

County of Union Home Investment Partnerships Program



Policies and Procedures Manual



Introduction

County of Union - HOME Policies and Procedures Manual

The HOME Program was created by the National Affordable Housing Act of 1990 (NAHA) and is designed to strengthen public-private partnerships and to expand the supply of decent, safe, sanitary, and affordable housing.

HOME funds are used to achieve the following objectives:

- ☐ To provide decent affordable housing to lower-income households.
- ☐ To expand the capacity of non-profit housing providers.
- ☐ To strengthen the ability of state and local governments to provide housing.
- ☐ To leverage private sector participation.

Eligible activities are defined in accordance with the following categories:

- ☐ Housing rehabilitation,
- ☐ Homebuyer activities,
- ☐ Rental housing activities, &
- ☐ Tenant-based Rental Assistance (TBRA).

Individual households, non-profit and for-profit developers may apply for HOME funding.

Distribution of Funding:

The County of Union distributes HOME funds geographically within its boundaries and among different categories of housing need, according to the priorities of housing need identified in its approved consolidated plan. The County of Union only invests HOME funds in eligible projects within its boundaries, or in joint projects within the boundaries of contiguous local jurisdictions, which serve residents from both jurisdictions. Applications for the County of Union Home funds are solicited once a year (subject to fund availability) and reviewed competitively. Before committing funds to a project, the County of Union underwrites and evaluates the project and will not invest any more HOME funds, in combination with other governmental assistance, than is necessary to provide affordable housing. The competitive selection criteria for projects will be published at the time applications are solicited.

Definitions:

1. **Action Plan:** The one-year portion of the Consolidated Plan. It includes the PJ's annual application for HOME funds.
2. **Adjusted Income:** Adjusted income is annual (gross) income reduced by deductions for dependents, elderly households, medical expenses, handicap assistance expenses and childcare (these are the same adjustment factors used by the Section 8 Program).
3. **Affordability:** The requirements of the HOME Program that relate to the cost of

housing both at initial occupancy and over established timeframes, as prescribed in the HOME Final Rule. Affordability requirements vary depending upon the nature of the HOME assisted activity (i.e., homeownership or rental housing).

4. **Annual Income:** Annual income as defined in 24 CFR 5.609, referred to as "Part 5 annual income", also known as the rules for determining income under the Section 8 voucher program.

5. **Commitment:** Commitment means (1) The participating jurisdiction has executed a legally binding written agreement (that includes the date of the signature of each person signing the agreement) with a State recipient, a subrecipient, or a contractor to use a specific amount of HOME funds to produce affordable housing, provide down payment assistance, or provide tenant-based rental assistance; or has met the requirements to commit to a specific local project, as defined in paragraph (2) of this definition. (See § 92.504(c) for minimum requirements for a written agreement.) An agreement between the participating jurisdiction and a subrecipient that is controlled by the participating jurisdiction (e.g., an agency whose officials or employees are official or employees of the participating jurisdiction) does not constitute a commitment. An agreement between the representative unit and a member unit of general local government of a consortium does not constitute a commitment. In addition, and only until October 21, 2013, a properly executed written agreement reserving a specific amount of funds for a CHDO may constitute a commitment. As of October 22, 2013 the requirements for commitment to a specific local project will apply to all CHDO fund commitments.

6. **Commitment to a specific local project:** Commitment to a specific local project means that a legally binding agreement was executed meeting one of the following sets of requirements:

(1) For rehabilitation or new construction projects, the PJ (or other entity) and the project owner will execute an agreement for an identifiable project for which all necessary financing has been secured, a budget and schedule have been established, and underwriting has been completed and under which construction is scheduled to start within 12 months of the agreement date. If the project is owned by the County of Union or state recipient, the project must be set up in the disbursement and information system and construction reasonably expected to start within 12 months of the set-up date.

(2) If the project consists of acquisition of standard housing by the PJ, the agreement must be a binding contract for the sale of an identifiable property and the property title must be transferred to the PJ (or other entity) within six months of the date of the contract.

(3) If the project involves the acquisition of standard housing and the County of Union is providing HOME funds to a purchaser, under the agreement, the title of the property must be transferred to the purchaser within six months of the agreement date.

(4) If the project consists of TBRA, the County of Union/Subrecipient must

enter into a rental assistance contract with the owner or the tenant in accordance with the provisions of 24 CFR Part 92.209.

(5) Note that preliminary or conditional “commitments” may be made, but no funds are considered committed under the rules unless the above conditions have been met.

7. **Consolidated Plan:** A plan prepared in accordance with the requirements set forth in 24 CFR Part 91 which describes community needs, resources, priorities and proposed activities to be undertaken under certain HUD programs, including HOME.

8. **Consortium:** Geographically contiguous units of general local government consolidated to be in a single unit of general local government for HOME Program purposes when certain requirements are met.

9. **Community Housing Development Organization (CHDO):** A private, nonprofit organization that meets a series of qualifications prescribed in the HOME regulations at 24 CFR Part 92.2. The HOME New Rule requires that CHDO’s have paid staff with demonstrated capacity appropriate to the CHDO’s role (this requirement cannot be met through volunteer, donated staff, shared staff, or board members). A participating jurisdiction must award at least 15 percent of its annual HOME allocation to CHDOs.

10. **Draw-Down:** The process of requesting and receiving HOME funds. The County of Union draw down funds from a line of credit established by HUD.

11. **Final Rule:** The Final HOME Rule was published at 24 CFR Part 92 on July 24, 2013 and became effective on August 24, 2013.

12. **Group Home:** Housing occupied by two or more single persons or families consisting of common space and/or facilities for group use by the occupants of the unit, and (except in the case of shared one-bedroom units) separate private space for each family.

13. **HOME-Assisted Units:** A term that refers to the units within a HOME project for which rent, occupancy and/or resale restrictions apply. The number of units designated as HOME-assisted affects the maximum HOME subsidies that may be provided to a project.

14. **HOME Funds:** All appropriations for the HOME Program, plus all repayments and interest or other returns on the investment of these funds.

15. **HOME Investment Trust Fund:** The term given to the two accounts - one at the Federal level and one at the local level - that “hold” the County of Union’s HOME funds. The Federal HOME Investment Trust Account is the U.S. Treasury account for each participating jurisdiction. The local HOME Investment Trust Fund account includes repayments of HOME funds, matching contributions and payment of interest or other returns on investment.

16. **Household:** One or more persons occupying a housing unit.

17. **Jurisdiction:** A state or unit of general local government.
18. **Low-Income Families:** Families whose annual incomes do not exceed 80 percent of the median income for the area (adjusted for family size).
19. **Match:** Match is the County of Union's contribution to the HOME Program -- the local, non-Federal contribution to the partnership. The County of Union's match contribution must equal not less than 25 percent of the HOME funds drawn down for projects in that fiscal year.
20. **New Construction:** The creation of new dwelling units. Any project which includes the creation of new or additional dwelling units in an existing structure is considered new construction.
21. **Participating Jurisdiction (PJ):** The term given to any state, local government or consortium that has been designated by HUD to administer a HOME Program. HUD designation as a PJ occurs if a state or local government meets the funding thresholds, notifies HUD that they intend to participate in the program and has a HUD-approved Consolidated Plan. Program Income: Gross income received by the County of Union, state recipient, or a sub recipient directly generated from the use of HOME funds or matching contributions.
22. **Project:** A site or an entire building or two or more buildings, together with the site or sites on which the building or buildings is located, that are under common ownership, management and financing and are to be assisted with HOME funds, under a commitment by the owner, as a single undertaking. The HOME Final Rule eliminated the requirement that all buildings fall within a four block radius.
23. **Project completion:** All necessary title transfer requirements and construction work have been performed; the project complies with all HOME requirements; the final draw-down of HOME funds has been disbursed for the project; and the project completion information has been entered in the disbursement and information system established by HUD, except that with respect to rental housing project completion, for the purposes of § 92.502(d) of this part, project completion occurs upon completion of construction and before occupancy. For TBRA, project completion means the final draw-down has been disbursed for the project.
24. **Reconstruction (also rehabilitation):** The rebuilding, on the same lot, of housing standing on a site at the time of project commitment. Except that housing that was destroyed may be rebuilt on the same lot if HOME funds are committed within 12 months of the date of destruction the number of housing units on the lot may not be changed as part of the reconstruction project, but the number of rooms per unit may change. Reconstruction also includes replacing an existing substandard unit of manufactured housing with a new or standard unit of manufactured housing.
25. **Single-Room Occupancy (SRO):** Housing consisting of single-room dwelling

units that is the primary residence of its occupant or occupants. The unit must contain food preparation and/or sanitary facilities if the project involves new construction, conversion of non-residential space, or reconstruction. If the units do not contain sanitary facilities, the building must contain sanitary facilities shared by the tenants. SRO must be in compliance with the local zoning regulations.

26. State Recipient: State PJs can award their HOME funds to units of local government to run HOME locally. Any unit of local government designated by a state to receive HOME funds is called a “state recipient.” The state is responsible for ensuring that HOME funds allocated to state recipients are used in accordance with the HOME regulations and other applicable laws.

27. Sub recipient: A public agency or nonprofit organization selected by the County of Union to administer all or a portion of the County of Union’s HOME Program. A public agency or nonprofit organization that receives HOME funds solely as a developer or owner of housing is not a sub recipient.

28. Targeting: Requirements of the HOME Program relating to the income or other characteristics of households that may occupy HOME-assisted units.

29. Tenant-Based Rental Assistance (TBRA): A form of direct rental assistance in which the recipient tenant may move from a dwelling unit with a right to continued assistance. Includes security and utility deposits associated with the rental of dwelling units.

30. Very-Low-Income Families: Families whose annual incomes do not exceed 50 percent of the median income for the area (adjusted for family size).

General Eligibility Requirements

Eligible Activities

HOME funds may be used to develop and support affordable rental housing and homeownership affordability through:

- ☐ Acquisition (including assistance to homebuyers),
- ☐ New construction (includes adding additional units to an existing structure),
- ☐ Reconstruction, or rehabilitation of non-luxury housing with suitable amenities, including related costs such as:
- ☐ Real property acquisition,
- ☐ Site improvements,
- ☐ Demolition, and
- ☐ Other eligible expenses including financing costs, relocation expenses of any displaced persons, families, businesses, or organizations;

- ☐ Tenant-based rental assistance to eligible household(s), including security deposits;
- ☐ Operating expenses of community housing development organizations.

**All housing supported with HOME funds must be permanent or transitional housing.*

*** A HOME assisted project that is terminated before completion, either voluntarily or otherwise, constitutes an ineligible activity and will be subject to recapture.*

Eligible Properties:

- 1-4 Single family unit homes
- Condominiums/Cooperatives
- Group Homes
- Transitional Housing & Single Room Occupancy Units
- Permanent Supportive Housing
- May be one or more buildings on a single site, but project must be assisted with HOME funds as a single undertaking.

Method of Assistance:

- ☐ County of Union HOME funds are provided through grants (typically forgivable once the period of affordability has ended).
- ☐ **Minimum amount of assistance.** The minimum amount of HOME funds that must be invested in a project involving rental housing or homeownership is \$1,000 times the number of HOME-assisted units in the project.

☐ **Maximum HOME Investment:**

Maximum Per Unit Subsidy Amounts

As per HUD and yearly RFP-Requirements*

**Actual funding levels will vary project by project and may be lower based on cost reasonableness and needs of project.*

☐ **Projects Containing both HOME and Non-Home Units:** HOME funds may be used to assist one or more housing units in a multi unit project that contains other non-Home units. However, the following additional restrictions apply:

- ☐ Only the **actual** HOME eligible development costs may be supported by the HOME program.
- ☐ Actual Costs can be determined by the following:
- ☐ If the assisted and non-assisted units **are not comparable** (non-HOME units may contain luxury materials, for example) the actual costs may be determined based on a method of cost allocation.
- ☐ If the assisted and non-assisted units **are comparable** in terms of size, features and number of bedrooms, the actual cost of the HOME assisted

units can be determined by pro-rating the total HOME eligible development costs of the project so that the proportion of the total development costs charged to the HOME program does not exceed the proportion of the HOME-assisted units in the project.

Construction Standards

Housing that is constructed or rehabilitated with HOME funds must meet all applicable local codes, rehabilitation standards, ordinances, and zoning ordinances at the time of project completion. Specifically, housing must meet the County of Union HOME Construction Standards and must conform to any design plans and specifications provided as part of a developer or owner application. Newly constructed housing must meet the current edition of the Model Energy Code published by the Council of American Building Officials.

All other HOME-assisted housing (e.g., acquisition) must meet all applicable State and local housing quality standards and code requirements and if there are no such standards or code requirements, the housing must meet the housing quality standards in 24 CFR 982.401.

The housing must meet the accessibility requirements at 24 CFR part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and covered multifamily dwellings, as defined at 24 CFR 100.201, must also meet the design and construction requirements at 24 CFR 100.205, which implement the Fair Housing Act (42 U.S.C. 3601-3619).

Construction of all manufactured housing must meet the Manufactured Home Construction and Safety Standards established in 24 CFR Part 3280. These standards pre-empt State and local codes covering the same aspects of performance for such housing.

An owner of rental housing assisted with HOME funds must maintain the housing in compliance with all applicable State and local housing quality standards and code requirements and if there are no such standards or code requirements, the housing must meet the housing quality standards in 24 CFR 982.401.

The following requirements apply to housing for homeownership that is to be rehabilitated after transfer of the ownership interest: Before the transfer of the homeownership interest, the County of Union will:

- ☐ Inspect the housing for any defects that pose a danger to health; and
- ☐ Notify the prospective purchaser of the work needed to cure the defects and the time by which defects must be cured and applicable property standards met.
The housing must be free from all noted health and safety defects before occupancy and not later than 6 months after the transfer. The housing must meet the property standards.

Eligible Project Costs

HOME funds may be used to pay the following eligible costs:

- ☐ Acquisition Costs
- ☐ Development Hard Costs
- ☐ Related Soft Costs
- ☐ Community Housing Development Organization Costs
- ☐ Relocation Costs

If a property supported (acquired, rehabilitated, etc) with HOME funds is ultimately unable to provide affordable housing in accordance with HUD regulations, the project will be deemed ineligible and subject to the recapture of HOME funds. These project costs are explained in further detail in the following pages.

Acquisition Costs:

- ☐ Includes costs of acquiring improved or unimproved real property
- ☐ Acquisition of vacant land or demolition can only be undertaken for particular housing project intended to provide affordable housing.
- ☐ Costs to make utility connections to an adjacent street or to make improvements to the project site, in accordance with the provisions of § 92.206(a)(3)(ii) and (iii) are also eligible in connection with acquisition of standard housing.

Development Hard Costs:

- ☐ Includes the actual cost of constructing or rehabilitating housing.
- ☐ **New Construction:** Project costs must meet the County of Union's Construction Standards.
- ☐ **Rehabilitation:** Project costs must meet the County of Union's Construction Standards.
- ☐ Demolition of Existing Structures (Remember that Uniform Relocation Act applies)
- ☐ Creation of utility connections including off-site connections from the property line to the adjacent street.
- ☐ Improvements to the project site (only property owned by the project owner, where the project is located) that are in keeping with improvements of surrounding, standard projects. Including:
 - ☐ On-site roads
 - ☐ Sewer Lines
 - ☐ Water lines

** Costs must be necessary to the development of the project.*

- ☐ Costs to construct or rehabilitate laundry and/or community facilities located in the same building as the housing for the use of project residents (only applicable to multi-unit RENTAL housing).

New Construction:

- ☐ **Manufactured Housing:** HOME funds may be used to purchase manufactured housing units or purchase the land upon which a manufactured housing unit is located. County of Union Home funds shall not be used to rehabilitate manufactured housing units. Any manufactured housing unit purchased with HOME funds must, at the time of project completion, be connected to permanent utility hook-ups and be located on land that is owned by the manufactured housing unit owner or land for which the manufactured housing owner has a lease for a period at least equal to the applicable period of affordability.

Soft Costs:

- ☐ Costs include other reasonable and necessary costs incurred by the owner and associated with the financing, or development (or both) of new construction, rehabilitation or acquisition of housing assisted with HOME funds.
- ☐ These costs include, but are not limited to:
 - ☐ Architectural Services;
 - ☐ Engineering Services;
 - ☐ Preparation of plans, drawings, specifications, or work write-ups;
 - ☐ Costs to process and settle the financing for a project;
 - ☐ Private lender origination fees;
 - ☐ Credit reports;
 - ☐ Fees for title evidence;
 - ☐ Fees for recordation;
 - ☐ Filing of legal documents;
 - ☐ Building permits;
 - ☐ Attorneys fees;
 - ☐ Private appraisal fees;
 - ☐ Fees for an independent cost estimate;
 - ☐ Builders or developers fees;
 - ☐ Costs of a project audit;
 - ☐ Affirmative marketing and fair housing information to prospective homeowners and tenants
- ☐ Staff and overhead costs directly related to carrying out the project, such as:
 1. Work specifications preparation,
 2. Loan processing inspections, and
 3. Other services related to assisting potential owners, tenants, and homebuyers.
 4. Housing counseling (only for individuals who ultimately occupy a HOME unit)
 5. All costs must be reasonable and thoroughly documented (including timesheets detailing actual time worked on HOME activities).
- ☐ For both new construction and rehabilitation, costs for the payment of impact fees that are charged for all projects within a jurisdiction.
- ☐ Costs of environmental review and release of funds in accordance with 24 CFR Part

58 which are directly related to the project.

- ☐ Cost of funding an initial operating deficit reserve, not to exceed 18 months (ONLY eligible for new construction or rehabilitation projects):
- ☐ Only can be used to pay project operating expenses, scheduled payments to a replacement reserve, and debt service.
- ☐ Any HOME funds placed in an operating deficit reserve that remains unexpended after the period of project rent-up may be retained for project reserves.
- ☐ Relocation costs (for persons displaced by the project):
- ☐ Replacement housing payments
- ☐ Moving expenses
- ☐ Other reasonable out-of-pocket costs incurred in the temporary relocation of persons.
- ☐ Staff time associated with providing relocation to displaced persons (including referrals housing search assistance, property inspections, counseling, and other assistance necessary to minimize hardship).
- ☐ Payment of Construction Loan, Bridge Financing, or Guaranteed Loan (principal & interest), if:
 1. The Project meets all HOME requirements and the loan was used for eligible costs specified in HOME Regulations and this policies and procedures manual; &
 2. The HOME assistance is part of the original financing for the project.

Community Housing Development Organization (CHDO) Costs:

- ☐ A CHDO is defined as a private, nonprofit organization that meets a series of qualifications prescribed in the HOME regulations at 24 CFR Part 92.2.
- ☐ The HOME New Rule requires that CHDO's have paid staff with demonstrated capacity appropriate to the CHDO's role (this requirement cannot be met through volunteer, donated staff, shared staff, or board members).
- ☐ CHDO status must be recertified regularly by the County of Union.
- ☐ Costs include operating Expense and Capacity Building Costs for eligible CHDO's.
- ☐ Operating expenses means reasonable and necessary costs for the operation of the community housing development organization, such costs include:
 1. Salaries, wages, and other employee compensation and benefits;
 2. Employee education,
 3. Training, and travel;
 4. Rent;
 5. Utilities;
 6. Communication costs;
 7. Taxes; insurance;
 8. Equipment; &
 9. Materials and supplies.
- ☐ Housing for homeownership is developed by the Community Housing Development Organization if the CHDO is the owner (in fee simple absolute) and developer of new housing that will be constructed or existing substandard housing that will be rehabilitated for sale to low-income families in accordance with 92.254.

☐ To be the developer, the CHDO must arrange financing of the project and be in sole charge of construction. The CHDO may provide direct homeownership assistance (e.g. Downpayment assistance) when it sells the housing to low-income families and the CHDO will not be considered a subrecipient. The HOME funds for Downpayment assistance shall not be greater than 10 percent of the amount of HOME funds for development of the housing.

☐ Union County will have in its contracts the method by which the sales price will be determined. All CHDO proceeds must be returned to the County.

☐ Costs **DO NOT** include operating expenses incurred by a CHDO acting as a subrecipient or contractor under the HOME Program.

Tenant Based Rental Assistance:

- ☐ Eligible costs include the rental assistance and security deposit payments made to provide tenant-based rental assistance for eligible households.
- ☐ Administration of tenant-based rental assistance is generally eligible only under Administrative Expenses (subject to administrative CAP). Specific exceptions will apply where costs for income certifications and unit inspections can be directly assigned to individual projects.

Ineligible Activities

HOME funds shall not be used to:

- ☐ Provide project reserve accounts, except as provided in § 92.206(d)(5), or operating subsidies;
- ☐ Provide tenant-based rental assistance for the special purposes of the existing section 8 program, in accordance with section 212(d) of the Act;
- ☐ Provide non-federal matching contributions required under any other Federal program;
- ☐ Provide assistance authorized under section 9 of the 1937 Act (Public Housing Capital and Operating Funds);
- ☐ Provide assistance to eligible low-income housing under 24 CFR part 248 (Prepayment of Low Income Housing Mortgages), except that assistance may be provided to priority purchasers as defined in 24 CFR 248.101;
- ☐ Provide assistance (other than tenant-based rental assistance or assistance to a homebuyer to acquire housing previously assisted with HOME funds) to a project previously assisted with HOME funds during the period of affordability established by the participating jurisdiction in the written agreement under §92.504. However, additional HOME funds may be committed to a project up to one year after project completion (see § 92.502), but the amount of HOME funds in the project may not exceed the maximum per-unit subsidy amount established under § 92.250.
- ☐ Pay for the acquisition of property owned by the County of Union, except for property acquired by the participating jurisdiction with HOME funds, or property acquired in anticipation of carrying out a HOME project; or Pay delinquent taxes, fees or charges on properties to be assisted with HOME funds.
- ☐ Pay for any cost that is not eligible under §§ 92.206 through 92.209.

- ☐ Support activities in connection with litigation involving discrimination or fair housing are set forth in section 224 of the Act.

Eligible Beneficiaries/Residents

The HOME Program is designed to provide affordable housing to low-income households and individuals.

