form

Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards

Lead Warning Statement

Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips, and dust can pose health hazards if not managed properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, lessors must disclose the presence of known lead-based paint and/or lead-based paint hazards in the dwelling. Lessees must also receive a federally approved pamphlet on lead poisoning prevention.

Lessor's Disclosure

(a) Presence of lead-based paint and/or lead-based paint hazards (check (i) or (ii) below):

- (i) Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).
- (ii) Lessor has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the lessor (check (i) or (ii) below):

- (i) Lessor has provided the lessee with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).
- (ii) Lessor has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Lessee's Acknowledgment (initial)

(c) Lessee has received copies of all information listed above.

(d) Lessee has received the pamphlet *Protect Your Family from Lead in Your Home*.

Agent's Acknowledgment (initial)

(e) Agent has informed the lessor of the lessor's obligations under 42 U.S.C. 4852d and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

Lessor Date Lessor Date

Lessee Date Lessee Date

Agent Date Agent Date

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Disclosure Notification Form (Spanish)

Declaración de Información sobre Pintura a Base de Plomo y/o Peligros de la Pintura a Base de Plomo

Declaración sobre los Peligros del Plomo

Las viviendas construidas antes del año 1978 pueden contener pintura a base de plomo. El plomo de pintura, pedazos de pintura y polvo puede representar peligros para la salud si no se maneja apropiadamente. La exposición al plomo es especialmente dañino para los niños jóvenes y las mujeres embarazadas. Antes de alquilar (rentar) una vivienda construida antes del año 1978, los arrendadores tienen la obligación de informar sobre la presencia de pintura a base de plomo o peligros de pintura a base de plomo conocidos en la vivienda. Los arrendatarios (inquilinos) también deben recibir un folleto aprobado por el Gobierno Federal sobre la prevención del envenenamiento de plomo.

Declaración del Arrendador

(a) Presencia de pintura a base de plomo y/o peligros de pintura a base de plomo (marque (i) ó (ii) abajo):

(i) Confirmado que hay pintura a base de plomo y/o peligro de pintura a base de plomo en la vivienda (explique).

(ii) El arrendador no tiene ningún conocimiento de que haya pintura a base de plomo y/o peligro de pintura a base de plomo en la vivienda.

(b) Archivos e informes disponibles para el vendedor (marque (i) ó (ii) abajo):

(i) El arrendador le ha proporcionado al comprador todos los archivos e informes disponibles relacionados con pintura a base de plomo y/o peligro de pintura a base de plomo en la vivienda (anote los documentos abajo).

(ii) El arrendador no tiene archivos ni informes relacionados con pintura a base de plomo y/o peligro de pintura a base de plomo en la vivienda.

Acuse de Recibo del Arrendatario o Inquilino (inicial)

(c) El arrendatario ha recibido copias de toda la información indicada arriba.

(d) El arrendatario ha recibido el folleto titulado *Proteja a Su Familia del Plomo en Su Casa*.

Acuse de Recibo del Agente (inicial)

(e) El agente le ha informado al arrendador de las obligaciones del arrendador de acuerdo con 42 U.S.C.

4852d y está consciente de su responsabilidad de asegurar su cumplimiento.

Certificación de Exactitud

Las partes siguientes han revisado la información que aparece arriba y certifican que, según su entender, toda la información que han proporcionado es verdadera y exacta.

Arrendador Fecha Arrendador Fecha

Arrendatario Fecha Arrendatario Fecha

Agente Fecha Agente Fecha

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Lead Based Paint Information Resource List