Eligible beneficiaries must meet the following requirements:

- ☐ Household must be at or below 80% of area median income (or applicable requirements for Rental Housing or Tenant Based Rental Assistance);
- ☐ Household must reside in or be relocating to the County of Union;
- ☐ Household must not be an agent, consultant, officer, and/or elected official of the County of Union or a HOME recipient of funds (household may still be able to receive assistance IF a waiver is received by HUD); &
- ☐ Household must meet all other requirements where applicable.

Additional restrictions apply when HOME is used for rental housing or HOME assisted rental units and households assisted with HOME funded TBRA must have incomes that are 60% or less of area median income. Twenty percent of the units in each rental housing project with five or more HOME assisted units must be occupied by families with incomes at or below 50% of area median income.

Income Eligibility:

When determining the annual income of an individual or family, the HOME recipient must use the standard for calculating annual income under 24 CFR 5.609.

Calculating Annual (Gross) Income

The annual income definition found at 24 CFR Part 5 is used by a variety of Federal programs including Section 8, public housing and the Low-Income Housing Tax Credit Program and will be used as the qualifying standard for the County of Union housing programs. Annual income is used to determine program eligibility and, in some programs, the level of assistance the household will receive. This definition was formerly commonly referred to as the Section 8 definition.

The Part 5 definition of annual income is the *gross amount of income of all adult household members* that is *anticipated to be received* during the coming 12-month period. Each of the italicized phrases in this definition is key to understanding the requirements for calculating annual income:

- ☐ **Gross amount.** For those types of income counted, gross amounts (before any deductions have been taken) are used;
- ☐ **Income of all adult household members.** The Part 5 definition of annual income contains income “inclusions” – types of income to be counted – and “exclusions” – types of income that are not considered (for example, income of minors); and
- ☐ **Anticipated to be received.** The Part 5 annual income is used to determine eligibility and the amount of Federal assistance a family can receive. Therefore, Developers shall use a household’s expected ability to pay, rather than past earnings, when estimating housing assistance needs.

Beneficiaries of HOME funds- homebuyers, homeowners, or tenants- must be determined income eligible based upon a review of their projected **gross anticipated annual income** by all adult household members (everyone 18 years of age and older).

- ☐ The income determination cannot be more than **6 months** old at the time the assistance is received.
- ☐ The income of household receiving tenant based rental assistance or living in rental housing cannot exceed the HOME income limits for their designated unit over time.

DOCUMENTATION

Any recipient of HOME funds, including developers, subrecipients and contractors, are responsible for documenting compliance with the income restrictions of HOME-assisted units for the period of affordability. Recipients must use Income Verification Packets provided by the County and submit completed packets to the County for approval.

The County will provide technical assistance to properly complete income verification to any recipient upon request. It is recommended that all recipient staff responsible for completing income verification packets receive training from the County.

If recipients fail to properly complete or submit Income Verification Packets, the recipient will be in non-compliance of their HOME agreement and all HOME funds provided will be subject to repayment to the County.

- ☐ Income of **ALL** Adults (persons 19 and over), even if there is no income
- ☐ If there are more than one ADULT in a household, documentation **must** be provided for each ADULT household member.
- ☐ If an adult has more than one income source or job, each source of income should have its own documentation (i.e. paystubs for employment & RIW benefit letter for Jane Smith).

To determine if applicants are income eligible, recipients shall review and verify income using the following (*but not limited to*):

- ☐ Pay stubs
- ☐ SSI/SSDI benefit letters
- ☐ Pension Statements
- ☐ Wage statements
- ☐ Interest statements
- ☐ Unemployment compensation statements
- ☐ Tax returns, w-2 forms
- ☐ Profit and loss statement from business
- ☐ Other Third party documentation (bank statements, etc)

Long-Term Affordability:

To ensure investments provide affordable housing over the long term, rent and occupancy restrictions continue throughout the period of affordability. The minimum length of an affordability period depends on the amount of the HOME investment in the property and the nature of the activity:

Less than \$15,000	5 years
\$15,000-\$40,000	10 years
More than \$40,000	15 years
New Construction of rental housing:	20 years
Refinancing of rental housing:	15 years

RENTAL

Mortgages and deed restrictions will be recorded on all rental properties to ensure compliance with all program rules during the period of affordability. Throughout the period of affordability, income eligible households must occupy the assisted units. When designated rental units become vacant during the period of affordability, subsequent tenants must be income eligible and must be charged the applicable rent.

HOMEBUYER

All HOME-assisted homebuyer properties will have a mortgage, deed restriction, and homebuyer agreement recorded at closing. If a home purchased with HOME assistance is sold during the period of affordability, *resale and recapture provisions* (see Appendix III) apply to ensure the continued provision of affordable housing.

Site and Neighborhood Standards (See Appendix I):

Proposed sites for potential HOME projects must meet the following site and neighborhood standards:

- ☐ Be adequate to accommodate the number and type of units proposed;
- ☐ Have sufficient utilities and streets must to service the site;
- ☐ Be in full compliance with the applicable provisions of Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, E.O. 11063;
- ☐ Promote greater choice of housing opportunities;
- ☐ Avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.
- ☐ Be accessible to social, recreational, educational, commercial, and health facilities and services,
- ☐ Be accessible to municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents.
- ☐ Be located to places of employment providing a range of jobs for lower income workers.
- ☐ The neighborhood must not be one which is seriously detrimental to family life or other undesirable conditions predominate, unless there is actively in progress a concerted program to remedy the undesirable conditions. The site must not be located in an area of minority concentration, except as permitted.
- ☐ Sufficient, comparable opportunities exist for housing for minority families, in the income range to be served by the proposed project, outside areas of minority concentration; or
- ☐ The project is necessary to meet overriding housing needs that cannot be met in that housing market area.

Please refer to 24 CFR 983.6 for more details regarding utilization of the exceptions listed above.

Program Policies & Requirements by Activity Type

Rental Housing Development

The County of Union Bureau of Housing will provide *grants* to developers of affordable rental projects to assist with cost that are in excess of construction, permanent, and/or other subsidy financing and equity resources. The amount of funds invested in a rental housing project will always reflect the minimum amount of public subsidy necessary to achieve the maximum public benefit. Before committing funds to a rental project, the County will evaluate the project and verify that the developer did not request or was not allocated any more HOME funds in combination with other governmental assistance than is necessary to provide the affordable housing.

Eligible Beneficiaries:

Eligible tenants must meet the following requirements:

Adjusted HOME Income Limits varies yearly (see UCHOME RFP)

- ☐ Household must reside in or be relocating to the County of Union;
- ☐ Household must meet all other requirements where applicable.

FOR PROJECTS WITH MORE THAN 4 HOME UNITS:

- ☐ Household must be at or below the corresponding income limit based on the number of units in the HOME development, see yearly UCHOME RFP:
- ☐ Household must reside in or be relocating to the County of Union;
- ☐ Household must meet all other requirements where applicable.

Deadlines for Completion and Rent-Up

Within **4 years of contract execution** rental projects must be complete, meaning 100% of HOME funds have been disbursed for the project; and the project completion information has been entered in the disbursement and information system established by HUD (completion may occur after construction is completed, but before occupancy as long as beneficiary data is provided when the units are occupied).

The HOME-assisted units in a rental housing project must be occupied by households that are eligible as low-income families and must meet the requirements of this section to qualify as affordable housing. If eligible tenants do not occupy the housing within **six months** following the date of project completion, the Developer must submit marketing information and, if appropriate, a marketing plan.

HOME funds invested in any housing unit that has not been rented to eligible tenants **18 months after the date of project completion** shall be **repaid** to the County of Union

and/or HUD. The affordability requirements also apply to the HOME-assisted non owner-occupied units in single-family housing purchased with HOME funds in accordance with § 92.254. The tenant must have a written lease that complies with §92.253.

Eligible Activities:

Activities allowed with the use of County funds are activities that support the development of affordable rental housing and address the needs identified in the Consolidated Plan. The activities may include but are not limited to:

- ☐ Acquisition of existing structure(s) for rehabilitation of affordable rental housing
- ☐ Rehabilitation of existing structure(s) of affordable rental housing
- ☐ New construction of affordable rental housing

Eligible Types of Projects:

- ☐ 1-4 Single family unit homes
- ☐ Group Homes
- ☐ Transitional Housing & Single Room Occupancy Units
- ☐ Permanent Supportive Housing
- ☐ May be one or more buildings on a single site, but project must be assisted with HOME funds as a single undertaking

Eligible Costs:

- ☐ Development hard cost for both new construction and rehabilitation
- ☐ Acquisition costs
- ☐ General management
- ☐ Related soft costs
 - a. Architectural, engineering or related professional services required:
 - b. Cost to provide information services such as affirmative marketing and fair housing information to prospective tenants as required by HUD
 - c. Operating cost directly related to carrying out the project, such as work specifications preparation, and loan processing inspections
 - d. Cost of environmental review and release of funds in accordance with **24CFR part 58** directly related to the project

Prohibited Activities:

- ☐ Funds may NOT be used to pay for any cost that is not eligible costs under the HOME program (including 92.206 and 209), like delinquent taxes, fees or charges on properties to be assisted.
- ☐ Development of student housing and dormitories (including farm worker dormitories) is an ineligible activity.

Program Rules/Regulations:

Property Management Policies:

☐ The developer must use fair marketing practices when leasing HOME units. The county will review and approve the developer's marketing policy as part of the application review and it will incorporate the policy as part of the funding agreement.

☐ Developers/owners must distribute to residents:

All applicable HUD or Environmental Protection Agency (EPA) approved

Pamphlets

“Renovate Right” Brochure (prior to any repairs that may disturb lead based paint in home built prior to 1978). <http://epa.gov/lead/pubs/renovaterightbrochure.pdf>.

“Protect Your Family from Lead in Your Home”

“Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards” signed by renters prior to their becoming obligated under a rental contract

The County of Union requires that developers/owners obtain evidence of tenant receipt of any pamphlet distributed. Owners may create their own receipt of disclosure.

- ☐ All HOME projects shall be in compliance with Fair Housing Act and Section 504 of the Rehabilitation Act of 1973.
- ☐ The owner cannot refuse to lease HOME-assisted units to persons with a voucher for Section 8 Tenant-Based Assistance.
- ☐ The Developer must submit to the County of Union for rents each year for HOME assisted units for review and approval. Undue rent increases from year to year are prohibited.
- ☐ To ensure compliance with the affordability period, owners must establish systems to re-certify tenant income on an annual basis. Recertification documents will be monitored by the county.
- ☐ Tenants who no longer qualify as low-income families must pay as rent the lesser of the amount payable by the tenant under State or local law or 30 percent of the family's adjusted income, except that tenants of HOME-assisted units that have been allocated low-income housing tax credits by a housing credit agency pursuant to section 42 of the Internal Revenue Code of 1986 (26 U.S.C. 42) must pay rent governed by section 42. In addition, in projects in which the HOME units are designated as floating pursuant to paragraph (j), tenants who no longer qualify as low-income are not required to pay as rent an amount that exceeds the market rent for comparable, unassisted units in the neighborhood.
- ☐ Any increase in rents for HOME-assisted units is subject to the provisions of outstanding leases, and in any event, the owner must provide tenants of those units not less than 30 days prior written notice before implementing any increase in rents.
- ☐ The lease between the tenant and the owner must be at least one year (12 months). Termination of the lease requires a 30 day notice of refusal to renew or termination of tenancy.

The lease must comply with all the lease requirements listed in the Lease Requirements section of this document

Lease Requirements

The lease between a tenant and an owner of rental housing assisted with HOME funds must be for not less than one year, unless by mutual agreement between the tenant and the owner.

Prohibited lease terms. The lease may not contain any of the following provisions:

Agreement to be sued. Agreement by the tenant to be sued, to admit guilt, or to a judgment in favor of the owner in a lawsuit brought in connection with the lease;

Treatment of property. Agreement by the tenant that the owner may take, hold, or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties. This prohibition, however, does not apply to an agreement by the tenant concerning disposition of personal property remaining in the housing unit after the tenant has moved out of the unit. The owner may dispose of this personal property in accordance with State law;

Excusing owner from responsibility. Agreement by the tenant not to hold the owner or the owner's agents legally responsible for any action or failure to act, whether intentional or negligent;

Waiver of notice. Agreement of the tenant that the owner may institute a lawsuit without notice to the tenant;

Waiver of legal proceedings. Agreement by the tenant that the owner may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties;

Waiver of a jury trial. Agreement by the tenant to waive any right to a trial by jury;

Waiver of right to appeal court decision. Agreement by the tenant to waive the tenant's right to appeal, or to otherwise challenge in court, a court decision in connection with the lease; and

Tenant chargeable with cost of legal actions regardless of outcome.

Agreement by the tenant to pay attorney's fees or other legal costs even if the tenant wins in court proceeding by the owner against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses.

Termination of tenancy. An owner may not terminate the tenancy or refuse to renew the lease of a tenant of rental housing assisted with HOME funds except for serious or repeated violation of the terms and conditions of the lease; for violation of applicable Federal, State, or local law; for completion of the tenancy period for transitional housing; or for other good cause. To terminate or refuse to renew tenancy, the owner must serve written notice upon the tenant specifying the grounds for the action at least 30 days before the termination of tenancy.

Affirmative Marketing & Minority Outreach

Each HOME developer must adopt affirmative marketing procedures and requirements for rental and homebuyer projects containing 5 or more HOME- assisted housing units. HOME developers shall use the Equal Housing Opportunity Slogan, logo, or statement in all advertisements, public service announcements, press releases, and information mailings. (Please reference Appendix II)

HOME Program Monthly Rent Limit (see Yearly UCHOME RFP)

- ☐ The Developer must submit to the County of Union for rents each year for HOME assisted units (during the period of affordability) for review and approval. Undue rent increases from year to year are prohibited.
- ☐ The rent limit includes both rent and a utility allowance. To calculate the monthly utility allowances. Add the together the applicable allowances by unit size (number of bedrooms) and the utilities offered onsite.

HOME Program Utility Allowances (see Yearly UCHOME RFP)

Fiscal Policies:

- ☐ The owner must submit annual performance reports to the County of Union for review (in a similar format to the pro-forma). If problems are identified, the County of Union may offer technical assistance and/or request additional documentation and corrective actions.
- ☐ For rental projects with 10 or more units financial statements prepared by an independent CPA (in the form of either a formal annual audit or CPA-compiled review) must be annually submitted to the County of Union for review.
- ☐ All costs must be in direct relation to the County's HOME assisted unit and supporting documentation of all expenditures is required for all costs being paid for with HOME funding.
- ☐ With the exception of acquisition and financing costs, HOME funds are available as reimbursement for eligible expenses.
- ☐ Related soft costs must be necessary for the development of the County HOME units, and documentation must be provided for any cost re-imbursement.
- ☐ Funding will be limited to the amount necessary to facilitate completion of the project and will not exceed a proportionate share of costs in a project with floating units.
- ☐ Before monies are released, an agreement will be signed between the County and the recipient. The agreement will satisfy Federal requirements and establishes the terms under which the funding is being provided. Funds will not be released

until a funding agreement is executed and all applicable regulations have been met (i.e. environmental).

- ☐ The County will determine the number of HOME units based on the funding award. The city will allow the developer to determine if the assisted units are “fixed” or “floating”.
- ☐ A “fixed” unit is when the owner applies funding requirements to specific units throughout the affordability period.
- ☐ A “floating” unit is when the units designated as HOME assisted may change over the term of affordability, as long as the number of HOME assisted unit in the project remains constant.
- ☐ Whatever decision the developer makes, there always has to be the required amount of designated HOME units in the projects.

Term of Affordability:

- ☐ The County will provide gap financing in the form of a deferred loan or grant to affordable housing projects. Funding agreements will define the term of affordability according to the Federal regulations (see below).

Less than \$15,000 5 years

\$15,000-\$40,000 10 years

More than \$40,000 15 years

New Construction of rental housing: 20 years

Refinancing of rental housing: 15 years

- ☐ The affordability requirements apply without regard to the term of any loan or mortgage or the transfer of ownership.

Property Standards:

- ☐ All properties constructed or rehabilitated with County HOME funds will meet the minimum local codes and standards once construction is completed and occupied.
- ☐ All projects will be designed and constructed in compliance with the County of Union Material and Workmanship Performance Standards.
- ☐ Monitoring visits will be conducted by the County to ensure property and Material/Workmanship Performance Standards are being met before, during, and after construction.
- ☐ All HOME assisted units must pass an annual Housing Quality Standard Inspection (HQS) performed by the owner (until the affordability period ends).

- ☐ In addition to the annual inspections performed by the owner, the County of Union will perform an HQS inspection within 12 months of project completion and every three years thereafter (until the affordability period ends).
- ☐ HQS inspections may be done as samples, as described below:

Units Inspection Sample Size

1-4 HOME Assisted Units 100% of HOME Units must be inspected.

5+ HOME Assisted Units 51% of HOME Units or 4 Units (whichever is greater).

The County of Union may also approve a different statistically valid sample size upon written request.

- ☐ Accessibility. The housing must meet the accessibility requirements of 24 CFR part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), and Titles II and III of the Americans with Disabilities Act (42 U.S.C. 12131-12189) implemented at 28 CFR parts 35 and 36, as applicable. Covered multifamily dwellings, as defined at 24 CFR 100.201, must also meet the design and construction requirements at 24 CFR 100.205, which implements the Fair Housing Act (42 U.S.C. 3601–3619).
- ☐ All new construction housing developments with 5 or more units must design and construct 5 percent of the dwelling units, or at least one unit, whichever is greater, to be accessible for persons with mobility disabilities. These units must be constructed in accordance with the Uniform Federal Accessibility Standards (UFAS) or a standard that is equivalent or stricter.
- ☐ All renovations of existing structures with 15 or more units (where the cost of the alterations is 75 percent or more of the replacement cost of the completed facility) must have 5 percent of the dwelling units to be accessible for persons with mobility disabilities. These units must be constructed in accordance with the Uniform Federal Accessibility Standards (UFAS) or a standard that is equivalent or stricter.
- ☐ Regardless of project size, all multifamily housing projects shall, to the maximum extent feasible, be made to be readily accessible to and usable by individuals with handicaps.
- ☐ In projects with less than 15 units, HOME recipients are not required to take any action that would result in a fundamental alteration in the nature of its program or activity or in undue financial and administrative burdens.
- ☐ Construction progress inspections: The County shall conduct progress and final inspections of construction to ensure that work is done in accordance with the applicable codes, the construction contract, and construction documents.

Homeownership Housing Development

The County of Union Bureau of Housing will provide loans/grants to developers of affordable homeownership projects to assist with cost that are in excess of construction, permanent, and/or other subsidy financing and equity resources. The amount of funds invested in a rental housing project will always reflect the minimum amount of public subsidy necessary to achieve the maximum public benefit. Before committing funds to a housing project, the County will evaluate the project and verify that the developer did not request or was not allocated any more HOME funds in combination with other governmental assistance than is necessary to provide the affordable housing.

Eligible Beneficiaries:

Eligible homebuyers must meet the following requirements:

- ☐ Household must be at or below 80% of area median income (At time of purchase):
Adjusted HOME Income Limits (See Yearly UCHOME RFP)
- ☐ Household must reside in or be relocating to the County of Union;
- ☐ Household must not be an agent, consultant, officer, employee, and/or elected official of the County of Union or a HOME recipient of funds (household may still be able to receive assistance IF a waiver is approved by HUD);
- ☐ Household will ultimately use the dwelling unit as their principal residence;
- ☐ Household will ultimately legally own the dwelling unit/property (as evidenced though a fee simple title, 99 year leasehold interest, or equivalent form of ownership approved by the County of Union; &
- ☐ Household must meet all other requirements where applicable. (See Appendix III)

Eligible Activities:

Activities allowed with the use of County funds are activities that support the development of affordable housing and address the needs identified in the Consolidated Plan. The activities may include but are not limited to:

- ☐ Acquisition of existing structure(s) for rehabilitation of affordable homeownership Housing
- ☐ Rehabilitation of existing structure(s) of affordable homeownership housing
- ☐ New construction of affordable homeownership housing

Eligible Types of Projects:

- ☐ 1-4 Single family unit homes
- ☐ Condominiums/Cooperatives
- ☐ Group Homes
- ☐ Transitional Housing & Single Room Occupancy Units
- ☐ Permanent Supportive Housing
- ☐ May be one or more buildings on a single site, but project must be assisted with HOME funds as a single undertaking.

Eligible Costs:

- ☐ Development hard cost for both new construction and rehabilitation
- ☐ Acquisition costs
- ☐ General management
- ☐ Related soft costs
 - Architectural, engineering or related professional services required
 - Cost to provide information services such as affirmative marketing and fair housing information to prospective tenants as required by HUD
 - Operating cost directly related to carrying out the project, such as work specifications preparation, and loan processing inspections
 - Cost of environmental review and release of funds in accordance with 24CFR part 58 directly related to the project

Prohibited Activities:

- ☐ Funds may NOT be used to pay for any cost that is not eligible under the HOME program at 92.206 and 209, including delinquent taxes, fees or charges on properties to be assisted.
- ☐ Development of homeownership units where there is not a considerable market study illustrating demand for homeownership housing will not be supported with HOME funds.

Deadlines and conversion of units to rental

All projects must be fully complete with units sold within 4 years of the commitment of HOME funds. In addition, any unit not sold within 6 months (9 months for projects funded under County action plans 2014 and later) of the completion of construction must be converted to rental and meet all of the requirements for HOME rental housing. HOME funds provided for any such unit that is not rented within 18 months of conversion must be repaid to the County.

Program Rules/Regulations:

Property Management Policies:

- ☐ The developer must use fair housing marketing practices when selling HOME units, as required by the Fair Housing Act (4.2 U.S.C. 3601-29). The County will review and approve the developer's marketing policy as part of the application review and it will incorporate the policy as part of the funding agreement.
- ☐ 100 percent of HOME funds must be invested in dwelling units that are occupied by households that qualify as low-income families (80% AMI and below).
- ☐ If HOME funds are used to help purchase/acquire one or more rental units along with the homeownership unit, the HOME rental affordability requirements apply to the rental units.
- ☐ All HOME projects shall be in compliance with Fair Housing Act and Section 504 of the Rehabilitation Act of 1973.
- ☐ The ownership interest may be subject only to the following:
Mortgages, deeds of trust or other debt instruments approved by the County of Union; or
Any other encumbrances or restrictions that do not impair the marketability of the ownership interest, other than the HOME Program restrictions on resale.

Fiscal Policies:

- ☐ All cost must be in direct relation to the County's HOME assisted unit and supporting documentation of all expenditures is required for all costs being paid for with HOME funding.
- ☐ With the exception of acquisition and financing costs, HOME funds are available as reimbursement for eligible expenses.
- ☐ Related soft costs must be necessary for the development of the city HOME units, and documentation must be provided for any cost re-imbursement.
- ☐ Funding will be limited to the amount necessary to facilitate completion of the project and will not exceed a proportionate share of costs in a project with multiple units. All projects will be underwritten according to the County of Union HOME underwriting guidelines. Individual homebuyers must also be underwritten per the guidelines.
- ☐ Before monies are released, an agreement will be signed between the County and the recipient. The agreement will satisfy Federal requirements and establishes the terms under which the funding is being provided. Funds will not be released until a funding agreement is executed and all applicable regulations have been met (e.g. environmental review requirements).

Term of Affordability:

- ☐ The County will provide gap financing in the form of a deferred loan or grant to affordable housing projects. Funding agreements will define the term of affordability according to the Federal regulations (see below).

HOME Investment per Unit Affordability Period

Less than \$15,000 5 years

\$15,000-\$40,000 10 years

More than \$40,000 15 years

- ☐ Affordability requirements shall be recorded on the property through:
A deed restriction or covenant running with the land; and
Loan documents.

* Loan default and subsequent foreclosure negates the principal residence limitation, but not the affordability restrictions.

- ☐ All homeowners must be provided homebuyer counseling prior to purchase.
- ☐ All units must be sold at or below the HOME Unit Sale Limits (95% of the median purchase price for the area for the specified housing type).

See yearly UCHOME RFP- HOME Unit Sale Limits (Updated Annually)

Unit prices may vary (underneath this limit) based on neighborhood trends, target buyers, and project underwriting.

- ☐ The sale of a property and any assistance to a homebuyer require that the buyer be underwritten according to the County's HOME project underwriting guidelines for homebuyers. This underwriting will include standards for the first mortgage and establish the terms for any subordination of the HOME loan.
- ☐ Resale of the property during the affordability period and qualification of subsequent buyers will be governed by the HOME covenant and land use restriction on the property.

Change in Ownership:

If the housing does not continue to be the principal residence of the family for the duration of the period of affordability, that housing must be made available for subsequent purchase only to a buyer whose family qualifies as a low-income family and will use the property as its principal residence. The price at resale must provide the original HOME-assisted owner a fair return on investment (including the homeowner's investment and any capital improvement) and ensure that the housing will remain affordable to a reasonable range of low-income homebuyers. Fair return and

subsequent affordability shall be as defined in the County's Consolidated Plan for the year the project is funded and in the agreements and covenants executed on the property.

Property Standards:

- ☐ All properties constructed or rehabilitated with County HOME funds will meet the minimum local codes and standards once construction is completed and occupied.
- ☐ All projects will be designed and constructed in compliance with the County of Union Material and Workmanship Performance Standards.
- ☐ Monitoring visits will be conducted by the County to ensure property and construction standards are being met before, during, and after construction.
- ☐ Monitoring visits will be conducted by the County to ensure property and construction standards are being met before, during, and after construction.
- ☐ All new construction housing developments with 5 or more units must design and construct 5 percent of the dwelling units, or at least one unit, whichever is greater, to be accessible for persons with mobility disabilities. These units must be constructed in accordance with the Uniform Federal Accessibility Standards (UFAS) or a standard that is equivalent or stricter.
- ☐ All renovations of existing structures with 15 or more units (where the cost of the alterations is 75 percent or more of the replacement cost of the completed facility) must have 5 percent of the dwelling units to be accessible for persons with mobility disabilities. These units must be constructed in accordance with the Uniform Federal Accessibility Standards (UFAS) or a standard that is equivalent or stricter.
- ☐ Regardless of project size, all multifamily housing projects shall, to the maximum extent feasible, be made to be readily accessible to and usable by individuals with handicaps.
- ☐ In projects with less than 15 units, HOME recipients are not required to take any action that would result in a fundamental alteration in the nature of its program or activity or in undue financial and administrative burdens.
- ☐ Please see Appendix V: Property Standards.

Recordkeeping

The County of Union, subgrantees and subrecipients, HUD or any of their authorized representatives, has the right to access the project and any books, documents, papers or other records of a HOME assisted unit.

The County of Union, subgrantees and subrecipients will maintain all books and records pertaining to HOME assisted units with the provisions of 24 C.F.R. § 92.508 for a period of not less than five (5) years after the affordability period ends and all matters pertaining to the project (e.g., audit, disputes or litigation) are resolved under applicable federal or state laws, regulations or policies.

Subgrantees and subrecipients shall maintain records for inspection by UC HOME Bureau of Housing in the checklists included in the following pages. The subgrantee/subrecipient will make available any additional records requested by the County of Union.

HOME RENTAL PROGRAMS

Case File Checklist

1. Name of project_____ 1b. IDIS#_____
2. Project Address_____ 2b. Address of unit/house_____
3. Developer_____
4. Type of project (circle one) rental- acquisition/rehab/resale, Or rental new construction
5. # Of HOME units_____ Total # of units in project _____
6. HOME funds awarded \$_____
7. Status of project and the file _____

ITEMS IN PROJECT CASE FILE N/A In File Date NOTES

Developer Documentation

- 1) Application and Proforma
- 2) Project Narrative (Including description of development team experience)
- 3) Evidence of Site Control
- 4) State of New Jersey Housing Application (if project includes tax credits (LIHTCs))
- 5) Appraisal (“As is” value for all properties – “as built” value also required unless another lender provides first mortgage financing)
- 6) Market Study
- 7) Commitments for non-HOME funds
- 8) If any existing building was completed prior to 01-01-1978, additional submission requirements
re: lead based paint

- 9) Relocation Plan (if needed):
 - a) Current tenant profile
 - b) Current rent and utility schedule
 - c) Relocation process and budget (if needed)
- 12) plans and specifications
- 13) Statement re: Demolition
- 14) Energy Efficiency and Sustainability plan
- 15) Affirmative marketing plan
- 16) Tenant Selection plan
- 17) Minority and Women's Business Enterprise Outreach/Participation plan
- 18) Organizational documents / ownership structure
- 19) Plan for Special Needs Services for residents (if applicable; otherwise note N/A)
- 20) Audited corporate or partnership financial statements

Underwriting Requirement

Consideration for Rental Projects

- 21) Subsidy Layering Analysis (if more than one source of public funds in project financing)
 - 22) For mixed income properties: evidence of "cost allocation" to determine HOME assisted units.
 - 23) Maximum subsidy per unit limit 221(d)(3)
 - 24) Rent loss 7.0%
 - 25) Initial Debt Service Coverage Ratio between 1.15 and 1.40. If above 1.40, an explanation is required.
 - 26) First mortgage business terms must agree with the commitment loan commitment
 - 27) Developer fee within 12% cap. Non-profits have a 20% cap. Professional fee must be within 5% cap. (Please see Appendix VI :HOME Rental Production Application and Proforma)
 - 28) Good Faith Estimate and Budget (Please see Appendix VI HOME Rental Production Application and Proforma)
 - 29) Cost reasonableness review (See Appendix V)
 - 30) Architectural Drawings (renderings)
 - a) Full size copy (digital, hard copy, thumb drive) (See Appendix V)
 - 31) Section 504 determination & applicability
 - 32) HOME Developer Agreement
 - a) # of HOME units identified and designated as Low (50%) or High (80%) by bedroom size
 - b) Fixed/Floating designated
 - 33) Project abstract
 - 34) Obligation of funds approval form
 - 35) County Award Letter
 - 36) IDIS Set-up
- Please see attached

Property/Acquisition

- 37) Environmental review record/clearance
- 38) Purchase contract

- 39) Appraisal (within 60 days of final offer)
- 40) Notice to Owner - URA (See Appendix VIII)
- 41) General Information Notice - URA (See Appendix VIII)
- 42) Tenant relocation notices/documents (if applicable) (See Appendix VIII)

Closing/settlement statement

- 44) Confirm purchase price (equal to or less than) Current Market Appraised Value
- 44) Flood Insurance Certificate (if applicable)
- 45) Letter of instruction (if County not present at closing)
- 46) County attended closing (provide name of staff in Notes column)
- 47) Recorded legal documents with affordability requirements (land use restriction covenants, mortgage & note)

Inspection/Work Scope

- 48) Initial inspection
- 49) Property standards inspection
- 50) Lead Based Paint Risk Assessment (if pre- 1978)
- 51) Notice of Evaluation/Presumption of LBP
- 52) Asbestos abatement report
- 53) Work write up and cost estimate

Construction/Rehabilitation (if applicable)

- 54) Letter of plan approval from municipality
- 55) Davis Bacon (12 or more total units)
- 56) Section 504 included in work write up
- 57) Contractor bid documents
- 58) Contractor eligibility (debarment check)
- 59) Procurement review documents
- 60) Certification of efforts/bid tabulations
- 61) Notice to contractors
- 62) Bid tabulation sheet
- 63) Construction/rehabilitation contract
- 64) Pre-construction conference report
- 65) Municipal permits
- 66) Notice to proceed
- 67) Progress payment documentation
 - a) Invoice from contractor
 - b) Lien waiver from contractor
 - c) Inspection conducted by County
 - d) Check issuance date
- 68) Change orders (if applicable)
- 69) LBP clearance report (if applicable)
- 70) Notice of Lead Hazard Reduction Activities (if applicable)
- 71) Abatement report (if applicable)

- 72) Final inspection report
- 73) Final invoice from contractor
- 74) Waiver of liens from general contractor, subcontractors, and suppliers
- 75) Warranties (if applicable)
- 76) Receipt of final payment form
- 77) Notice of occupancy

Project Financial Records

- 78) Project pro forma
- 79) IDIS set-up
- 80) Cost eligibility/reasonableness review
- 81) HOME disbursement records
- 82) IDIS Project Completion Form

Initial Occupancy

- 83) Rents provided to owner
- 84) Utility allowances provided to owner
- 85) Income guide provided to owner
- 86) Income calculation sheet provided to owner
- 87) Lease
- 88) LBP Pamphlet (Protect Your Family from Lead)
- 89) Income certification & verification
- 90) Lead-Based Paint disclosures to tenants (if applicable)
- 91) Source documentation collected
- 92) Initial Occupancy Compliance form

HOMEBUYER DEVELOPMENT PROJECT

Case File Checklist

1. Name of project _____ 1b. IDIS# _____
2. Project Address _____ 2b. Address of unit/house _____
3. Developer _____
4. Type of project (circle one) acquisition/rehab/resale Or HB down-payment assistance, Or HB new construction
5. # Of HOME units _____ Total # of units in project _____
6. HOME funds awarded \$ _____
7. Status of project and the file _____

ITEMS IN PROJECT CASE FILE N/A In File Date NOTES

Developer Documentation (if applicable)

- 93) Developer application
- 94) Good Faith Estimate and Budget
 - a) Developer fee within 20% cap for non-profits. Professional fee within 5% cap.
- 95) Architectural Drawings (renderings)
 - a) Full size copy (digital, hard copy, thumb drive)
- 96) Cost reasonableness review
- 97) HOME Developer Agreement
- 98) Mortgage (developer loan)
- 99) Promissory Note (developer loan)
- 100) Land Use Restriction Covenant (developer)
- 101) Project abstract
- 102) Award letter
- 103) IDIS Set-up

Property/Acquisition

- 104) Environmental review record/clearance
- 105) Purchase contract
- 106) Appraisal
- 107) "Notice to Owner" of Voluntary Acquisition
- 108) Tenant relocation notices/documents (if applicable)

Closing/settlement statement

- 109) Confirm purchase price - Current Market Appraised Value
- 110) Letter of instruction (if County not present at closing)
- 111) County attended closing (provide name of staff in Notes column)
- 112) HUD 1 Closing Statement
- 113) Copy of Title Report

Inspection/Work Scope

- 114)Initial inspection
- 115)Property standards inspection
- 116)Lead Based Paint Risk assessment (if pre-1978)
- 117)Notice of Evaluation/Presumption of LBP (if applicable)
- 118)Asbestos abatement report (only if demo)
- 119)Work write up and cost estimate

Construction/Rehabilitation (if applicable)

- 120)Letter of approval from municipality (only for new construction)
- 121)Davis Bacon (12 or more total units) – Labor standards certification
- 122)Contractor bid documents
- 123)Contractor eligibility (debarment check)
- 124)Procurement review documents
- 125)Certification of subrecipient efforts/bid tabulations
- 126)Notice to contractors
- 127)Publication of notice
- 128)Construction/rehabilitation contract
- 129)Pre-construction conference report
- 130)Municipal permits
- 131)Notice to proceed
- 132)Progress payment documentation Invoice from contractor, Lien waiver from contractor, Inspection conducted by County, Check issuance date
- 133)Change orders (if applicable)
- 134)LBP clearance report (if applicable)
- 135)Notice of Lead Hazard Reduction Activities (if applicable)
- 136)Abatement report (if applicable)
- 137)Final inspection report
- 138)Final invoice from contractor
- 139)Waiver of liens from general contractor, subcontractors, and suppliers
- 140)Warranties (if applicable)
- 141)Receipt of final payment form
- 142)Notice of occupancy

Sale to Homebuyer

- 143)Program application - homebuyer
- 144)LBP Pamphlet (Protect Your Family from Lead)
- 145)Income certification & verification
- 146)Buyer counseling training certificate
- 147) Sale price review-maximum property value not exceed 203(b) limit - (appraisal) (print-out)
- 148)Maximum subsidy per unit limit 221(d)(3)
- 149)Purchase contract
- 150)Signed written agreement with resale or recapture provisions

- 151)Purchase agreement addendum
- 152)Lead-Based Paint disclosures (if applicable)
- 153)Commitment letter
- 154)Buyer underwriting
 - a) Front End Ratio _____
 - b) Back End Ratio _____
- 155)Recorded legal documents with affordability requirements (land use restriction covenant, mortgage & note)
- 156)Lease Agreement (2 – 4 family unit)
- 157)Flood Insurance Certificate (if appl.)

Cross-cutting Federal Regulations

In addition to the underwriting review pertaining to HOME eligibility, County staff will perform an administrative review for all potentially applicable cross-cutting federal requirements. This review must take place before any HOME funds are awarded to the project or written agreement is executed.

All determinations will be documented and remain on file as part of the project file. If there is any uncertainty in terms of any of the above criteria, the County will submit a written request to its local field office for clarification and assistance to determine the necessary steps to document compliance.

Summary of Administrative Review Steps

1. Procurement and Conflict of Interest
2. Environmental Review
3. Determination of Entity Type (CHDO, Developer, Contractor, or Subrecipient)
4. Debarment Review
5. Labor Standards
6. Lead-Based Paint
7. Acquisition/Relocation
8. Section 3
9. Handicapped Accessibility / Section 504
10. Fair Housing

Procurement and Conflict of Interest

In general, HOME staff will follow the County's internal policy when making purchases and awarding competitive contracts with HOME funds. The County's policy has been reviewed and meets the standards detailed at 2 CFR 200.318-200.326.

The County must comply with procurement requirements outlined in the Uniform Administrative Requirements at 2 CFR 200 and the State of New Jersey laws pertaining to conflict of interest. The County's Ethical Conduct Policy satisfies the conflict of interest requirements of the HOME program. As a general rule no employee, officer or agent of the County will participate in selection, or in the award or administration of a contract supported by federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when: the employee, officer or agent; any member of their immediate family; their partner; or an organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award. The County's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to sub-agreements, during office tenure or for one year after the close-out of the grant.

In addition to the County procurement policy, staff will also adhere to the guidance below in regard to conflict of interest, debarred contractors, and affirmative steps to assure that small businesses, minority firms, women-owned business enterprises are used when possible.

The County will also monitor all subrecipients on their procurement policies, when applicable. Each staff member responsible for procurement will ensure each project file contains the basis for contractor selection, justification for lack of competition when competitive bids or offers are not obtained (if applicable), and the basis for award cost or price.

All subgrantees/subrecipients, owners, developers, and home buyers seeking HOME funds shall abide by all applicable HUD regulations regarding Conflicts of Interest, including but not limited to, the following provision(s):

24 CFR 92.356 (f): Owners and developers.

(1) No owner, developer, or sponsor of a project assisted with HOME funds (or officer, employee, agent, elected or appointed official, or consultant of the owner, developer, or sponsor or immediate family member or immediate family member of an officer, employee, agent, elected or appointed official, or consultant of the owner, developer, or sponsor) whether private, for-profit or nonprofit (including a community housing development organization (CHDO) when acting as an owner, developer, or sponsor) may occupy a HOME-assisted affordable housing unit in a project during the required period of affordability specified in § 92.252(e) or § 92.254(a)(4). This provision does not apply to an individual who receives HOME funds to acquire or rehabilitate his or her principal residence or to an employee or agent of the owner or developer of a rental housing project who occupies a housing unit as the project manager or maintenance worker.

(2) **Exceptions.** Upon written request of a housing owner or developer, the participating jurisdiction (or State recipient, if authorized by the State participating jurisdiction) may grant an exception to the provisions of paragraph (f)(1) of this section on a case-by-case basis when it determines that the exception will serve to further the purposes of the HOME program and the effective and efficient administration of the owner's or developer's HOME-assisted project. In determining whether to grant a requested exception, the participating jurisdiction shall consider the following factors:

- (i) Whether the person receiving the benefit is a member of a group or class of low-income persons intended to be the beneficiaries of the assisted housing, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;
- (ii) Whether the person has withdrawn from his or her functions or responsibilities, or the decisionmaking process with respect to the specific assisted housing in question;
- (iii) Whether the tenant protection requirements of § 92.253 are being observed;
- (iv) Whether the affirmative marketing requirements of § 92.351 are being observed and followed; and
- (v) Any other factor relevant to the participating jurisdiction's determination, including the timing of the requested exception.

Debarred Contractors

Before executing any contracts equal to or exceeding \$25,000, the County will ensure that the contractor is not suspended or debarred from working on federally-funded contracts by searching the GSA's System for Award Management (sam.gov). The County will document that the selected contractor has not been suspended or debarred by printing out the search screen from sam.gov and including the printout in the project file.

Affirmative Steps to Using Disadvantaged Businesses

The County will include minorities and women and firms owned by minorities and women, to the maximum extent possible, in contracting opportunities. This includes solicitations for real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and providers of legal services, in all contracts entered into by the County for the administration of the HOME program.

- The County will solicit qualified vendors who have received the Minority and Women Business Enterprise (MWBE) Certification from the State of New Jersey when they are potential sources.

- The County will divide large contracts, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises.
- Establish delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;
- Use the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce;
- The County will require all prime contractors, if subcontracts are to be let, to take the affirmative steps listed above.

Procurement by Subrecipients

The County will ensure its funded subrecipients also take affirmative actions to work with disadvantaged businesses. This requirement will be included as part of the written agreement between the County and the subrecipient. The County will not require each subrecipient to adopt the County's internal procurement policy. However, as part of the overall monitoring process, the County will also review each subrecipient's procurement policy to ensure that it meets the minimum standards set forth in 2 CFR 200.317-326.

Environmental Review

The County of Union receives federal grant funds from the U.S. Department of Housing and Urban Development (HUD) to provide assistance to low- to moderate-income households/residents and improve our community.

An environmental review is the process of reviewing a project and its potential environmental impacts to determine whether it meets federal, state, and local environmental standards. The environmental review process is required for all HUD-assisted projects to ensure that the proposed project does not negatively impact the surrounding environment and that the property site itself will not have an adverse environmental or health effect on end users. Not every project is subject to a full environmental review (i.e., every project's environmental impact must be examined, but the extent of this examination varies), but every project must be in compliance with the National Environmental Policy Act (NEPA), and other related Federal and state environmental laws.

All HOME projects must undergo an environmental review process. An environmental review is the process of reviewing a project and its potential environmental impacts. The environmental review process is required for all HUD-assisted projects to ensure that the proposed project does not negatively impact the surrounding environment and that the property site itself will not have an adverse environmental or health effect on end users.

The County's environmental review staff will work with applicants to identify potential environmental issues and mitigations a project may face. At this early step, criteria are identified that will be used to evaluate the project alternatives or the possibility of grounds for rejecting the HOME application.

As part of the application and planning process, the County will inform all applicants for HOME funds that any choice limiting actions while under consideration for HOME funds and before an environmental assessment is conducted is grounds for rejecting the HOME application. Choice limiting actions include any action that limits potential alternatives, including but not limited to property acquisition, demolition, and clearance. (§ 58.22(c)). Any of the following actions performed before the completion of the environmental review may render the project ineligible for HOME funds:

- Execution of a legally binding agreement (such as a property purchase or construction contract);
- Expenditure of HOME funds;
- Use of non-HOME funds on actions that would have an adverse impact--- e.g., demolition, dredging, filling, excavating; and
- Use of non-HOME funds on actions that would be "choice limiting"--- e.g., acquisition of real property; leasing property; rehabilitation, demolition, construction of buildings or structures; relocating buildings or structures, conversion of land or buildings/structures.

<p>The environmental review process must be complete and well-documented before committing any HOME funds to a project. Failure to complete or document the environmental review process shall result in the repayment of HOME funds.</p>
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Determination of Subrecipient, Contractor, Developer or CHDO

Before entering into a written agreement, the County will determine in what role the entity will serve. The role of the entity will determine the regulations that the entity will need to follow and requirement for the written agreement:

- Community Housing Development Organization (CHDO) acting as an owner, sponsor, or developer
 - Must complete CHDO Qualification checklist and provide sufficient supporting documentation
- Subrecipients and CHDO acting as a Subrecipient
 - Must comply with Uniform Administrative Requirements, including financial management, procurement, and audit requirements
- Contractors
 - Not subject to Uniform Administrative Requirements
 - Must be selected through procurement process
- Developers
 - Not subject to Uniform Administrative Requirements
 - Not subject to procurement
 - Performance and compliance determined by written agreement

Debarment Review

Before executing any contracts equal to or exceeding \$25,000, the County will ensure that the contractor is not suspended or debarred from working on federally-funded contracts by searching the Internet-based System for Award Management (www.sam.gov). The County will document that the selected contractor has not been suspended or debarred by printing out the search screen from the sam.gov website and including the printout in the project file.