Agency	Phone	Website
Oregon Lead Line (Information, assistance, and literature)	1-800-368-5060	www.epa.gov/lead
National Lead Information Center	1-800-424-LEAD	http://public.health.oregon.gov/HealthyEnvironment/s/HealthyNeighborhoods/HealthyHomes/LeadPoisoning/InspectionAbatementProfessionals/Pages/index.aspx
Oregon Health Authority	1-877-290-6767	www.epa.gov/lead
Environmental Protection Agency (EPA)	1-800-424-4EPA	www.epa.gov/lead Lead paint regulation site: http://www.epa.gov/lead/pubs/regulation.htm
EPA Contact regarding disclosure violations	If you did not receive the pamphlet, "Protect Your Family From Lead In Your Home," or were otherwise not informed about lead hazards, call 503-326-3686, or 503-326-3250 to report "Disclosure" violations	
Benton County Lead Testing Program	541-766-6136	http://www.co.benton.or.us/health/
Oregon Department of Environmental Quality (DEQ)	1-800-349-7677	http://www.oregon.gov/DEQ/
Department of Housing & Urban Development (HUD)	1-202-755-1805	http://www.hud.gov/offices/lead/enforcement/lshr.cfm
Oregon Occupational Safety and Health Division	1-800-922-2689	www.orosha.org
Indoor Air Quality Information Clearing House (e.g. mold issues)	1-800-438-4318	www.epa.gov/mold
City of Medford Housing and Community Development Division - Questions regarding projects funded by City programs.	541-774-2390	Email: angela.durant@cityofmedford.org
Pamphlets: "Protect Your Family From Lead In Your Home" "Renovate Right"	Scroll down to find	PDF file of pamphlet: http://www2.epa.gov/lead/documents-and-outreach-materials (Scroll down on website to locate each pamphlet and other useful documents.)
Oregon Construction Contractor Board	503-378-4621	Contractor License Search (including Lead-Based Paint Renovator License) https://ccbcb.ccb.state.or.us/ccb_frames/consumer_info/ccb_index.htm

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Section 6:

Accessibility Requirements and Guidelines

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Accessibility Requirements and Guidelines for Projects Receiving CDBG Funding from the City of Medford

CDBG Program Accessibility Requirements

Three different sets of accessibility-related nondiscrimination requirements apply to the CDBG program: the Architectural Barriers Act, the Fair Housing Act, and the Americans with Disabilities Act (ADA).

The Architectural Barriers Act

The Architectural Barriers Act of 1968 requires certain federal and federally-funded buildings and other facilities to be designed, constructed, or altered in accordance with standards that insure accessibility to, and use by, physically handicapped people. A building or facility, including a residential structure, designed, constructed, or altered with CDBG funds after December 11, 1995, and that meets the definition of a "building" (as defined below) is subject to the requirements of the Architectural Barriers Act as it is implemented through the Uniform Federal Accessibility Standards (UFAS) (24 CFR Part 40 and 41 CFR Part 101). Your project architect should be familiar with the Uniform Federal Accessibility Standards; the City will provide you with a copy of the Standards at your request.

Building: The term "building" means any building or facility (other than (A) a privately owned residential structure not leased by the Government for subsidized housing programs and (B) any building or facility on a military installation designed and constructed primarily for use by able bodied military personnel) *the intended use for which* either will require that such building or facility be accessible to the public, or may result in the employment or residence therein of physically handicapped persons, which building or facility is:

- 1) to be constructed or altered by or on behalf of the United States;
- 2) to be leased in whole or in part by the United States after August 12, 1968; or
- 3) to be financed in whole or in part by a grant or a loan made by the United States after August 12, 1968, if such building or facility is subject to standards for design, construction, or alteration issued under authority of the law authorizing such grant or loan.

The Fair Housing Act:

Multi-family dwellings consisting of four or more units, first occupied after March 13, 1991, must also meet the design and construction requirements of the Fair Housing Act.

A. Multifamily dwellings must be designed and constructed so that at least one building entrance is located on an accessible route, unless it is impractical to do so because of the terrain or unusual characteristics of the site.

B. Multifamily dwellings with a building entrance on an accessible route will be designed and constructed so that:

1. The public and common use areas are readily accessible to and usable by handicapped persons;

2. The doors are designed to allow passage into and within the common areas are sufficiently wide to allow passage by handicapped persons in wheelchairs; and
3. All of the covered (accessible) dwelling units contain the following features of adaptable design:
 - a. An accessible route into and through the covered (accessible) dwelling unit;
 - b. Light switches, electrical outlets, thermostats, and other environmental controls in accessible locations;
 - c. Reinforcements in bathroom walls to allow later installation of grab bars around the toilet, tub, shower, stall and shower seat, where such facilities are provided; and
 - d. Usable kitchens and bathrooms such that an individual in a wheelchair can maneuver about the space.

The Americans with Disabilities Act

The Americans with Disabilities Act (ADA) provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, state and local government services and telecommunications. The ADA also states that discrimination includes the failure to design and construct facilities that are accessible to and usable by persons with disabilities. The ADA also requires the removal of architectural and communication barriers that are structural in nature in existing facilities. Removal must be readily achievable, easily accomplishable and able to be carried out without much difficulty or expense.

CDBG applicants/recipients should alert their project architects that the provisions of the Architectural Barriers Act, the Fair Housing Act and the Americans with Disabilities Act are triggered due to federal funding so the architect can design the construction or rehab project with these requirements in mind.