Labor Standards

Davis-Bacon wage compliance and other federal laws and regulations pertaining to labor standards may apply to construction and rehabilitation contracts that are financed in whole or in part with HOME funds. Davis-Bacon and related laws include the following:

- Davis-Bacon and Related Acts (40 USC 276a-276a-7)
- Contract Work Hours and Safety Standards Act (40 USC 327-333)
- Copeland (Anti-Kickback) Act (18 USC 874; 40 USC 276c)
- Fair Labor Standards Act of 1938, as amended (29 USC 201, et seq.)

The construction bids and contract for any HOME-assisted activity must contain the applicable wage provisions and labor standards. Davis-Bacon does not apply to projects using solely volunteer labor or to sweat equity projects.

Lead-Based Paint

The Lead-Based Paint Regulations described in 24 CFR Part 35 require that lead hazard evaluation and reduction activities be carried out for all developments constructed before 1978 and receiving HOME assistance. Applications for rehabilitation funds for existing buildings constructed prior to 1978 must include a lead hazard evaluation, by appropriate lead-certified personnel. The application must also include detailed lead hazard reduction plan, in accordance with the regulations, and separately identify within the rehabilitation budget, the costs associated with reduction of lead hazards in accordance with the regulation and guidelines. All HOME fund allocations will be contingent upon the applicant agreeing to complete lead hazard reduction, evidenced by a clearance report performed by appropriate lead-certified personnel. In a development where HOME funds will be used on only a portion of the units, the lead-based paint requirements apply to ALL units and common areas in the development.

Renovation, Repair and Painting Program Rule (RRP) – The RRP rule, effective April 22, 2010, affects contractors, property managers and anyone who disturbs known or presumed lead-based paint during renovation. The RRP rule applies to all renovation work performed in residential houses, apartments and child-occupied facilities such as schools and day care centers built before 1978. The requirement include: all firms performing renovation, repair or painting work must be EPA certified; firms must have one or more “Certified Renovators”, who have successfully completed an EPA approved training course, assigned to jobs where lead-based paint is disturbed; all renovation workers must receive on the job training from the certified renovator; and contractors, property managers and anyone who performs renovations for compensation in residential houses, apartments, and child-occupied facilities built before 1978 are required to distribute EPA’s “Renovate Right” lead hazard information pamphlet to occupants and owners of homes, and owners and parents of child-occupied facilities.

Those affected by the RRP rule can find complete information available on EPA’s web site at: <http://www.epa.gov/lead/pubs/renovation.htm>.

Acquisition / Relocation

All federal projects require that, as soon as a project is identified as a possible federally-funded project, existing tenants and owners must be given proper notices, counseling, and possibly assistance. Failure to follow proper procedures up-front can result in substantial financial liability to tenants and owners. (Please see Appendix VIII)

Section 3

In conformance with the requirements of Section 3 of the Housing and Community Development Act of 1968, to the greatest extent feasible, the County must award contracts for work to be performed to eligible business concerns located in or owned by residents of the target area to ensure that the employment and other economic opportunities generated by federal financial assistance for housing and community development programs shall, to the greatest extent feasible, be directed toward low- and very-low income persons, particularly those who are recipients of government assistance for housing.

Accessibility / Section 504

HOME-assisted housing developments are subject to several different accessibility laws. Federal programs and the age of the property determine which laws apply.

- Title VIII of the Civil Rights Act of 1968 (Fair Housing Act) protects race, religion, sex and national origin
- The Fair Housing Amendments Act of 1988 (Amendments Act - FHAA) added disability and familial status
- The Americans with Disabilities Act (ADA) of 1990 addresses public accommodations (rental offices and common areas are considered public accommodations)
- Section 504 of the Rehabilitation Act of 1973 (Section 504) applies to those receiving federal assistance

Federal laws define a person with a disability as "Any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such impairment; or is regarded as having such impairment." In general, a physical or mental impairment includes hearing, mobility and visual impairments, chronic alcoholism, chronic mental illness, AIDS, AIDS Related Complex, and mental retardation that substantially limits one or more major life activities. Major life activities include walking, talking and hearing, seeing, breathing, learning, performing manual tasks, and caring for oneself. Disability Rights in Private and Public Housing regardless of whether you live in private or public housing, Federal laws provide the following rights to persons with disabilities:

- Prohibits discrimination against persons with disabilities. It is unlawful for a housing provider to refuse to rent or sell to a person simply because of a disability. A housing provider may not impose different application or qualification criteria, rental fees or sales prices, and rental or sales terms or conditions than those required of or provided to persons who are not disabled.

Example: A housing provider may not refuse to rent to an otherwise qualified individual with a mental disability because they are uncomfortable with the individual's disability. Such an act would violate the Fair Housing Act because it denies a person housing solely on the basis of their disability.

- Requires housing providers to make reasonable accommodations for persons with disabilities. A reasonable accommodation is a change in rules, policies, practices, or services so that a person with a disability will have an equal opportunity to use and enjoy a dwelling unit or common space. A housing provider should do everything they can to assist, but they are not required to make changes that would fundamentally alter the program or create an undue financial and administrative burden. Reasonable accommodations may be necessary at all stages of the housing process, including application, tenancy, or to prevent eviction.

Example: A housing provider would make a reasonable accommodation for a tenant with mobility impairment by fulfilling the tenant's request for a reserved parking space in front of the entrance to their unit, even though all parking is unreserved.

- Requires housing providers to allow persons with disabilities to make reasonable modifications. A reasonable modification is a structural modification that is made to allow persons with disabilities the full enjoyment of the housing and related facilities. Examples of a reasonable modification: would include allowing a person with a disability to install a ramp into a building, lower the entry threshold of a unit, or install grab bars in a bathroom. Reasonable modifications are usually made at the resident's expense. However, there are resources available for helping fund building modifications. Additionally, if you live in federally assisted housing the housing provider may be required to pay for the modification if it does not amount to an undue financial and administrative burden. For more information, see the Reasonable Accommodations section of the Section 504 Frequently Asked Questions page.:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/disabilities/sect504

504 ADA requirements

- For new construction of multifamily projects, five percent of the units in the project (but not less than one unit) must be accessible to individuals with mobility impairments, and an additional two percent of the units (but not less than one unit) must be accessible to individuals with sensory impairments.
- The Section 504 definition of substantial rehabilitation multifamily projects includes construction in a project with 15 or more units for which the rehabilitation costs will be 75 percent or more of the replacement cost. In such developments, five percent of the units in the project (but not less than one unit) must be accessible to individuals with mobility impairments, and an additional two percent (but not less than one unit) must be accessible to individuals with sensory impairments.

When rehabilitation less extensive than substantial rehabilitation is undertaken, alterations must, to the maximum extent feasible, make the unit accessible to and usable by individuals with handicaps, until five percent of the units are accessible to people with mobility impairments. Alterations to common spaces must, to the maximum extent feasible, make the project accessible.

New Multifamily Housing

New multifamily housing must be designed and constructed to be accessible. In covered multifamily housing consisting of 4 or more units with an elevator built for first occupancy after March 13, 1991, all units must comply with the following seven design and construction requirements of the Fair Housing Act:

- ☐ Accessible Entrance on an Accessible Route
- ☐ Accessible Public and Common-Use Areas
- ☐ Usable Doors
- ☐ Accessible Route Into and Through the Dwelling Unit
- ☐ Accessible Light Switches, Electrical Outlets, Thermostats, and Environmental Controls
- ☐ Reinforced Walls in Bathrooms
- ☐ Usable Kitchens and Bathrooms
- ☐ In covered multifamily housing without an elevator that consists of 4 or more units built for first occupancy after March 13, 1991, all ground floor units must comply with the Fair Housing Act's seven design and construction requirements.

For information on how to comply with the physical accessibility requirements of the Fair Housing Act, visit the Fair Housing Accessibility FIRST Web site:
<http://www.fairhousingfirst.org/>

These requirements apply to most public and private housing. However, there are limited exemptions for owner-occupied buildings with no more than four units, single family housing sold or rented without the use of a broker, and housing operated by organizations and private clubs that limit occupancy to members.

If you live in federally assisted multifamily housing consisting of 5 or more units, 5 percent of these units (or at least one unit, whichever is greater) must meet more stringent physical accessibility requirements. Additionally, 2 percent of units (or at least one unit, whichever is greater) must be accessible for persons with visual or hearing disabilities. For more information, visit Section 504 Questions and Answers:
http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/disabilities/sect504faq

Fair Housing for People with Disabilities

Federal law makes it illegal for an otherwise qualified individual with a disability to be excluded, solely because of his or her disability, from programs receiving federal financial assistance.

For more information on the rights of persons with disabilities in federally assisted housing as well as the responsibilities of housing providers who receive federal financial assistance, visit our Section 504: Disability Rights in HUD Programs site:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/disabilities/sect504

Zoning and Land Use: It is unlawful for local governments to utilize land use and zoning policies to keep persons with disabilities from locating to their area. For more information, see the Joint Statement of DOJ and HUD on Group Homes, Local Land Use, and the Fair Housing Act:

http://searchjustice.usdoj.gov/search?q=crt%20housing%20final8_1&q=site%3Awww.justice.gov%2Fcr&sort=date%3AD%3AL%3Ad1&output=xml_no_dtd&client=default_frontend&proxystylesheet=default_frontend&site=default_collection

State and Local Laws: Many states and localities have fair housing laws that are substantially equivalent to the Federal Fair Housing Act. Some of these laws prohibit discrimination on additional bases, such as source of income or marital status. Some of these laws may impose more stringent design and construction standards for new multifamily housing.

The Americans with Disabilities Act

In most cases, the ADA does not apply to residential housing. Rather, the ADA applies to places of public accommodation such as restaurants, retail stores, libraries, and hospitals as well as commercial facilities such as office buildings, warehouses, and factories. However, Title III of the ADA covers public and common use areas at housing developments when these public areas are, by their nature, open to the general public. For example, it covers the rental office since the rental office is open to the general public.

Title II of the ADA applies to all programs, services, and activities provided or made available by public entities. This includes housing when the housing is provided or made available by a public entity. For example, housing covered by Title II of the ADA includes public housing authorities that meet the ADA definition of "public entity," and housing operated by States or units of local government, such as housing on a State university campus.

For more information on the Americans with Disabilities Act, visit the Department of Justice ADA Home Page. <http://www.ada.gov/>

For information on how HUD processes housing discrimination complaints, see Fair Housing-It's Your Right:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/FHLaws/yourrights

US Department of Housing & Urban Development Office of Fair Housing & Equal Opportunity UFAS Accessibility Checklist:
http://portal.hud.gov/hudportal/documents/huddoc?id=UFASAC_PHAs5708.pdf

Fair Housing

Recipients of HOME funds are held to Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d-2000d-4), the Fair Housing Act (42 U.S.C. 3601 et seq.), E.O. 11063 Title VI of the Civil Rights Act of 1964, P. L. 88-352 and the regulations of HUD with respect thereto, including 24 CFR, Parts 1.

HOME recipients are prohibited from discriminating on the basis of:

- ☐ Race
- ☐ Color
- ☐ Religion
- ☐ National origin
- ☐ Disability Status (Including prior Alcohol & Illegal Substance Addictions)
- ☐ Familial status
- ☐ Ethnicity
- ☐ Gender
- ☐ Gender Identity
- ☐ Language(s) Spoken
- ☐ Literacy
- ☐ Sexual Orientation
- ☐ Veteran Status

Discrimination is prohibited in the assistance, tenant selection, sale, rental, and financing of dwellings. It is also prohibited in program administration and any enforcement mechanisms. No person in the United States shall on the ground of race, color, national origin (or any of the other items listed above) be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal funding and/or assistance. Assistance includes:

- ☐ Grants and loans of Federal funds,
- ☐ The grant or donation of Federal property and interests in property,
- ☐ The detail of Federal personnel,
- ☐ The sale and lease of, and the permission to use (on other than a casual or transient basis), Federal property or any interest in such property without consideration or at a nominal consideration, or at a consideration which is reduced for the purpose of assisting the recipient, or in recognition of the public interest to be served by such sale or lease to the recipient, and
- ☐ Any Federal agreement, arrangement, or other contract which has as one of its purposes the provision of assistance.

Monitoring and Project Oversight Procedures

As a HOME Participating Jurisdiction, it is the responsibility of the County and its staff to ensure all of its funded projects and programs, including those administered by contractors and subrecipients, document compliance with all applicable regulations. This process, in general, is called monitoring. Monitoring activity occurs as part of the pre-award process, during implementation of projects and programs, and after close out of the award (affordability monitoring).

This section will detail the County policies and procedures for:

1. Providing annual updates to subrecipients and other entities;
2. Completing a risk assessment to determine monitoring priority; and
3. Creation of an annual monitoring plan to document compliance with each HOME-assisted project.

Annual Updates of Rents and Utilities

HUD publishes updated HOME program income and rent limits on an annual basis. Upon publication, the County Housing staff will forward necessary information to all applicable parties. Utility allowance updates will also be provided at this time (92.252(d)(2) and (f)(2))

Link to HOME Income Limits: <https://www.hudexchange.info/programs/home/home-income-limits/>

Link to HOME Rent Limits: <https://www.hudexchange.info/programs/home/home-rent-limits/>

Guidance on Utility Allowances: HOMEfires Volume 13 Number 2 (May 2016):

<https://www.hudexchange.info/resource/5034/homefires-vol-13-no-2-guidance-on-how-to-establish-utility-allowances-for-home-assisted-rental-units/>

For non-tax credit developments, the County will require property owners to choose from any of the acceptable methods outlined by current HUD guidance to prepare (or employ a qualified third-party professional to prepare) and submit a UA determination for the County's approval. For developments that received tax credits, the County will accept a utility allowance (UA) approved by another funder (state tax credit allocator, federal agency, etc.) provided the UA is calculated using a method acceptable under the HOME Program.

Risk Assessment

At the beginning of each program year, County staff will conduct a risk assessment of the County's funded activities and HOME-assisted portfolio. The purpose of the risk assessment is to most effectively utilize the resources available to identify and correct potential issues of non-compliance, fraud, waste, and mismanagement.

County staff will prepare and maintain a risk assessment worksheet for each project. The worksheet will be updated annually to incorporate the most recent information received about the project, including the results of recent desk reviews and correspondence received from the project owner. Staff will prepare the

annual monitoring plan based on the results of the risk assessment worksheets. Risk factors will include, but are not limited to the following:

- Program complexity (type of program/project)
- Funding (amount of HOME/CDBG/ESG funds, multiple funding sources)
- Developer/Recipient capacity (experience of staff, low productivity, high level of varied activity, number of open projects or lack of progress in spending funds, change in goals or direction of organization, high staff turnover, change in leadership)
- Reporting and documentation (status of project submissions or progress reports, audit finding or no audit done, low quality documentation, failure to meet schedules, any past failure to comply with agreement)
- All subrecipients with active contracts will be monitored annually.

Preparation of Annual Monitoring Plan

In preparation for each program year, the County will prepare an annual monitoring plan that identifies the County's strategy and methodology for conducting a thorough review of all underway projects and those that are still within the affordability period.

The monitoring plan identifies the type of monitoring that is needed for various activities and programs and specifies how the monitoring will be carried out—what staff will conduct the monitoring, at what time of the year, and whether the monitoring review will be done through desk reviews or on-site monitoring. Determination of the level of monitoring is based on the program requirements of the HOME program and the risk assessment. The on-site inspections must occur within 12 months after project completion and at least once every 3 years thereafter during the period of affordability. If they are in compliance and they are not scheduled for an onsite monitoring, the County will not perform an onsite monitoring. If the project has had issues in the previous year or they are scheduled for an onsite visit, the County will monitor. The County will use a subjective understanding of the properties to rank priority for monitoring. Risk factors include:

- Cash flow issues
- Property Standard Issues
- Income verification issues
- Rents and Leases

Desk Monitoring

Desk reviews, as the name implies, are done at the County office. Desk reviews are conducted on an ongoing basis and involve examining information and materials (such as programmatic and financial reports) provided by funded entities as a means to track performance and identify potential problem areas. Staff reviews this information in relation to the written agreement, which documents the scope of the activity, regulatory requirements, and performance

expectations. Upon review of the submitted documentation, staff follows up with the funded entity to address any outstanding questions or issues, or to seek additional information if needed.

On annual basis, owners of rental projects within the affordability period must provide the following to the County for review. The submittal deadline is based on the completion date of the Project, as determined by County staff. Deadline: 90 days for trial balance after the close of the project's fiscal year.

- a. Owner Certification
- b. Rent Rolls
- c. Income Documentation, Lease for New Tenants – 92.252(h)
- d. Recertifications for Existing Tenants – 92.252(h)
- e. Affirmative Marketing (for projects with 5 or more HOME-assisted units)
- f. Financial Statements:
 - a. Cover Letter (see below)
 - b. Cash Flow Statement
 - c. Balance Sheet
 - d. Proforma

Financial Viability Review & Troubled Projects

For all HOME-assisted rental projects with, the County will include a review of financial condition as part of its annual desk review.¹ The purpose of this review is to identify projects that are at-risk of becoming financially unviable, leading to foreclosure or non-compliance with property standards.

Documentation to be submitted Annually by Project Owner

Cover Letter

A cover letter outlining overall financial position and projection of income and expenses for the upcoming year. The projection of income should address any current or expected issues regarding rent and vacancies. The projection of expenses should include discussion of any rehabilitation needs over and above general maintenance.

Balance Sheet

The Balance Sheet, also called the Statement of Financial Position, provides information to evaluate the financial health of a project, including assets, liabilities, and owner equity.

Cash Flow Statement

The Cash Flow Statement provides information on revenue and expenses for the reporting year. Revenue includes rent receipts, service revenue, and financial revenue. Expenses include debt service, administrative, operating and maintenance, and taxes and insurance.

¹ HUD regulations only require financial review for projects with 10 or more HOME-assisted units.

Proforma

The proforma uses current assumptions about the property to project future income and expenses into the near future.

Review Process

County staff will conduct an initial review of the financial information to identify concerns. The following list of items to review is not comprehensive but should be considered as part of the review:

- Income
 - Are rents in line with similar projects in the market?
 - What is the vacancy rate and what are the factors affecting the vacancy rate?
 - Were any units off-line during the year?
 - Legal issues?
 - Is there a large accounts receivable or losses?
 - Review accounts receivable to identify loans unrelated to the property.
- Expenses
 - Are operating expenses in line with the assumptions during underwriting?
 - Are operating expenses in line with similar projects in the market?
 - How are operating expenses increasing year over year?
 - Are all debt payments made on a timely basis?
- Reserves
 - What are the balances within the operating and capital reserves? How do these compare to assumptions made during underwriting?
 - Are the balances increasing or decreasing over time?
 - If the project needed to cover a significant repair given the scope of the project, are the reserves sufficient to pay for it?
- Potential Red Flags
 - Decreasing or low cash balance
 - Increasing tenant account receivables
 - High vacancy rates
 - Slow turn-around of vacant units
 - Increasing or high accounts payable
 - Failure to make reserve deposits

Follow Up to Review

Upon completion of review, County staff will draft a summary of the review with a determination that the property is either (1) financially healthy, (2) financially healthy with concerns, (3) at-risk, or (4) the determination could not be made based on the information provided. County drafts letter to property manager within 60 days.

Financially Healthy

If it is determined that the project is financially healthy, the County will finalize the letter, provide it to the project owner, and maintain the letter and all submitted documentation within the project file.

Financially Healthy with Concerns

If it is determined that the project is financially healthy with concerns, the housing staff will provide the letter to the County Manager for review and recommendation for follow up. If necessary, the County has the option of imposing additional reporting requirements (more frequent reporting and monitoring), or the provision of technical assistance.

At-Risk

If the project is determined to be at-risk, the housing staff will schedule a meeting with the County Manager, legal staff, and make a recommendation for follow-up. Housing staff must schedule a meeting with the project owner within 30 days to discuss the County's concerns and potential options for addressing the risk factors, including but not limited to:

- Request change of property manager
- Improvements to management and marketing
- Dip into reserve accounts
- Seek additional owner funds
- Request that owner seek other funding sources
- Private lender changes their terms
- Re-finance existing debt
- Transfer project ownership
- Change HOME financing terms or defer payments
- Foreclosure
- Seek designation as a "troubled project" under the HOME regulations (see below)

Insufficient Documentation

If the information is insufficient to make a determination, the housing staff will notify the project owner of the issue and provide 60 days to provide the requisite documentation. Failure to comply with the reporting requirements of the HOME agreement and potential sanctions for failure to satisfy the reporting requirements, include:

- Warning. A written warning will be issued when a violation of a program requirement has occurred. This warning will cite the violation, and if the violation is occurring, a deadline when it must be remedied.
- Nonparticipation in the HOME Program. Project owners and managers that are found in blatant non-compliance may be prohibited from future participation in County programs.

- Repayment. The property owner will be required to reimburse HOME funds in accordance with program requirements and the written agreement.

Foreclosures and Troubled Properties – 92.210

The County can pursue a “troubled projects” designation if staff determines that:

- a restructuring of the terms of the HOME agreement, including the number of HOME-assisted units, could remove the at-risk status of the project yet still meet the HOME requirements; or
- Additional HOME funds are needed for rehabilitation or recapitalization.

The County should consult the local HUD field office for feasibility and potential solutions for any project seeking “troubled project” designation.

If any distressed projects go into foreclosure, the following actions will occur:

- Once the Office of County Counsel is served with the complaint, the case will be assigned to a member of the County Counsel's office.
- Housing staff is notified by County Counsel of the pending foreclosure and requests a update on the project's status.
- The Office of County Counsel will file a non-contesting answer, which joins in the foreclosure action.
- Based upon the amount of the foreclosure, the judgment is obtained by the first lien holder and the County's position is protected up to the amount of the mortgage.
- If the developer (project owner) is unable to satisfy the mortgage holder, a Sheriff Sale based on the amount of the lien is held. In the event that there are funds obtained at the Sheriff Sale in excess of the first mortgage, the County receives a portion of the proceeds based on priority. If there are no excess funds, the County's lien is extinguished and the property is sold to the highest bidder or the first lien holder obtains the property at the Sheriff's Sale which also extinguishes the County's lien.

Onsite Monitoring (See Appendix VII)

The purpose of the onsite monitoring visit is to verify the accuracy of the information provided to the County, the policies and procedures for administering the project, and the property conditions. On-site monitoring enables the County to conduct a more in-depth level of review than the desk review. On-site monitoring involves a visit to the funded entity's office to review documents and source information, observe actual program operations, and discuss programs and projects with the staff carrying them out. On-site monitoring occurs annually and is recommended when the risk assessment gives the project high priority or as required by the regulations.

On-site-Monitoring Preparation

Prior to an on-site monitoring visit, the County will provide written notification of the visit to recipient. The notice will provide the following information:

- Dates and time of the monitoring visit
- A copy of the HUD-provided checklists
- A list of files to be reviewed
- A list of properties to be inspected

The recipient will be asked to provide the County with the following:

- Disbursement and expenditure reports
- Agreements/contracts
- Policy guidelines and procedures, administrative plans, and operation manuals
- Beneficiary data

Inspection of Property Management Policies and Procedures

The purpose of the property management portion of the onsite visit is to verify the accuracy of the information submitted already reviewed as part of the desk reviews and to review the procedures that the property manager follows in regard to income calculations, tenant selection policy, and lead safe housing compliance.

Any recipient of HOME funds, including developers, subrecipients and contractors, are responsible for documenting compliance with the income restrictions of HOME-assisted units for the period of affordability. Recipients must use Income Verification Packets provided by the County and submit completed packets to the County for approval. The County will provide technical assistance to properly complete income verification to any recipient upon request. It is recommended that all recipient staff responsible for completing income verification packets receive training from the County. If recipients fail to properly complete or submit Income Verification Packets, the recipient will be in non-compliance of their HOME agreement and all HOME funds provided will be subject to repayment to the County.

1. Income Calculations
 - a. Is Property Owner using correct income limits?
 - b. Is Property Owner calculating income correctly?
 - c. Is Property Owner collecting supporting documentation?
2. Tenant Selection Policy

- a. Evidence Property Owner is using policy
 - b. Waiting List
 - i. Who was selected from waiting list and why
- 3. Lead Safe Housing Compliance
 - a. Notification of LBP
 - b. LBP Pamphlet

Inspections of Property Standards

Inspections must be based on a statistically valid sample of units appropriate for the size of the HOME-assisted project, as set forth by HUD through notice. For projects with one-to-four HOME-assisted units, participating jurisdiction must inspect 100 percent of the HOME-assisted units and the inspectable items (site, building exterior, building systems, and common areas) for each building housing HOME-assisted units.

Procedure

- Staff will determine number of units to be inspected.
- Property Inspector will use Property Inspection Checklist (See ATTACHMENT) to conduct physical inspections.
- Upon completion of physical inspections, Property Inspector will provide a copy of checklists used with a summary of any deficiencies to be included with monitoring letter and file copies of the checklists in the project file.
- If there are deficiencies, Property Inspector will perform follow up inspections as necessary to ensure deficiencies are corrected.

Follow-up and Resolution of Deficiencies – 92.504(d)(1)(ii)

In the course of the monitoring review, the County evaluates both the compliance and the effectiveness of the program or project. It identifies both findings and areas of concern. Monitoring findings are instances of noncompliance that must be addressed. Monitoring areas of concern are practices or operational procedures that are not effective or could lead to noncompliance if left unaddressed.

Following each monitoring review (desk or on-site), the County monitoring staff will provide a written summary of the monitoring visit, including a list of findings of noncompliance that must be corrected and a deadline for the funded entity to make appropriate remedies. The summary will also include areas of concern and suggestions for how these should be addressed.

Correction of Findings and Areas of Concern

Within thirty days of a monitoring review, the County must send the property owner a summary letter explaining any findings or concerns noted during the review. If the compliance review letter includes a Finding of Noncompliance or a Concern, the letter must also propose necessary corrective actions and a timeframe to make the corrections, usually thirty (30) days. If the property owner is not able to satisfy any of the required follow-up actions, the County should determine the appropriate response from the list below. All cases of non-compliance will be reported to the appropriate Bureau Head. All documentation regarding the onsite visit, including the checklists and correspondence, should be filed in the appropriate project file.

Responses to Non-Compliance

- **Warning.** A written warning will be issued when a violation of a program requirement has occurred. This warning will cite the violation, and if the violation is occurring, a deadline when it must be remedied.
- **Suspension.** Grant funds will be discontinued for any award which is found to be in noncompliance and for which corrective action has not been initiated. Funding may be discontinued for a project, a specific use of funds, or for an owner/entity. The County will have the option of lifting the suspension upon the correction of the violating condition.
- **Repayment.** The entity will be required to reimburse HOME funds to the County for projects that fail to satisfy the HOME requirements. In instances where repayment is required, the County will take the following steps:
 - The matter will be forwarded to County Counsel, including copies of all agreements and monitoring correspondence.
 - The County Counsel will work with the Project Coordinator and HOME-funded entity in an effort to resolve the finding with a voluntary repayment.
 - If an acceptable voluntary repayment cannot be agreed upon, the County Counsel will take the appropriate steps to declare the entity in default and demand immediate repayment of the funds in question.
 - The County Counsel will proceed to take legal action for breach of contract which may result in foreclosure of the HOME-assisted properties.
- **Payment Adjustments.** If the entity has not demonstrated responsible fiscal and administrative capacity, the County may adjust the payment method in which the grant funds are disbursed.
- **Grant Adjustment.** Grant awards may be adjusted, reduced or the total amount withdrawn when there is noncompliance and the violation cited has not been remedied as specified.
- **Nonparticipation in the HOME Program.** Entities that are found in blatant non-compliance may be prohibited from future participation.
- **Full or Partial Termination.** The HOME agreement may be terminated in whole or in part if the County determines that the entity has failed to comply with its terms and conditions.
- **Referral to Law Enforcement.** In instances of suspected illegality, the County will contact HUD and other appropriate law enforcement agencies.

Deficiencies in Physical Property Condition

If there are observed deficiencies for any of the inspectable items in the property standards, in accordance with the inspection requirements of §92.251, a follow-up on-site inspection to verify that deficiencies are corrected must occur within 12 months.

For non-hazardous deficiencies, the County may require verification of correction through third party documentation such as a paid invoice rather than re-inspection. Health and safety deficiencies must be corrected immediately, in accordance with §92.251. Any property that is found to have a health or safety deficiency is automatically given a high priority in the risk assessment.

Financial Management

The County's financial system is regulated by New Jersey State Law and the rules formulated by the Local Finance Board (N.J.A.C. 5:30-5.7). The County uses the Edmunds MCSJ Accounting software which incorporates all of the required rules mandated by the State, satisfies the standards for financial management systems set forth in 24 CFR 200.302.

Financial accounting represents the process of recording, measuring, interpreting, and communicating financial data. Each transaction is represented in the system of financial accounting using balanced debits and credits known as double-entry bookkeeping. Use of such an accounting system is required by the State of New Jersey per N.J.A.C 5:30-5.7.

General Ledger

The general ledger is the County's official permanent record summarizing of all financial transactions recorded in the double-entry accounting system books of original entry. The general ledger accounting system supports the "fund" basis of accounting required by the Division of Local Government Services.

The general ledger allows the County to provide for the immediate and current identification of its assets, liabilities, revenues, expenditures and fund balance. This is accomplished by using a self-balancing chart of accounts for each fund, using the standard general ledger accounting system. The general ledger, together with the books of original entry and supporting subsidiary ledgers constitute a complete accounting system.

Chart of Accounts

As recommended by New Jersey State law, the County has adopted the Flexible Chart of Accounts (FCOA). The HOME Program utilizes the following accounts on the general ledger:

Account #	Account Name
x-12-101-01-000-143	Wells Fargo-HOME
x-12-105-03-000-361	HOME Program
x-12-168-05-000-001	Interfund: Current Fund (HOME)
x-12-201-26-000-001	Appropriations Budget-HOME
x-12-202-55-000-013	Encumbrances-HOME
x-12-286-56-000-693	HOME Project Income
x-12-286-56-000-695	HOME Recapture Fund
x-12-286-56-000-696	HOME Program (Unappropriated Reserve)

Bank Accounts

County staff utilizes one bank account to track HOME funds. Bank 43 receives US Treasury wire-transfers and holds local fund receipts. All HOME expenses are made on a reimbursement basis, meaning that the County pays the expense using local funds and is later reimbursed by federal funds.

Action Plan and Budgeting Process

Each year, the County is required to prepare an annual action plan for submission to the U.S. Department of Housing and Urban Development (HUD) in order to receive a HOME allocation. The County receives and reviews applications based on the eligibility and underwriting requirements outlined above. Approved applications are included in the Action Plan submittal to HUD. The total budget shall equal the allocation amount determined by HUD and the accumulated amount of un-programmed program income.

Upon receipt of the grant agreement, the County will create a receivable for the grant in the HOME Program Account (x-12-105-03-000-361).

For each project award HOME funds, HOME program staff will present the project before the Board of County Commissioners for a resolution after the project satisfies the commitment requirements of the HOME program. Once the resolution has been passed, HOME program staff will request the Finance Department to appropriate available funds to designated Home Appropriation Accounts.

Local Funds

Local funds are funds that have been received by the County in relation to the administration of the HOME funds. All local funds in the HOME account are subject to all of the rules and regulations of the HOME program. There are three types of local funds, program income, recaptured funds, and repayments, each of which is handled differently and described in more detail below.

An update to the HOME Final Rule published December 2, 2016 changed the process that the County must follow when committing and disbursing funds in their HOME Investment Trust Fund local accounts. § 92.503(d) requires the County to commit all funds in the HOME local account at the beginning of the program year before committing funds in the HOME Investment Trust Fund Treasury account. HUD implemented this provision in IDIS by permitting PJs to fund activities with HOME Treasury funds only after all local account funds earned in the prior program year have been fully committed.

§ 92.502(c)(3) also requires that projects funded from both local funds and Treasury account funds must disburse local funds before processing requests for Treasury account funds.

Program Income

Per the HOME regulations, program income is defined as the gross income received by the County or a subrecipient directly generated from the use of HOME funds or matching contributions. When program income is generated by housing that is only partially assisted with HOME funds or matching funds, the income shall be prorated to reflect the percentage of HOME funds used. Program income includes but is not limited to the following:

1. Proceeds from the disposition by sale or long-term lease of real property acquired, rehabilitated, or constructed with HOME funds or matching contributions;
2. Gross income from the use or rental of real property, owned by the County or subrecipient that was acquired, rehabilitated, or constructed, with HOME funds or matching contributions, less costs incidental to generation of the income;
3. Payments of principal and interest on loans made using HOME funds or matching contributions;
4. Proceeds from the sale of loans made with HOME funds or matching contributions;
5. Proceeds from the sale of obligations secured by loans made with HOME funds or matching contributions;
6. Interest earned on program income pending its disposition; and
7. Any other interest or return on the investment permitted under § 92.205(b) of HOME funds or matching contributions.
8. All program income will be submitted into IDIS in a timely manner.

Recaptured Funds

Recaptured funds are funds repaid to the County when a HOME-assisted homebuyer fails to complete the affordability period. These funds are treated the same as program income except that the County cannot increase its administrative budget based on receipt of recaptured funds.

Repayments

HOME repayments are those received by the County as repayment for costs deemed as ineligible by HUD or County monitoring staff. For each repayment received, HOME program staff shall contact the local HUD office for instruction on how to proceed. In some cases, funds will be transferred back to the U.S. Treasury. In others, the funds may be held in the local HOME fund account.

Receipt of Local Funds (income, recaptured, and repayments)

1. All checks are sent to the Housing Development Analyst. Upon receipt of the check, the Housing Development Analyst will determine the type of receipt (income, recaptured, or repayment).
2. The Housing Development Analyst will prepare a cover memo and deliver the check to the Director of the Division of Treasury with instruction as to which revenue account (income or recapture) and bank account (Bank 43) the funds should be assigned:

- a. Funds will be debited to account #x-12-101-01-000-143 (Bank 43)
 - b. Program income will be credited to account #x-12-286-56-000-693
 - c. Recaptured funds will be credited to account #x-12-286-56-000-695
 - d. Repayments will be handled based on guidance from local HUD field office
3. The Housing Development Analyst will log the receipt into the Integrated Disbursement and Information System (IDIS). The receipt in IDIS shall clearly identify the project that generated the income in the Comments field. Once the receipt has been entered into IDIS, the Housing Development Analyst will print a screenshot of the receipt and staple a copy to a copy of the check for the program file.

Disbursement of Local Funds (income, recaptured, and repayments)

§ 92.502(c)(3) requires that projects funded from both local funds and Treasury account funds must disburse local funds before processing requests for Treasury account funds. Before creating a drawdown that utilizes local funds, the Housing Development Analyst will notify the Director of the Division of Treasury to ensure the County's general ledger correctly allocate local funds to the correct project.

Reconciliations

The Finance Department will assist with reconciling HOME funds in the local bank account with general ledger records and IDIS information on a quarterly basis. The reconciliation will provide the HOME program staff with an identification of any outstanding action needed to balance the GL and IDIS, including the receipt of local funds or the creation of draws, and the availability of funds for reprogramming. Please see Appendix IX: Union County Department of Finance, Financial Management policy)

Cash Management Practices

In order to pay our developers/subgrantees, funds are paid out of the County's account, and US Treasury funds are drawn down within 15 days to reimburse the County account.

Appendix I

County of Union
Home Investment Partnerships Program
Site and Neighborhood Standards Policy and Procedures

Background

HOME Program regulations at 24 CFR 92.202(b) state that for new construction of rental housing “a participating jurisdiction is responsible for making the determination that proposed sites for new construction meet the requirements in 24 CFR 983.57, Site Selection Standards.

In order to properly conduct and document the review required by the regulations, the following policy and procedures are hereby adopted by the Union County HOME Program, which administers the Program on behalf of the County of Union.

Policy

The Union County HOME Program staff will perform a HUD Site and Neighborhood Standards review for all new construction rental projects requesting HOME Program funds. This review will occur as a part of the staff underwriting process after receipt of the funding application and before any funding recommendation is made to the County of Union.

Procedure

All HOME project files shall contain a “HOME Process Checklist” which includes the completion of a “HUD Site and Neighborhood Standards review” during the staff underwriting phase. HOME Program staff will perform this review by completing the “Site and Neighborhood Standards Checklist” which includes the requirements at 24 CFR 983.57. Home Program staff will review and sign off on the determination.

For the purposes of the review, “areas of minority concentration” shall be defined as census tracts where the percentage of any minority group is greater than or equal to twice the percentage in the population of the County as a whole.

For the purposes of the review, “areas of low/moderate income concentration” shall be defined as census tracts where 51% or more of the residents are at or below 80% of area median income as determined by HUD.

The County will determine the census tract of the proposed project site, and to determine whether the census tract meets the definition of an “area of minority concentration”, staff shall use the US Census 2020 Demographic Data Map Viewer.

The County will determine whether the census tract meets the definition of an “area of low and moderate income concentration”, using data provided by HUD.

A map indicating the census tract where the project is located and a US Census report of the racial demographics of the census tract (for example “QT-P3: Race and Hispanic or Latino”) shall be attached to the checklist as back-up documentation of the determination.

HOME Program funding applicants shall be made aware of this policy through the following:

- HOME Application supplement
- HOME grant/loan agreement
- HOME Program Policies and Procedures

24 CFR 983.57 UC HOME Site and Neighborhood Standards Checklist

Project Name: _____

UC HOME Project Location: _____

_____ (e) *New construction site and neighborhood standards.* A site for newly constructed housing must meet the following site and neighborhood standards:

_____ (1) The site must be adequate in size, exposure, and contour to accommodate the number and type of units proposed, and adequate utilities (water, sewer, gas, and electricity) and streets must be available to service the site.

_____ (2) The site must not be located in an area of minority concentration, except as permitted under [paragraph \(e\)\(3\)](#) of this section, and must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.

_____ (3) A project may be located in an area of minority concentration only if:

_____ (i) Sufficient, comparable opportunities exist for housing for minority families in the income range to be served by the proposed project outside areas of minority concentration (see [paragraph \(e\)\(3\)\(iii\)](#), [\(iv\)](#), and [\(v\)](#) of this section for further guidance on this criterion); or

_____ (ii) The project is necessary to meet overriding housing needs that cannot be met in that housing market area (see [paragraph \(e\)\(3\)\(vi\)](#) of this section for further guidance on this criterion).

_____ (iii) As used in [paragraph \(e\)\(3\)\(i\)](#) of this section, “sufficient” does not require that in every locality there be an equal number of assisted units within and outside of areas of minority concentration. Rather, application of this standard should produce a reasonable distribution of assisted units each year that, over a period of several years, will approach an appropriate balance of housing choices within and outside areas of minority concentration. An appropriate balance in any jurisdiction must be determined in light of local conditions affecting the range of housing choices available for low-income minority families and in relation to the racial mix of the locality's population.

_____ (iv) Units may be considered “comparable opportunities,” as used in paragraph (e)(3)(i) of this section, if they have the same household type (elderly, disabled, family, large family) and tenure type (owner/renter); require approximately the same tenant contribution towards rent; serve the same income group; are located in the same housing market; and are in standard condition.

_____ (v) Application of this sufficient, comparable opportunities standard involves assessing the overall impact of HUD-assisted housing on the availability of housing choices for low-income minority families in and outside areas of minority concentration, and must take into account the extent to which the following factors are present, along with other factors relevant to housing choice:

_____ (A) A significant number of assisted housing units are available outside areas of minority concentration.

_____ (B) There is significant integration of assisted housing projects constructed or rehabilitated in the past 10 years, relative to the racial mix of the eligible population.

_____ (C) There are racially integrated neighborhoods in the locality.

_____ (D) Programs are operated by the locality to assist minority families that wish to find housing outside areas of minority concentration.

_____ (E) Minority families have benefited from local activities (*e.g.*, acquisition and write-down of sites, tax relief programs for homeowners, acquisitions of units for use as assisted housing units) undertaken to expand choice for minority families outside of areas of minority concentration.

_____ (F) A significant proportion of minority households has been successful in finding units in non-minority areas under the tenant-based assistance programs.

_____ (G) Comparable housing opportunities have been made available outside areas of minority concentration through other programs.

_____ (vi) Application of the “overriding housing needs” criterion, for example, permits approval of sites that are an integral part of an overall local strategy for the preservation or restoration of the immediate neighborhood and

of sites in a neighborhood experiencing significant private investment that is demonstrably improving the economic character of the area (a “revitalizing area”). An “overriding housing need,” however, may not serve as the basis for determining that a site is acceptable, if the only reason the need cannot otherwise be feasibly met is that discrimination on the basis of race, color, religion, sex, national origin, age, familial status, or disability renders sites outside areas of minority concentration unavailable or if the use of this standard in recent years has had the effect of circumventing the obligation to provide housing choice.

_____ (4) The site must promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.

_____ (5) The neighborhood must not be one that is seriously detrimental to family life or in which substandard dwellings or other undesirable conditions predominate, unless there is actively in progress a concerted program to remedy the undesirable conditions.

_____ (6) The housing must be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents.

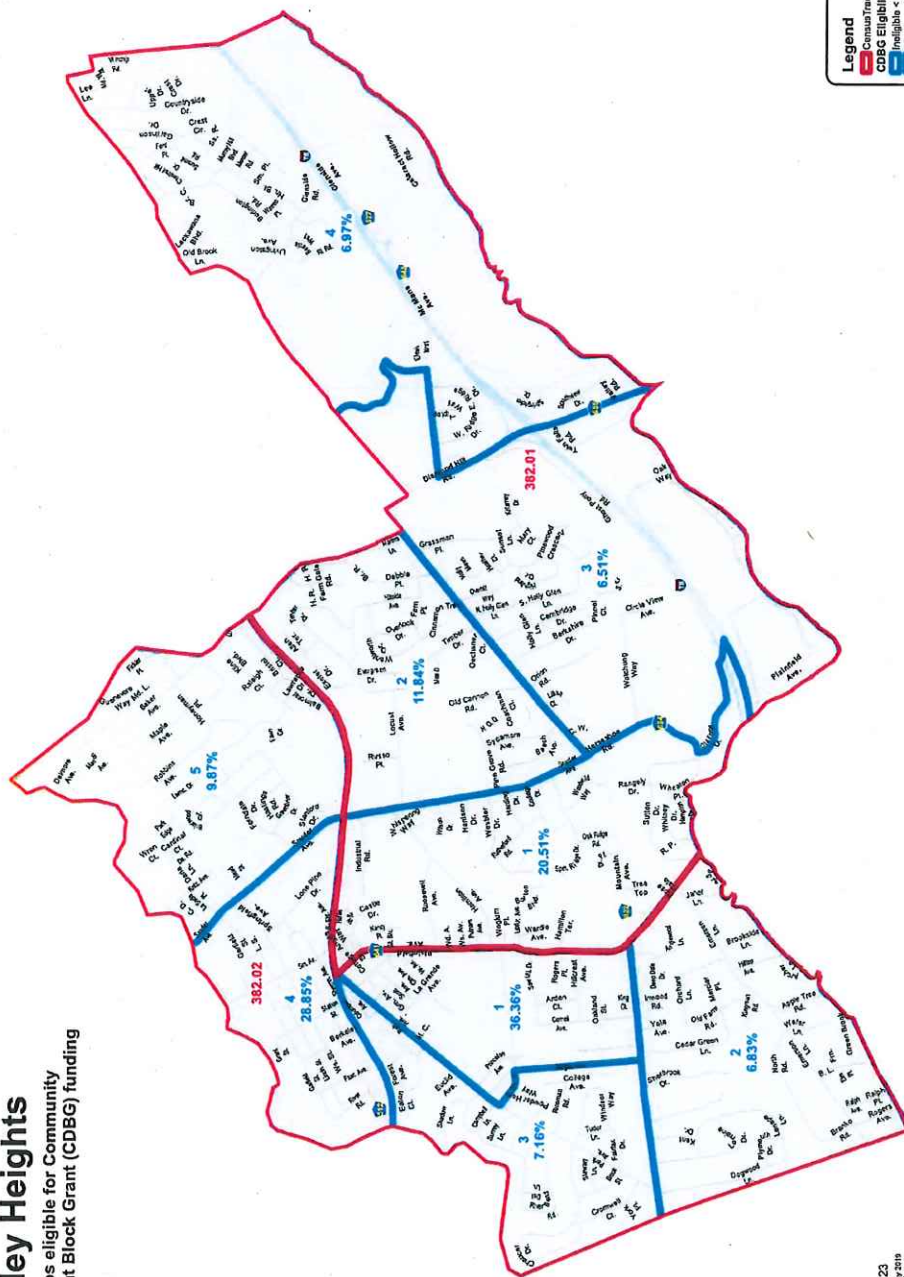
_____ (7) Except for new construction, housing designed for elderly persons, travel time, and cost via public transportation or private automobile from the neighborhood to places of employment providing a range of jobs for lower-income workers, must not be excessive.