HOME Program Accessibility Requirements

Three different sets of accessibility-related nondiscrimination requirements apply to the HOME program: Section 504 of the Federal Rehabilitation Act of 1973; the Fair Housing Act of 1988; and the Americans with Disabilities Act (ADA).

Section 504:

Both new construction and rehabilitation of multi-family housing assisted with HOME funds are subject to and must meet the standards of Section 504. Section 504 standards apply to all units in a project and not just the HOME-assisted units.

A. For new construction of multi-family projects:

1. 5% of the units in the project (but not less than one unit) must be accessible to individuals with mobility impairments, and

2. An additional 2% of the units (but not less than one unit) must be accessible to individuals with sensory (hearing or vision) impairments.

B. If substantial rehabilitation (rehabilitation for which the costs will be 75% or more of the cost to replace the building(s)) of a multi-family project with 15 or more units will occur:

1. 5% of the units in the project (but not less than one unit) must be accessible to individuals with mobility impairments, and

2. An additional 2% of the units (but not less than one unit) must be accessible to individuals with sensory impairments.

C. If a project involves fewer than 15 units or the cost of alterations is less than 75% of the replacement cost of the completed facility and the recipient has not made 5% of its units in the development accessible to and usable by individuals with disabilities, then the requirements of 24 CFR 8.23(b) - Other Alterations apply. Under this section, alterations to dwelling units shall, to the maximum extent feasible, be made readily accessible to and usable by individuals with disabilities. If alterations to single elements or spaces of a dwelling unit, when considered together, amount to an alteration of a dwelling unit, the entire unit shall be made accessible. Alteration of an entire unit is considered to be when at least all of the following individual elements are replaced:

- renovation of whole kitchens, or at least replacement of kitchen cabinets; and
- renovation of the bathroom, if at least bathtub or shower is replaced or added, or a toilet and flooring is replaced; and replacement of entrance door jambs.

D. When the entire unit is not being altered, 100% of the single elements being altered must be made accessible until 5% of the units in the development are accessible. However, the project owners are strongly encouraged to make 5% of the units in a development readily accessible to and usable by individuals with mobility impairments, since that will avoid the necessity of making every element altered accessible, which often may result in having partially accessible units which may be of little or no value for persons with mobility impairments. It is also more likely that the cost of making 5% of the units accessible up front will be less than making each and every element altered accessible. Alterations must meet the applicable sections of the UFAS which govern alterations.

E. Accessible units must, to the maximum extent feasible, be distributed throughout projects and sites and must be available in a sufficient range of sizes and amenities so as to not limit choice.

F. Owners and managers of projects with accessible units must adopt suitable means to assure that information regarding the availability of accessible units reaches eligible individuals with handicaps. They must also take reasonable non-discriminatory steps to maximize use of such units by eligible individuals.

G. When an accessible unit becomes vacant, before offering the unit to a non-handicapped individual, the owner/manager should offer the unit: first, to a current occupant of the project who requires the accessibility feature; and second to an eligible qualified applicant on the waiting list who requires the accessibility feature.

H. The usual standards for ensuring compliance with Section 504 are the Uniform Federal Accessibility Standards (UFAS).

The Fair Housing Act:

Multi-family dwellings consisting of four or more units, first occupied after March 13, 1991, must also meet the design and construction requirements of the Fair Housing Act.

A. Multifamily dwellings must be designed and constructed so that at least one building entrance is located on an accessible route, unless it is impractical to do so because of the terrain or unusual characteristics of the site.

B. Multifamily dwellings with a building entrance on an accessible route will be designed and constructed so that:

1. The public and common use areas are readily accessible to and usable by handicapped persons;
2. The doors are designed to allow passage into and within the common areas are sufficiently wide to allow passage by handicapped persons in wheelchairs; and
3. All of the covered (accessible) dwelling units contain the following features of adaptable design:
4. An accessible route into and through the covered (accessible) dwelling unit;
5. Light switches, electrical outlets, thermostats, and other environmental controls in accessible locations;
6. Reinforcements in bathroom walls to allow later installation of grab bars around the toilet, tub, shower, stall and shower seat, where such facilities are provided; and
7. Usable kitchens and bathrooms such that an individual in a wheelchair can maneuver about the space.