UC HOME Program Manager: _____

Date: _____

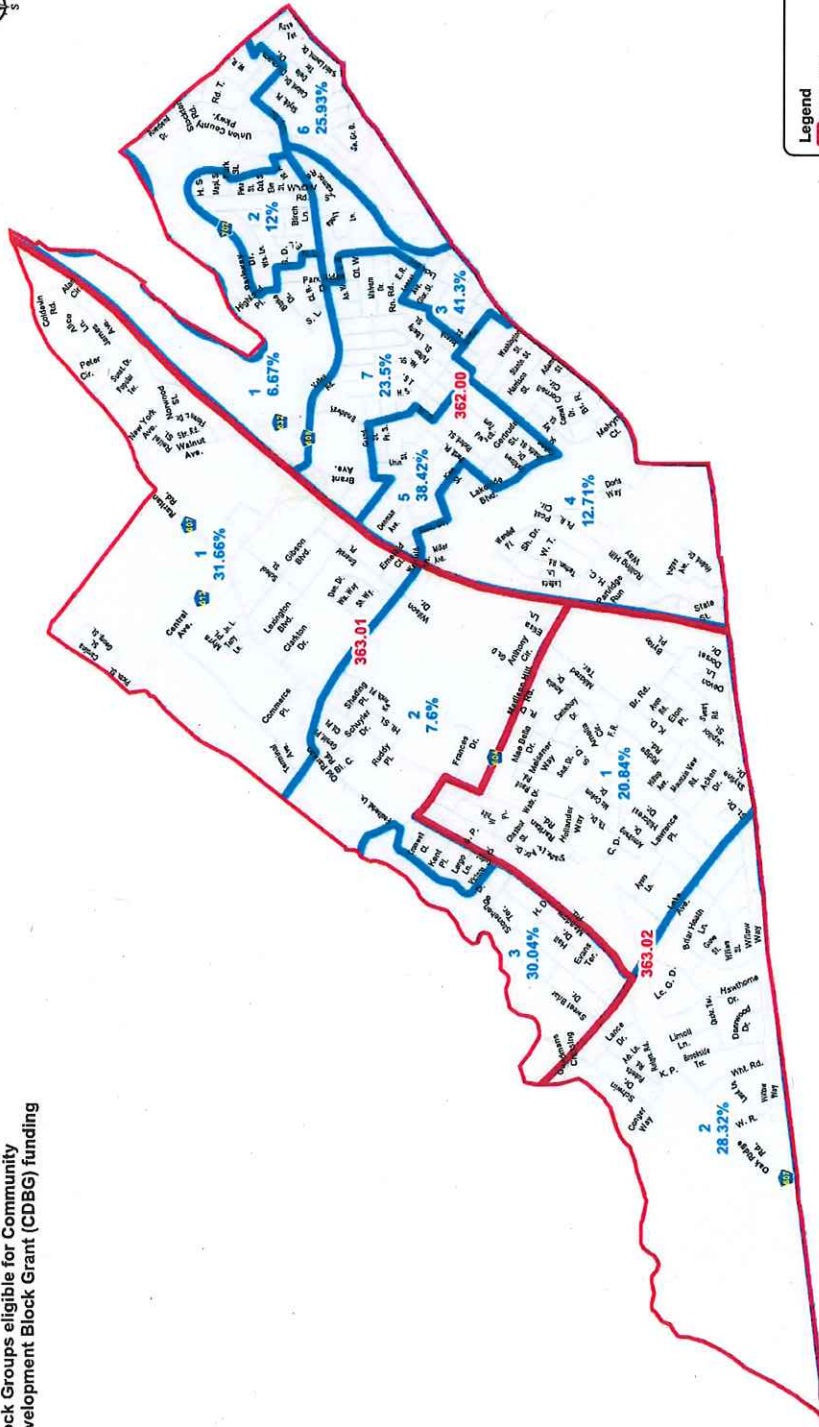
Berkeley Heights

Block Groups eligible for Community Development Block Grant (CDBG) funding



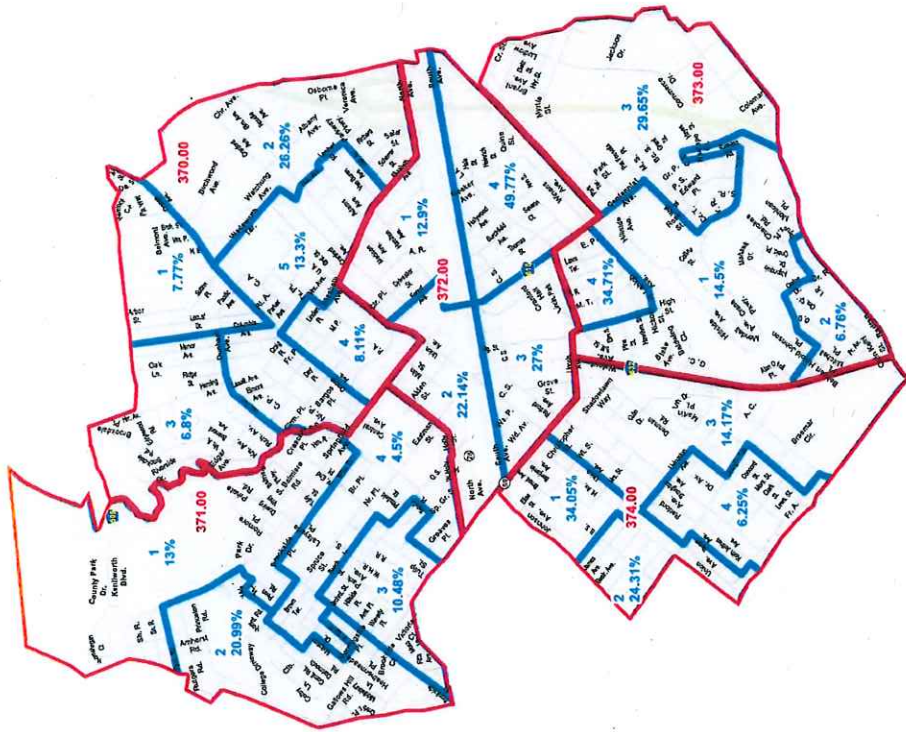
Clark

Block Groups eligible for Community Development Block Grant (CDBG) funding



Cranford

Block Groups eligible for Community Development Block Grant (CDBG) funding



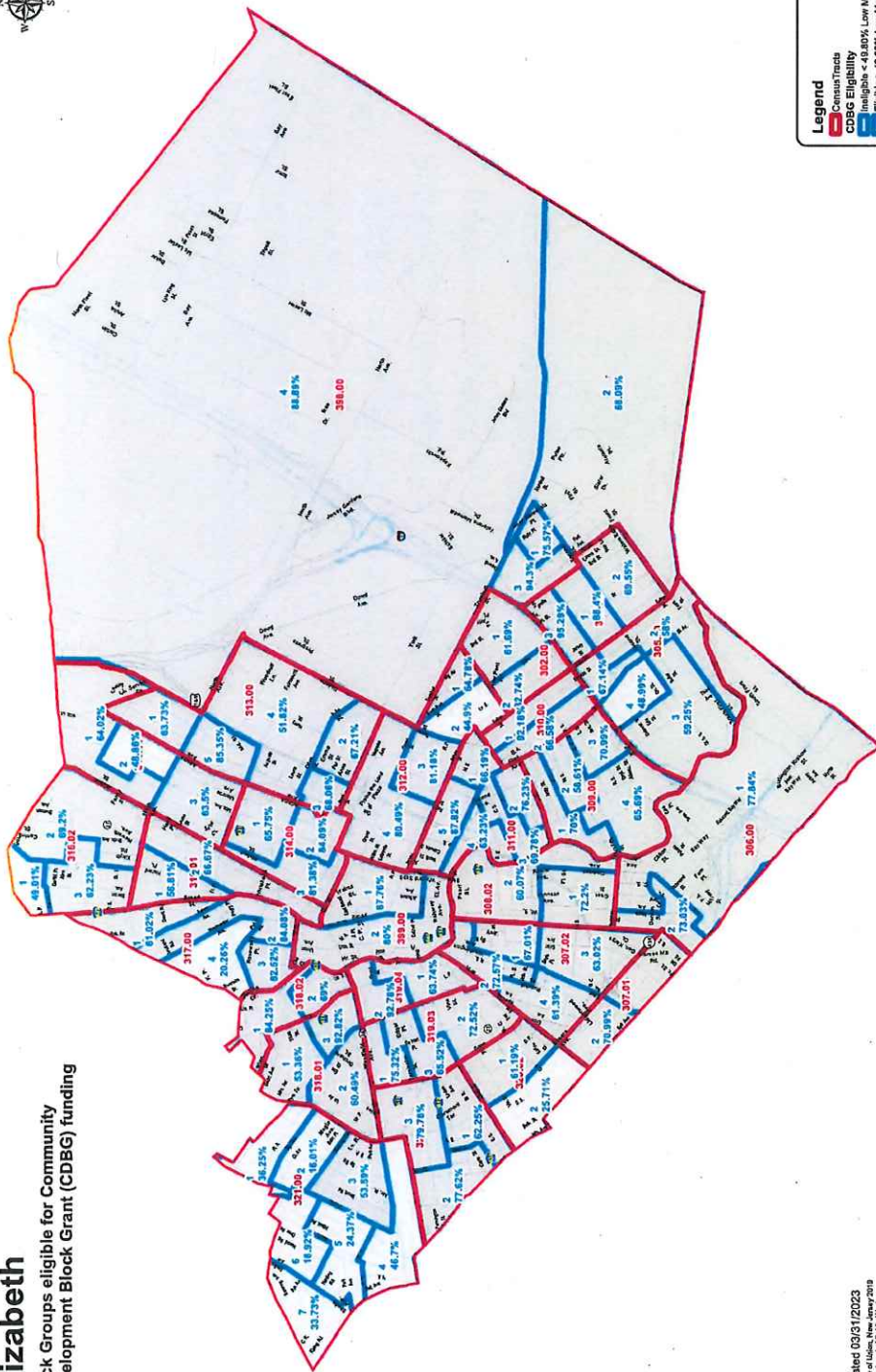
Legend

Census Tracts
CDBG Eligibility

Ineligible < 45.00% Low Mod
Eligible > 45.00% Low Mod

Elizabeth

Block Groups eligible for Community Development Block Grant (CDBG) funding

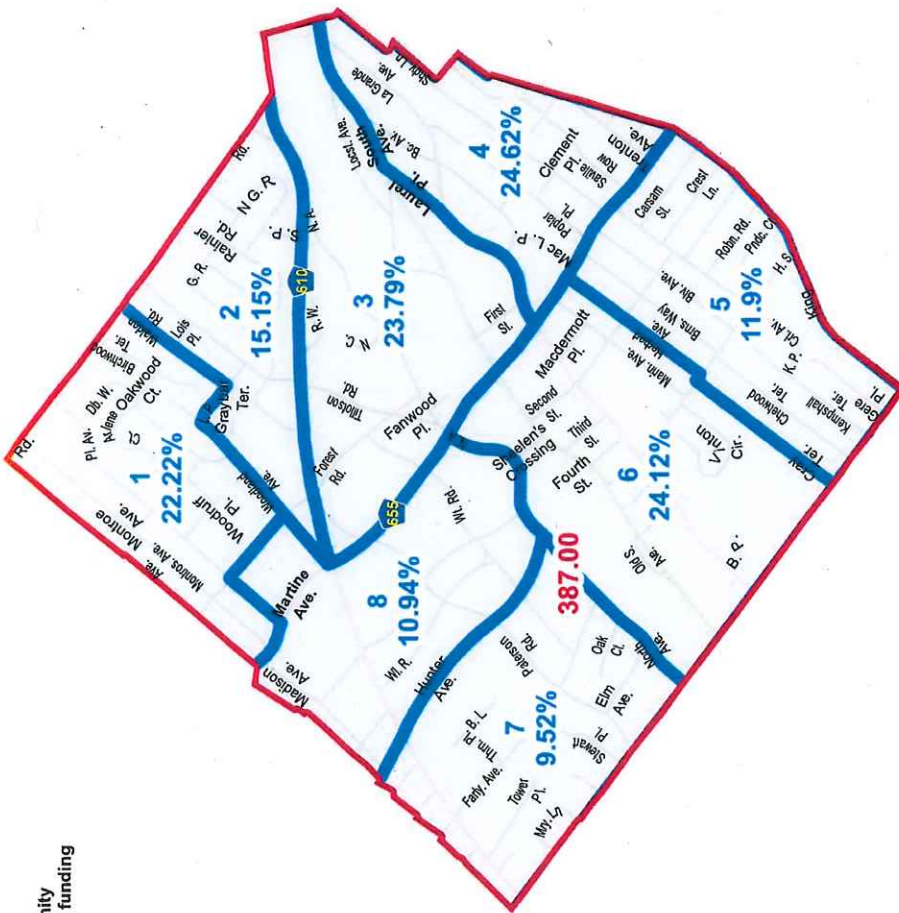


Legend

- Census Tracts
- CDBG Eligibility
- Low Mod
- Eligible < 49.80% Low Mod
- Eligible > 49.80% Low Mod

Fanwood

Block Groups eligible for Community Development Block Grant (CDBG) funding



Legend

Census Tracts

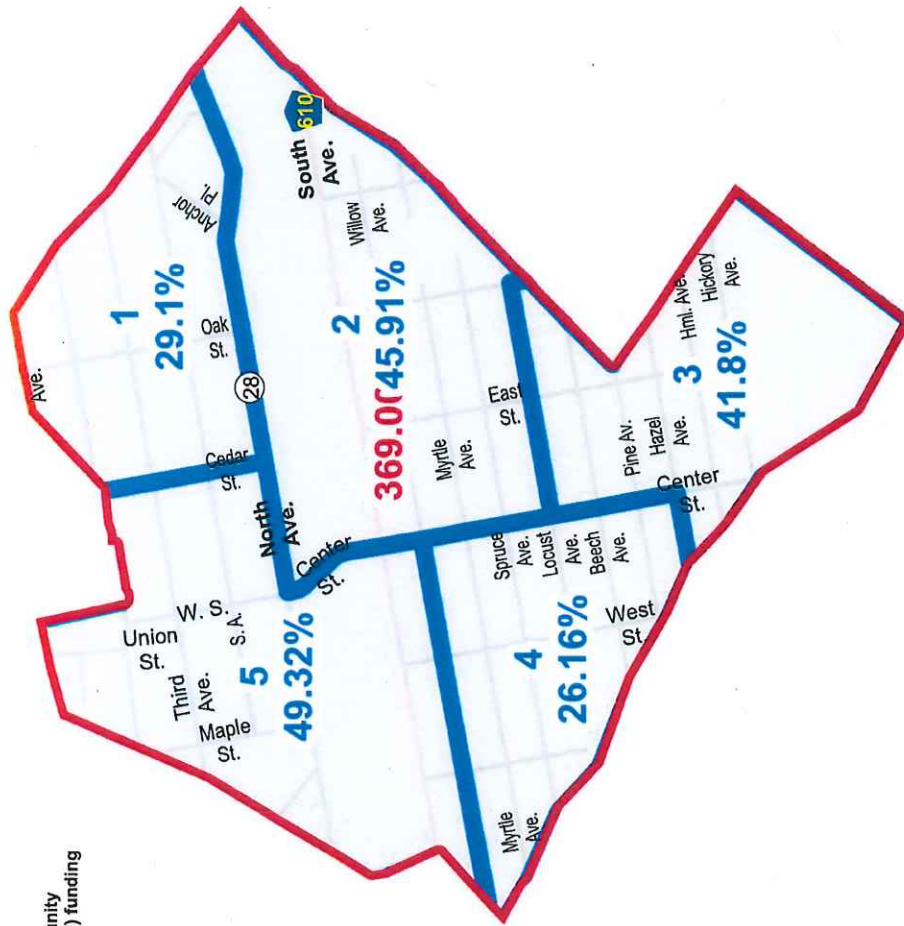
CDBG Eligibility

Ineligible < 49.80% Low Mod

Eligible > 49.80% Low Mod

Garwood

Block Groups eligible for Community Development Block Grant (CDBG) funding



Legend

Census Tracts

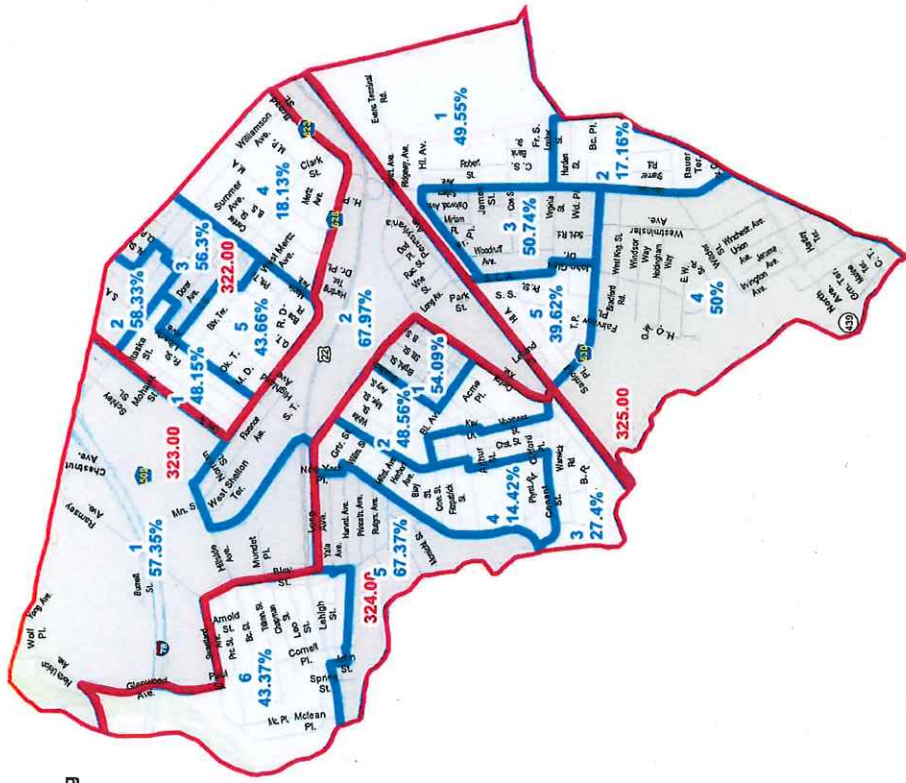
CDBG Eligibility

Ineligible < 49.80% Low Mod

Eligible > 49.80% Low Mod

Hillside

Block Groups eligible for Community Development Block Grant (CDBG) funding



Legend

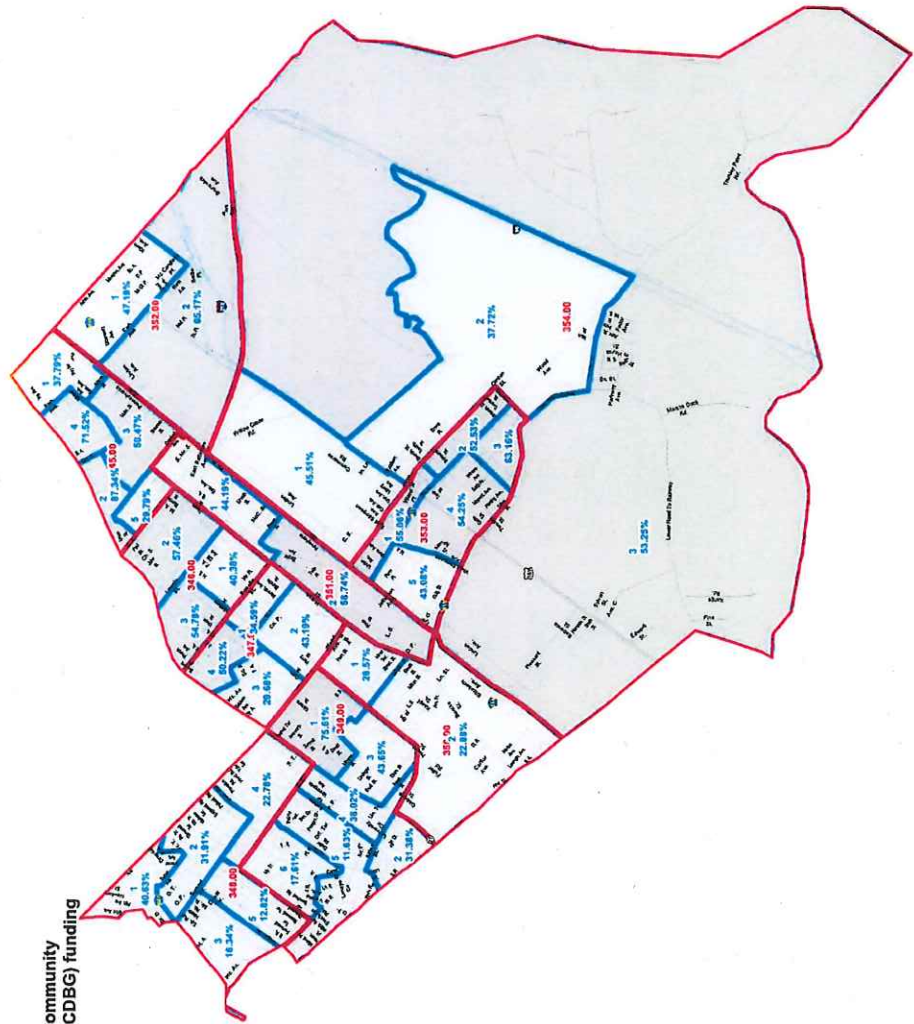
- Census Tracts
- CDBG Eligibility
- Eligible < 49.80% Low Mod
- Eligible > 49.80% Low Mod

Block Groups eligible for Community Development Block Grant (CDBG) funding



Linden

Block Groups eligible for Community Development Block Grant (CDBG) funding



Legend

Census Tracts

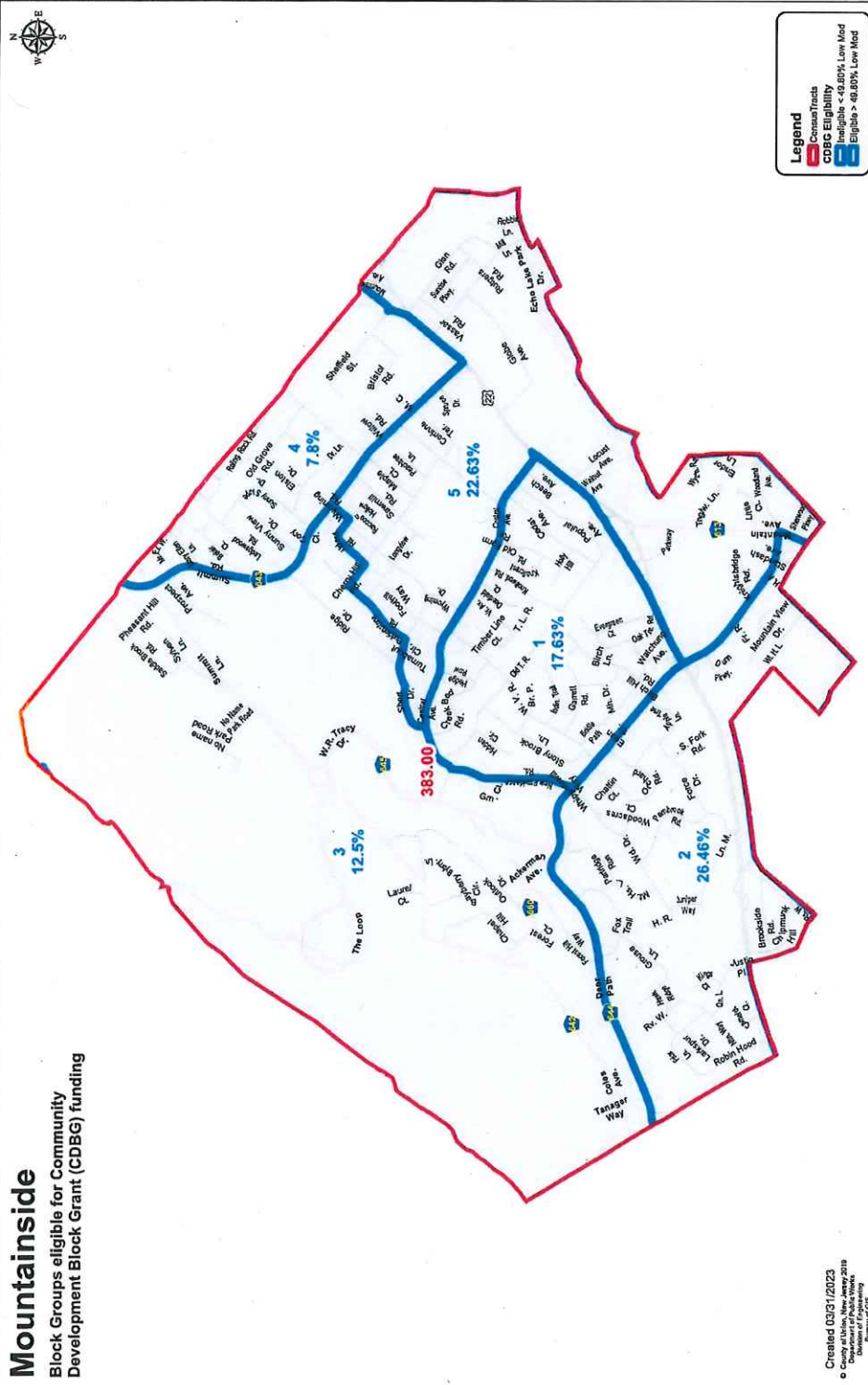
CDBG Eligibility

Ineligible < 48.00% Low Mod

Eligible > 48.00% Low Mod

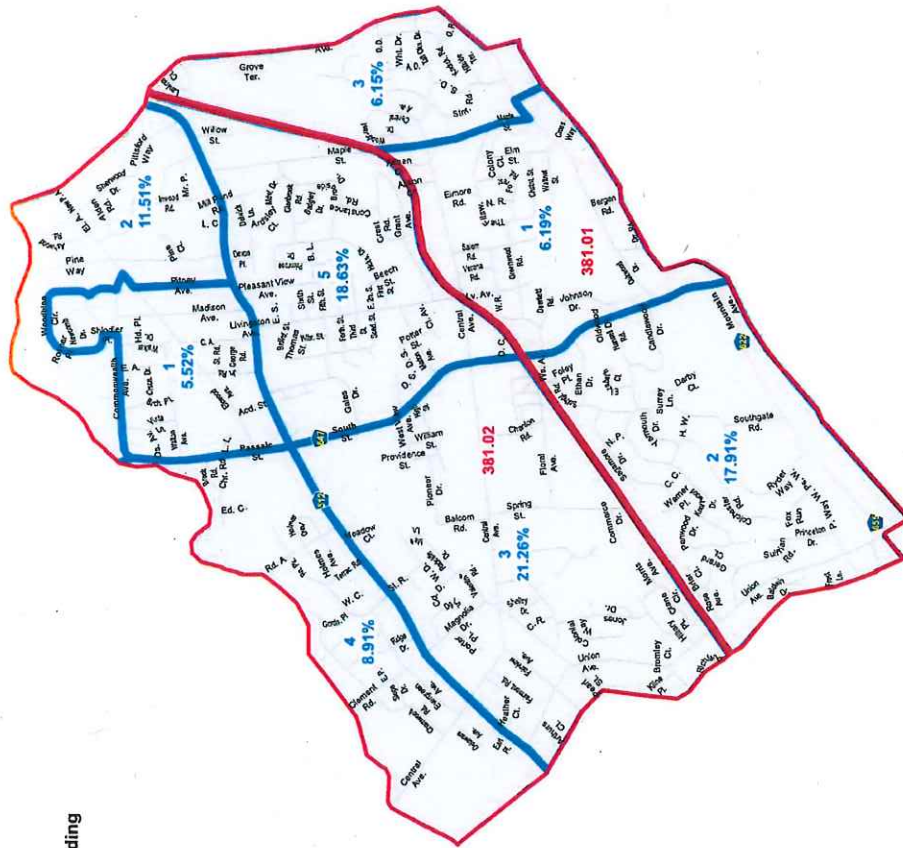
Mountainside

Block Groups eligible for Community Development Block Grant (CDBG) funding



New Providence

Block Groups eligible for Community Development Block Grant (CDBG) funding

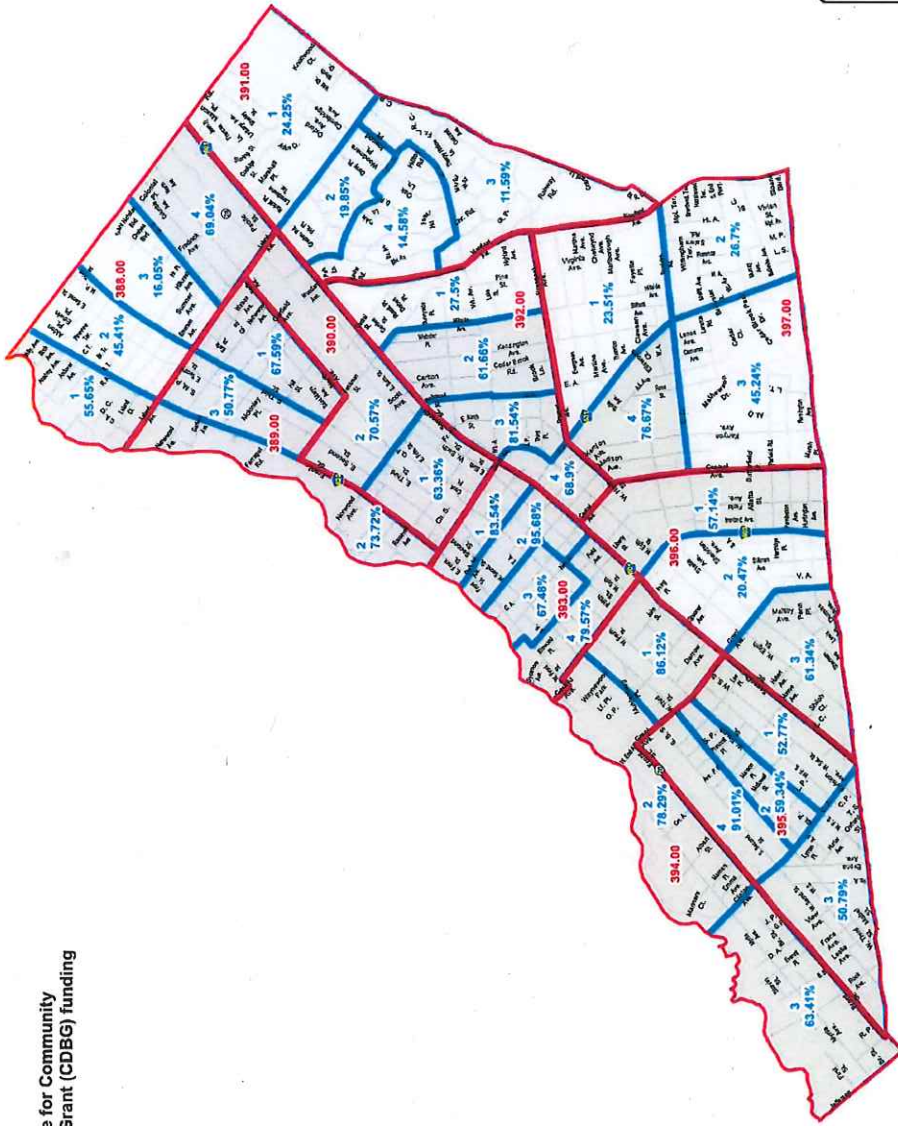


Legend

- CensusTracts
- CDBG Eligibility
- Ineligible < 40.80% Low Mod
- Eligible > 40.80% Low Mod

Plainfield

Block Groups eligible for Community Development Block Grant (CDBG) funding

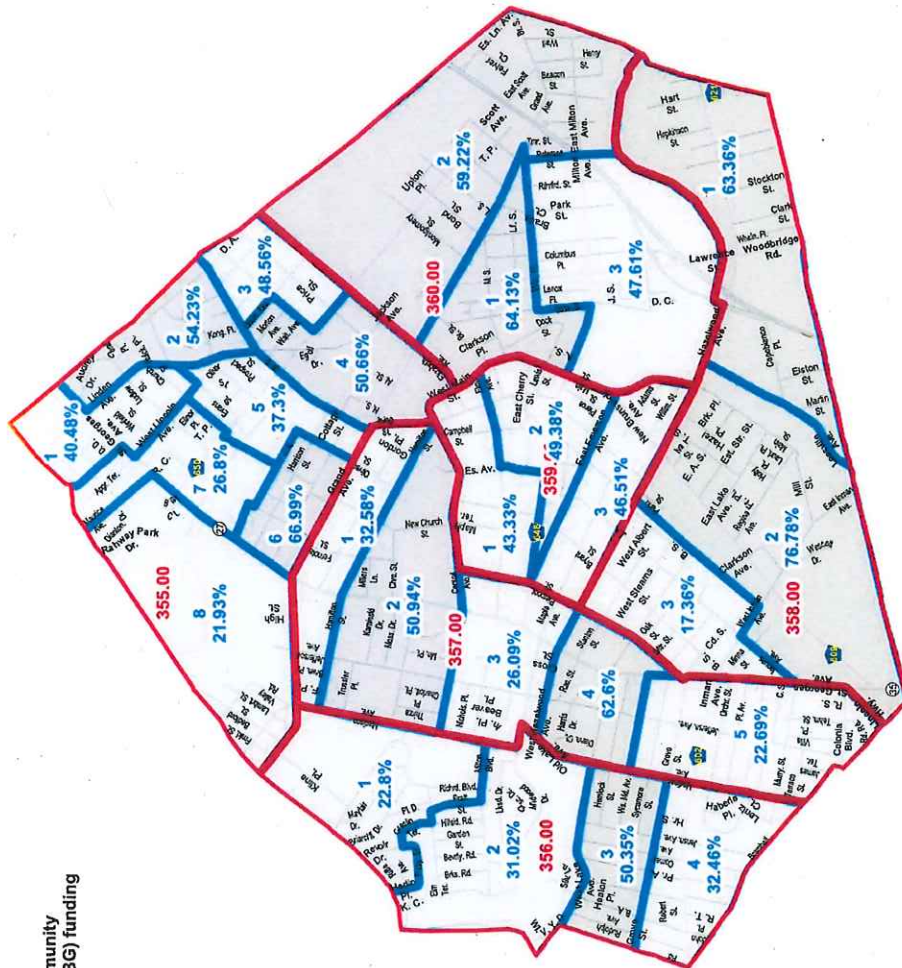


Legend

- Census Tracts
- CDBG Eligibility
- Ineligible < 48.00% Low Mod
- Eligible > 49.00% Low Mod

Rahway

Block Groups eligible for Community Development Block Grant (CDBG) funding



Legend

Census Tracts

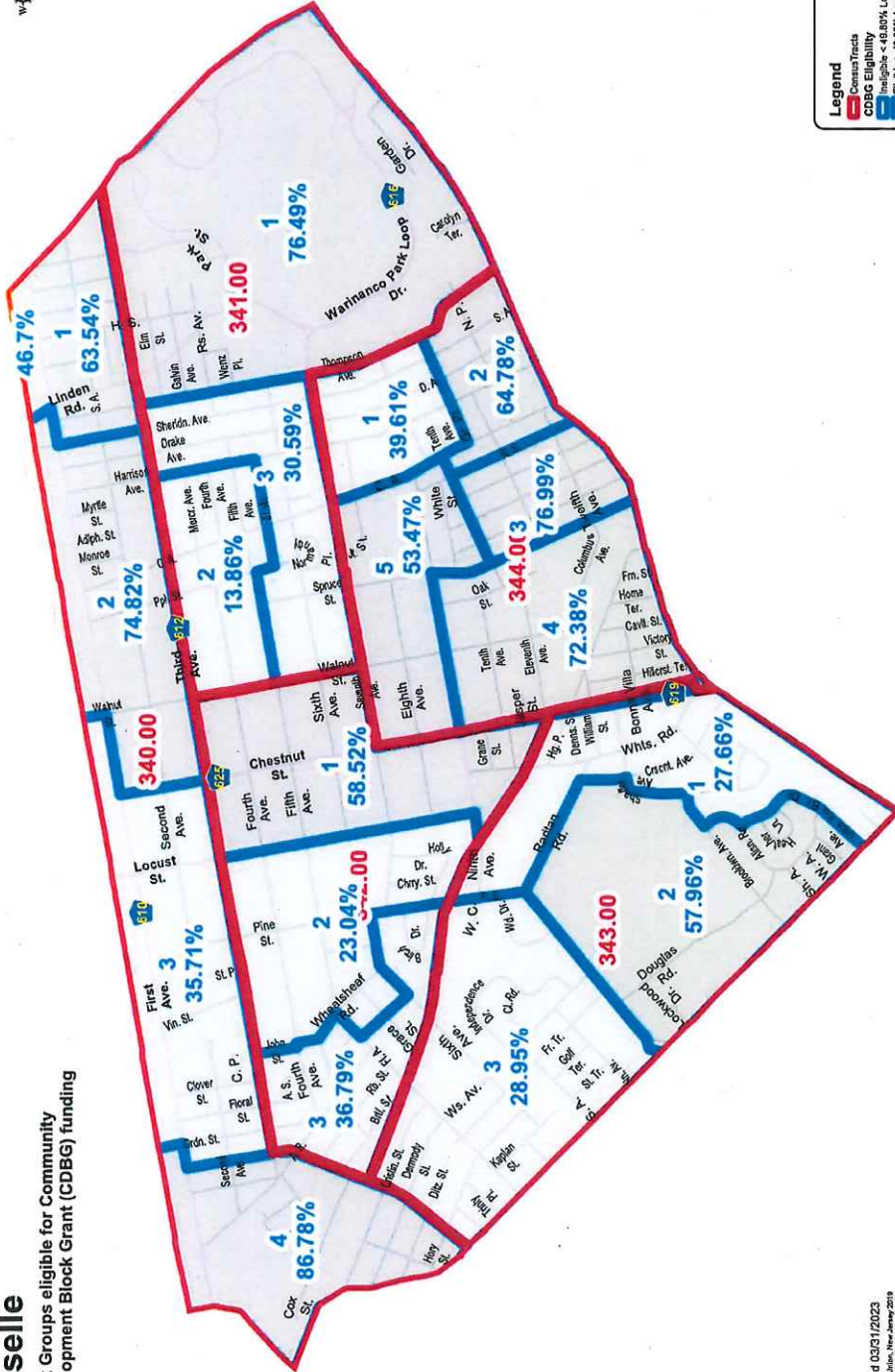
CDBG Eligibility

Ineligible < 48.50% Low Mod

Eligible > 48.50% Low Mod

Roselle

Block Groups eligible for Community Development Block Grant (CDBG) funding

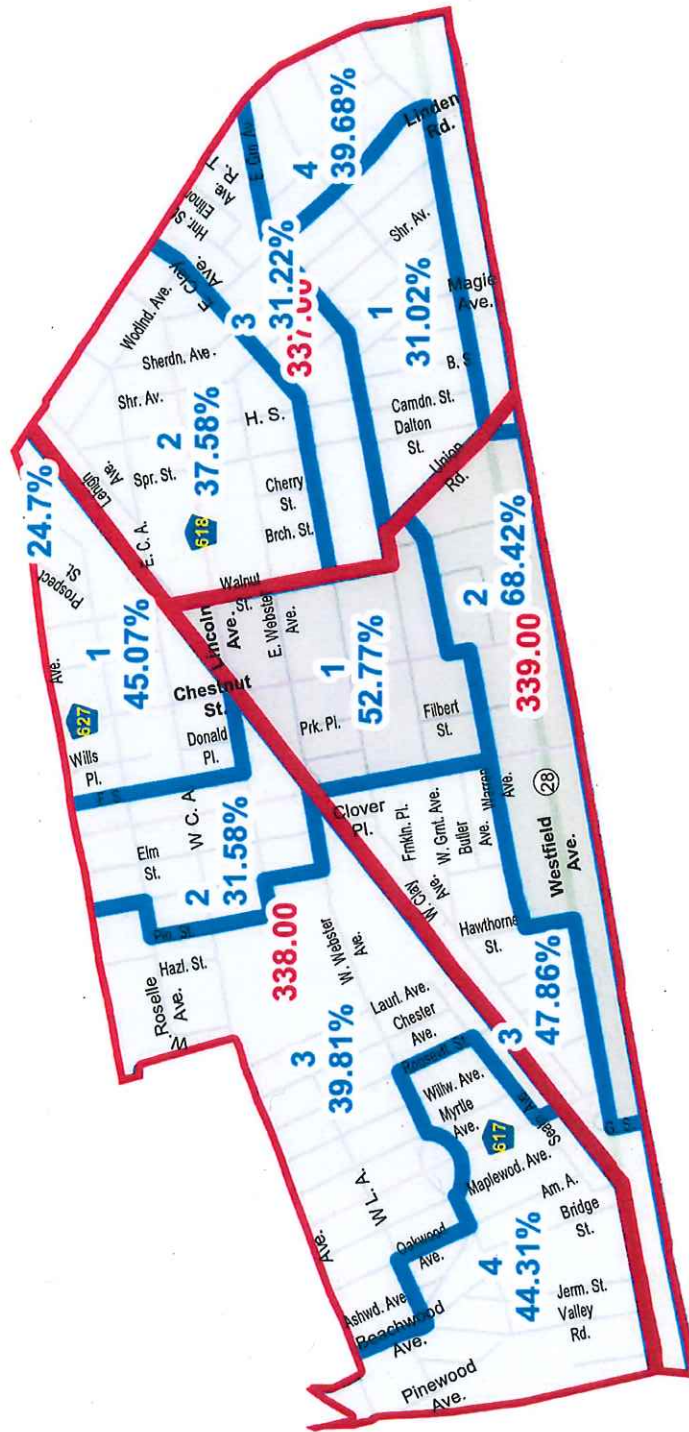


Legend

- CDBG Ineligible < 48.85% Low Mod
- CDBG Eligible 48.85% - 49.85% Low Mod
- CDBG Eligible > 49.85% Low Mod

Roselle Park

Block Groups eligible for Community Development Block Grant (CDBG) funding



Legend

- Census Tracts
- CDBG Eligibility
- Eligible < 49.85% Low Mod
- Eligible > 49.85% Low Mod

Block Groups eligible for Community Development Block Grant (CDBG) funding



Created 03/31/2023
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Department of Public Works
Division of Engineering
Bureau of GIS