The Americans with Disabilities Act

The Americans with Disabilities Act (ADA) provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, state and local government services and telecommunications. The ADA also states that discrimination includes the failure to design and construct facilities that are accessible to and usable by persons with disabilities. The ADA also requires the removal of architectural and communication barriers that are structural in nature in existing facilities. Removal must be readily achievable, easily accomplishable and able to be carried out without much difficulty or expense.

HOME applicants/recipients should alert their project architects that the provisions of Section 504, the Fair Housing Act, and the Americans with Disabilities Act are triggered due to federal funding so the architect can design the construction or rehab project with these requirements in mind.

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Section 7:

Funding Terms and Periods of Compliance

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CDBG Program Funding Term

Loans vs. Grants

The City's CDBG program will consider proposals for both loans and grants, or for a mixture of loans and grants, when the applicant is a non-profit entity. For-profit entities will be eligible for loans only. The interest rates and terms of such loans will be negotiable, and will be based on the profitability of the project, the incomes of tenants served, the duration of the proposed period of compliance, and other factors that have an impact on the need for and feasibility of the proposed project.

CDBG Periods of Compliance

Federal CDBG regulations do not stipulate periods of compliance when funds from this source are invested in eligible projects. The City's practice, however, is to require a minimum period of compliance for all grants and a negotiated period of compliance for loans.

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Section 8:
Funding Recipient Housing Rehabilitation
Project Management Responsibilities

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Funding Recipient Housing Rehabilitation Project Management Responsibilities

As Funding recipient/project manager for a City-funded housing rehabilitation project, you will be responsible for completing the items in the following checklists:

1. Post-award activities

- Reading/reviewing the Applicant's Manual that was provided to your organization at the time you received this year's Request for Proposals/Application packet. If you have misplaced your copy of the Manual, you can access it at www.corvallisoregon.gov/CDBGandHOME or we will be happy to provide you with another.
- Contacting your tenants regarding the Uniform Relocation Act, and their rights and responsibilities under the Act as tenants in a residential project that is being rehabilitated with federal funds. Specific guidance pertaining to URA is available from Housing and Community Development Division staff and is provided in Section 2 of the Applicant's Manual.
- Completing tenant income certifications. If you did not certify the incomes of your tenants prior to applying for funding, we will need to do so in order to report back to HUD on the income levels of everyone who benefits from your project. Guidance on performing income certifications is provided in Section 3 of the Applicant's Manual; Housing and Community Development Division staff can also provide further direction as needed.

Copies of tenant letters and income certification forms must be submitted to the City at each point they are required during the course of your project.

2. Pre-construction activities

- Developing a spreadsheet to track project expenditures, reimbursements, and activity elements. We are flexible and do not require that a specific format be used. If you would like assistance in developing your budget tracking spreadsheet, one of our staff members will be happy to help.
- Developing the project design, specifications, and scope of work. Your project funding application included a general description of the project and scope of work. Taking these elements to a more detailed final form must now be completed in order to assure that your project is described clearly, in its entirety, so that contractors interested in submitting proposals will all work from a common basis. As you or your design professional develop the details and specifications for your project you need to factor the following as they may be applicable to your project:
 - Meeting Davis-Bacon labor standards (Section 4)
 - Accessibility requirements (Section 6)
 - Lead-based paint regulatory requirements (Section 5)
 - Requirements for soliciting and selecting contractors and design professionals (see Section 4), including:

- MBE and WBE outreach (Section 4)
- Section 3 outreach ((Section 4)

Your budget spreadsheet and final design/specifications/scope of work and construction contract must be submitted to our office prior to your initiating the solicitation of contractor proposals. Submit final drafts of these documents to Housing and Community Development Division staff for review.

- Developing a contractor solicitation/marketing plan that outlines the approach you will use to secure project contractors. We recommend a request for qualifications (RFQ) approach to solicit interest in the project, followed by a selective request for proposals process.
- Please keep in mind that contractors who design or develop specifications for your project may not be eligible to bid for the construction phase of the project (check with Housing staff regarding this aspect).
- The marketing plan should also include the approach you will use to reach out to Minority-owned and Women-owned Business Enterprises (MBEs and WBEs) as you solicit contractor proposals. Please contact us for assistance with this element of your plan.
- Developing a Construction Contract and General Conditions to guide the selected contractor's work on your project.

Your marketing plan must be submitted to our office prior to your initiating the solicitation of contractor proposals. Please contact a Housing and Community Development Division staff at 541-774-2390 for assistance in the development of these materials.

- Developing a request for proposals (RFP) packet for review by a Housing and Community Development Division Staff, to include:
 - The list of qualified and interested contractors you developed through your RFQ process (including the MBE/WBE contractors to whom you will provide the RFP packet). Note: Check with the Housing and Community Development Division to see if you also need to include Section 3 outreach in your process.
 - Your instructions to contractors for obtaining the RFP packet and submitting a proposal.
 - Your written criteria for selecting a contractor or contractors.
 - A copy of the Construction Contract and General Conditions that will be used for the project. Be sure to include in your Contract the required federal clauses, as applicable, found on pages 10-14 of Section 4 of the Applicant Manual. Your Contract will also need to contain clauses that describe the City's roles, rights and responsibilities as the project funder. A list of these clauses follows.

Your complete Request for Proposals packet must be submitted to our office prior to your initiating the solicitation of contractor proposals. Please contact Housing and Community Development Division staff at (541) 774-2390 for assistance in the development of these materials.

As you work through these pre-solicitation elements of your project, as well as the project itself, **it is critical that you document all that you do**, both for our records and for yours. Documentation that you should maintain includes, but is not limited to: copies of any correspondence, notifications, or advertisements; copies of faxes sent or received; written records of telephone or face-to-face conversations; and summaries, descriptions, justifications of any actions that vary from the approved project scope and process.

3. Proposal Analysis, Contractor Selection, Cost Reasonableness

The project manager shall facilitate and **document** the following:

- A thorough review of all proposals received for accurateness, completeness, and compliance with the request for proposal.
- Basis for contractor selection
- Process used to determine cost reasonableness

You must provide the Housing and Community Development Division copies of all proposals received and documentation of your contractor selection and cost reasonableness determination process.

DO NOT SIGN ANY CONSTRUCTION CONTRACT until you have received written notification to proceed from the Housing and Community Development Division.

4. Construction-related Activities

Once you have selected a project contractor and executed a contract, work on your project may begin. You will be responsible, during the course of the project, for:

- Developing and maintaining a project file. The City will require copies of all project documents. (Some exceptions may apply; consult with Housing and Neighborhood Services Division staff.)
- Tracking all expenditures and monitoring the project budget. Up-to-date and detailed budget reports are required with each contractor payment/reimbursement request.
- Requesting inspections of the work by City Housing staff in conjunction with submitting a payment/ reimbursement request.
- Coordinating payment requests from contractors or suppliers.
- Overseeing the on-site work on a regular basis.
- Being the primary liaison between the contractor and City staff.
- Facilitating compliance and coordinating with City staff with regard to federal regulations that may apply to your project such as:
 - The Uniform Relocation Act and your Displacement Prevention Plan
 - Section 3

- Lead based paint regulations
- Davis-Bacon

Completing close-out documents (to be provided by the City) at the end of the project.

The checklists outlined above are intended to be inclusive in order to give you a clear sense of the time and staff resources that you should expect to commit to your project from start to finish. Please note, though, that each project is unique and circumstances/requirements not described in this overview may arise. As they do, we will welcome your comments and questions. Housing and Neighborhood Services Division staff are here to assist your organization with this project in order to jointly serve your clients by providing them with safe, secure, appropriate and affordable housing. We are committed to achieving that outcome!

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**City of Corvallis HOME Program Manual:
Requirements for Affirmative Marketing of HOME Projects**

IMPORTANT NOTE FOR ALL CDBG AND HOME FUNDING APPLICANTS:

The policy that follows has been written to comply with the federal regulations that apply to the HOME Program as they relate to affirmative marketing, and are found at 24 CFR 92.351. Applicants for funding under either the City's CDBG or HOME program should be aware that in addition to the guidelines outlined in the policy section that follows, the **Corvallis Municipal Code**, Section 1.23.060, carries the following requirements:

- 1) It shall be unlawful to discriminate in selling, renting or leasing real property on the basis of an individual's race, religion, color, sex, national origin, marital status, familial status, or physical or mental disability, by committing any of the acts made unlawful under the provisions of ORS 659.033 and 659.430.
- 2) In addition, it shall be unlawful to discriminate in selling, renting or leasing real property on the basis of an individual's citizenship status, religious observance, sexual orientation, gender identity or expression, source or level of income, or age if the individual is 18 years of age or older except as is excluded in ORS 659.033 subsection 6(a) and (b), by committing against any such individual any of the acts already made unlawful under ORS 659.033 when committed against the categories of persons listed therein.