Legend

 Census Tracts

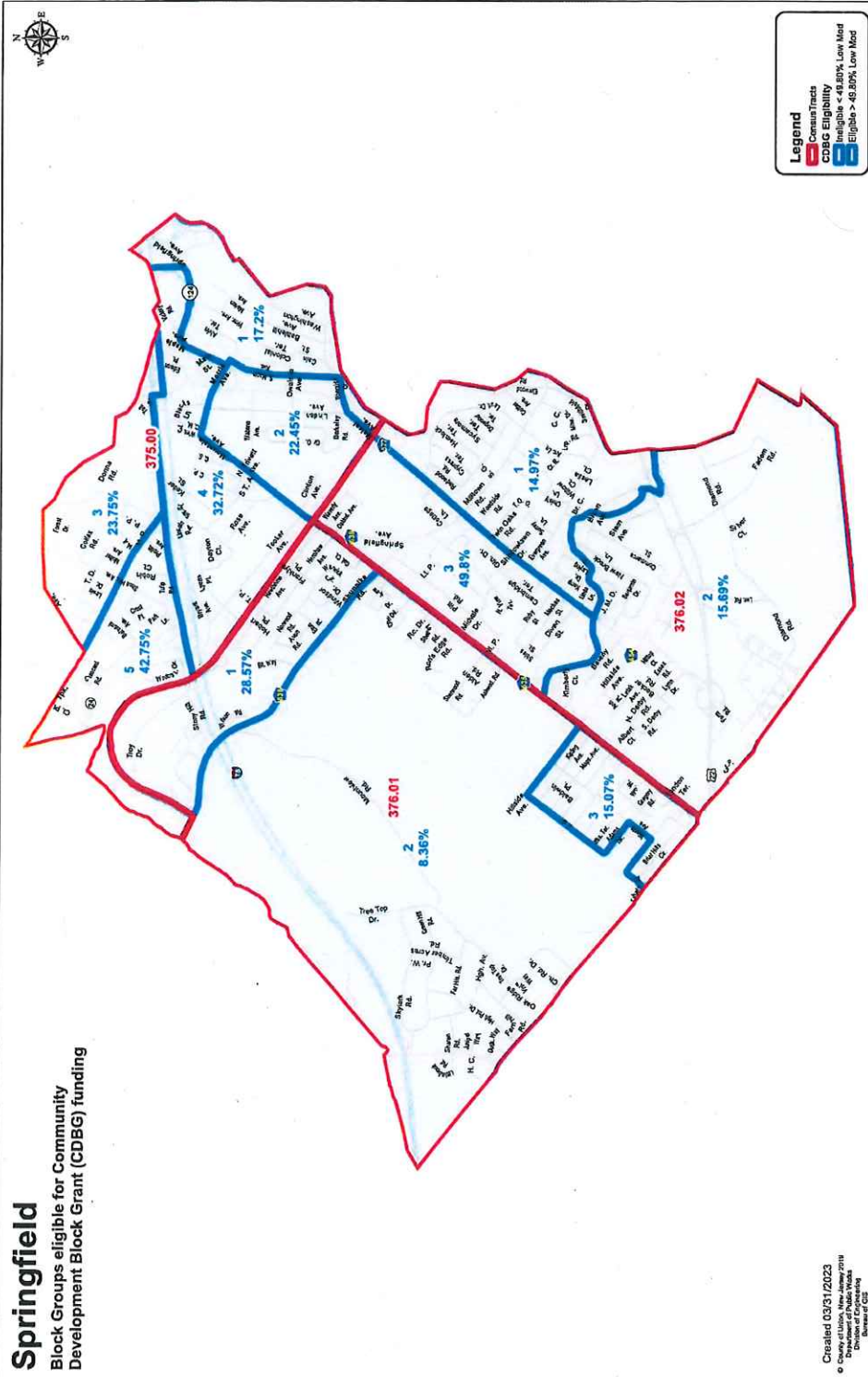
CDBG Eligibility

 Ineligible < 49.80% Low Mod

 Eligible > 49.80% Low Mod

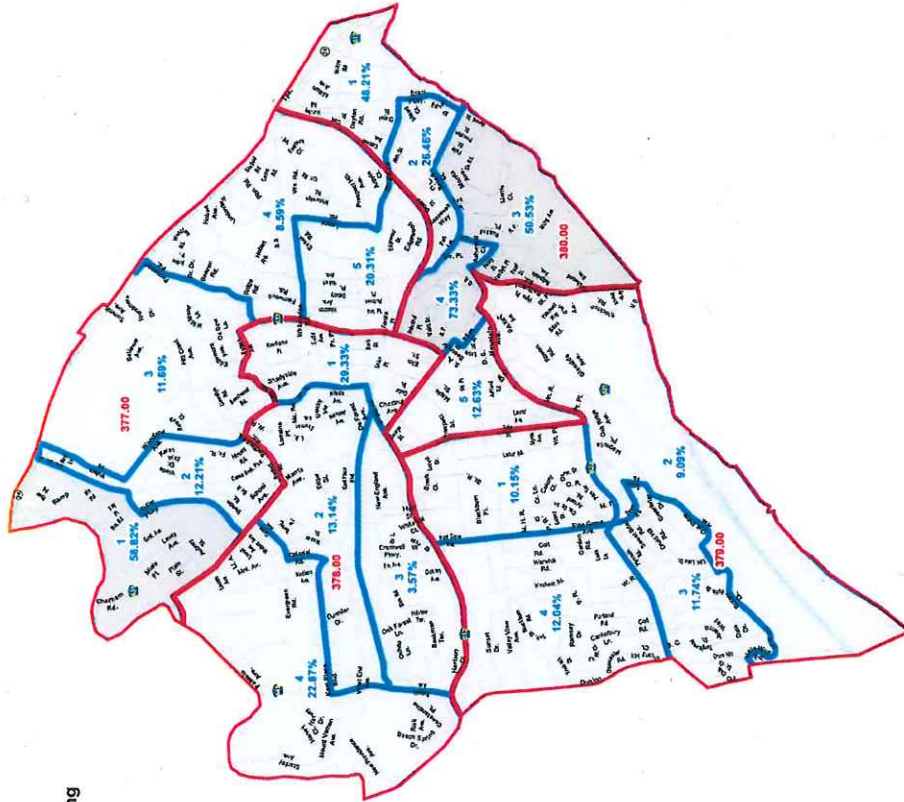
Springfield

Block Groups eligible for Community Development Block Grant (CDBG) funding



Summit

Block Groups eligible for Community Development Block Grant (CDBG) funding

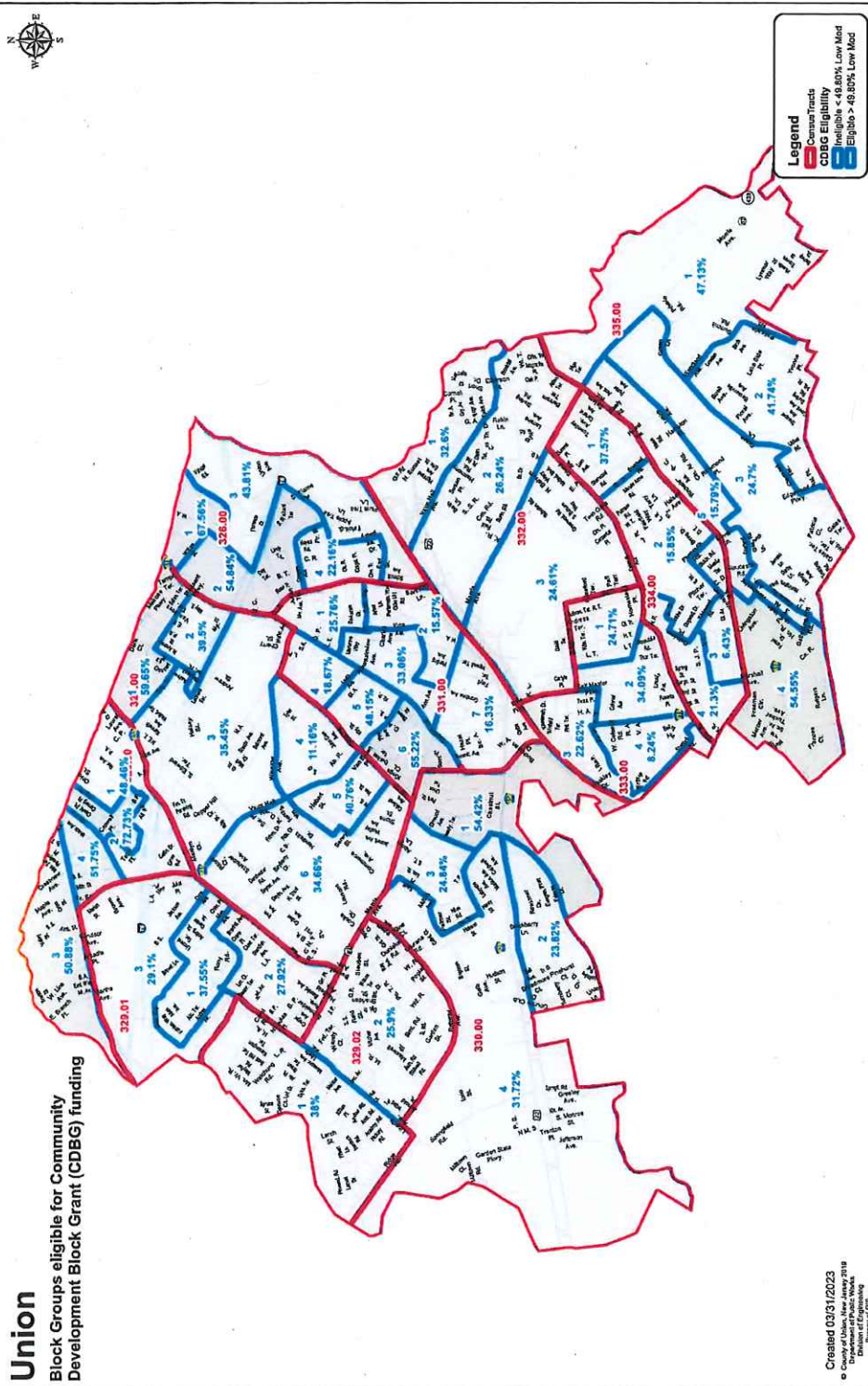


Legend

- Census Tracts
- CDBG Eligibility
- Eligible < 49.85% Low Mod
- Eligible > 49.85% Low Mod

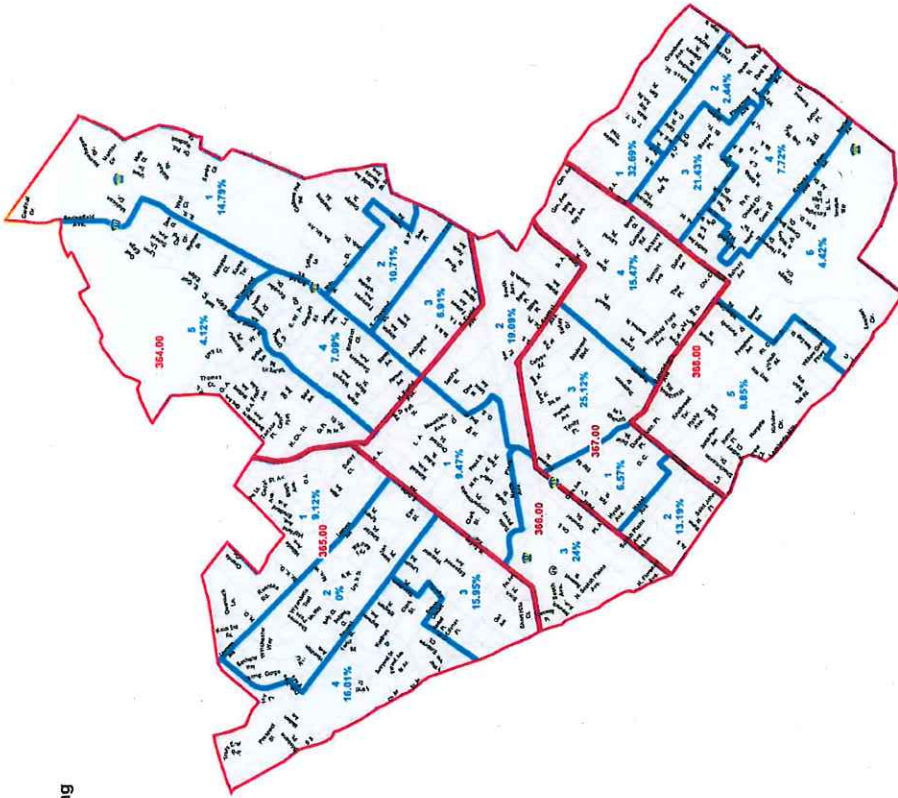
Union

Block Groups eligible for Community Development Block Grant (CDBG) funding



Westfield

Block Groups eligible for Community Development Block Grant (CDBG) funding

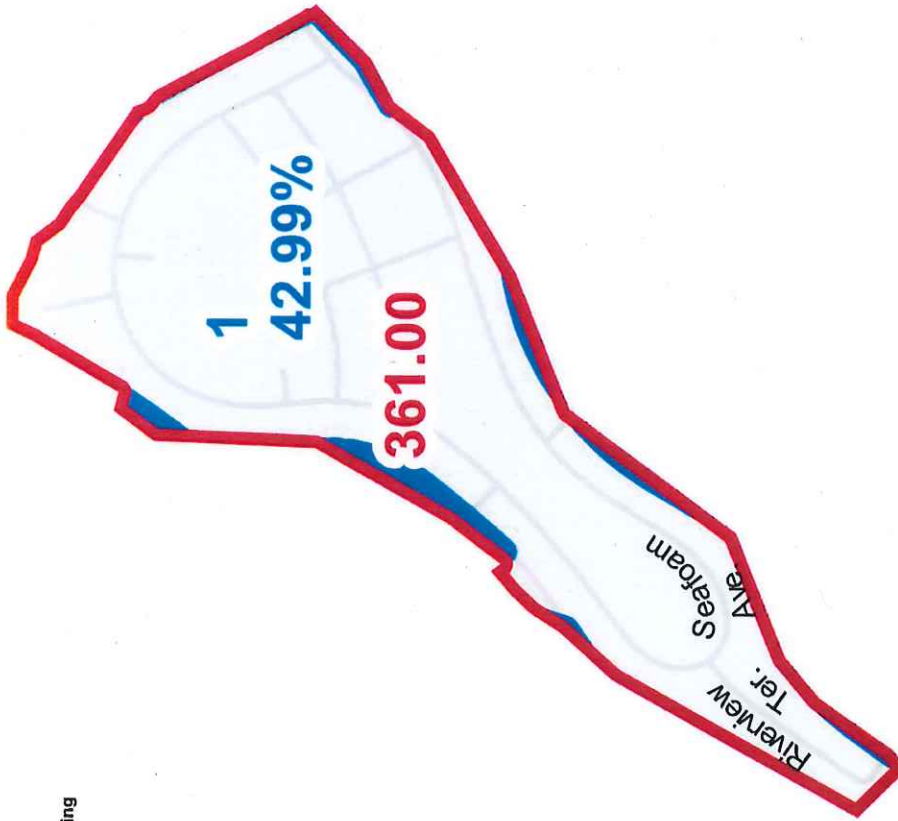


Legend

- Census Tracts
- CDBG Eligibility
- Tracts < 48.80% Low Mod
- Tracts > 48.80% Low Mod

Winfield

Block Groups eligible for Community Development Block Grant (CDBG) funding



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Division of Planning
Bureau of GIS

Legend

Census Tracts

CDBG Eligibility

Ineligible < 49.80% Low Mod

Eligible > 49.80% Low Mod

HOMEBUYER

All HOME-assisted homebuyer properties will have a mortgage, deed restriction, and homebuyer agreement recorded at closing. If a home purchased with HOME assistance is sold during the period of affordability, ***resale and recapture provisions***, outlined in the homebuyer section below, apply to ensure the continued provision of affordable housing.

Site and Neighborhood Standards:

Proposed sites for potential HOME projects must meet the following site and neighborhood standards:

- ☐ Be adequate to accommodate the number and type of units proposed;
- ☐ Have sufficient utilities and streets must to service the site;
- ☐ Be in full compliance with the applicable provisions of Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, E.O. 11063;
- ☐ Promote greater choice of housing opportunities;
- ☐ Avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.
- ☐ Be accessible to social, recreational, educational, commercial, and health facilities and services,
- ☐ Be accessible to municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents.
- ☐ Be located to places of employment providing a range of jobs for lower income workers.
- ☐ The neighborhood must not be one which is seriously detrimental to family life or other undesirable conditions predominate, unless there is actively in progress a concerted program to remedy the undesirable conditions. The site must not be located in an area of minority concentration, except as permitted.
- ☐ Sufficient, comparable opportunities exist for housing for minority families, in the income range to be served by the proposed project, outside areas of minority concentration; or
- ☐ The project is necessary to meet overriding housing needs that cannot be met in that housing market area.

Please refer to 24 CFR 983.6 for more details regarding utilization of the exceptions listed above.

Appendix II

UNION COUNTY, NEW JERSEY HOME INVESTMENT PARTNERSHIPS PROGRAM

AFFIRMATIVE MARKETING PROGRAM

To further the commitment to nondiscrimination and equal opportunity in housing, and in accordance with the regulations of the HOME Investment Partnerships Program (HOME), the County of Union's Department of Economic Development, Division of Community Services/Bureau of Housing has established procedures to affirmatively market HOME-assisted housing units in accordance with Affirmative Marketing rules described in 24 CFR 92.351. This program applies only to Home Investment Partnerships Program contracts with five (5) or more housing units.

The County of Union (the "County") is committed to meeting the goals of affirmative marketing in continuance of its fair housing objectives. As part of this commitment, the County requires HOME subgrantees, subrecipients, CHDOs, owners and developers of HOME Program funds to comply with the affirmative marketing requirements. Subgrantees and subrecipients administering HOME funds must adopt policies and procedures that inform the public, potential tenants, homebuyers, and rental property owners of their program through an Affirmative Marketing Plan.

As part of efforts to ensure that available housing is marketed to persons not likely to apply for such housing, subgrantees and subrecipients are encouraged to make HOME information available in non-English languages spoken by those residing in or near the community. Furthermore, subgrantees and subrecipients are encouraged to distribute marketing materials to area social service agencies that work with minorities and disabled individuals.

EFFORTS BY UNION COUNTY HOME INVESTMENT PARTNERSHIPS PROGRAM

1. Methods for informing subgrantees, subrecipients, CHDOs, owners, developers and potential tenants of fair housing policy.
 - a. The County of Union's website (<https://ucnj.org/departement-of-economic-development/affirmative-action-for-fair-housing/>) will have all information on fair housing regulations as well as the County of Union's affirmative marketing policy. (24 CFR 92.351)
 - b. The County of Union's website (ucnj.org) will include all fair housing material and logos required by the Department of Housing and Urban Development and Home Investment Partnerships Program regulations.
2. Requirements and practices each subgrantee, subrecipient, CHDO, owner and developer must adhere to in order to carry out the County of Union's Affirmative Marketing and Fair Housing policies. Subgrantees, subrecipients, CHDOs, owners and developers need to send notices to prospective tenants about the County of Union's Fair Housing website, the information on the website should be included on the tenant's lease.
3. Maintenance of records showing the results achieved using Home Program funds.
4. The County has included the Equal Housing Opportunity logo or a Fair Housing statement in all press releases, advertising, brochures, etc., which describe the HOME Investment Partnerships program.
5. Union County has included the housing developer or owner requirements to each subgrantee, subrecipient, CHDO, owner and developer. This document will be included in their HOME agreement.

EFFORTS BY HOME HOUSING DEVELOPERS OR OWNERS

Subgrantees, subrecipients, CHDOs, owners and developers must adopt an Affirmative Marketing Policy to be on file. Subgrantees, subrecipients, CHDOs, owners and developers must comply with the Affirmative Marketing Plan attached here to and made a part hereof. This plan must be approved by the County.

1. The use of specifically identified community organizations, churches, fair housing groups or housing counseling agencies to publicize sale offerings or vacancies and otherwise attract eligible persons for all social, ethnic, and gender groups in the housing market area to the available housing.
2. Use of Equal Housing Opportunity logo, slogan or statement in all advertising.
3. Procedures to inform and solicit applications from persons in the housing market area who are not likely to apply for the housing without special outreach (ex. Use of community organizations, places of worship, employment centers, fair housing groups, or housing counseling agencies). The list of community organizations will be provided by the County. (24 CFR 92.351 (a)(2)(iii))
4. Display of a Fair Housing Poster in the rental office.
5. Display of the Equal Housing Opportunity logo on project signs, when posted; and,
6. Maintenance of records showing the results achieved, including the characteristics of units that become available and applicants. Applicant data should include household size, race and ethnicity, household income level (very low, low, or other) and sex of household head.

ALL HOME subgrantees are required to report on their affirmative marketing efforts annually, as long as there are affordability requirements on the property (between 5 and 20 years depending upon the level of assistance provided). This provides information on the demographics of applicants, purchasers and tenants, marketing efforts used to recruit tenants and buyers for HOME units and, such other information as may be required by Federal Regulations.

OUTREACH TO

MINORITY AND WOMEN BUSINESS ENTERPRISES

1. The Participating Jurisdiction, subgrantee, subrecipient, Community Housing Development Organization (CHDO) and developer will take all necessary affirmative steps to assure that minority- and women- business enterprises (MBE/WBE) and labor surplus firms are used when possible.
2. Affirmative steps shall include:
 - a. Placing qualified small and minority- and women- business enterprises on solicitation lists;
 - b. Assuring that small, minority- and women- business enterprises are solicited whenever they are potential sources;
 - c. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small, minority-and women- business enterprises;
 - d. Establishing delivery schedules, where the requirement permits, which encourage participation by small, minority- and women- business enterprises;
 - e. Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce; and
 - f. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in 24 C.F.R. 92.351 et. seq; 2 C.F.R. 200.321.

ASSESSMENT OF AFFIRMATIVE MARKETING EFFORTS AND

CORRECTIVE ACTIONS

The Annual Affirmative Marketing reports of all active HOME assisted properties have been recorded and analyzed. Program participants with questionable records will be referred to the fair housing staff for technical assistance. Where HOME Subgrantees do not comply with the requirements of the Affirmative Marketing Program and reject technical assistance, corrective action will be initiated.

Affirmative Marketing Plan monitoring will be conducted simultaneously with on-site monitoring.

Correction of Findings and Areas of Concern

Within 30 days of a monitoring review, the County must send the property owner a summary letter explaining any findings or concerns noted during the review. If the compliance review letter includes a Finding of Non-compliance or a concern, the letter must also propose necessary corrective actions and a timeframe to make the corrections, usually thirty (30) days. If the property owner is not able to satisfy any of the required follow-up actions, the County should determine the appropriate response from the list below. All cases of non-compliance will be reported to the appropriate County official. All documentation regarding the onsite visit, including the checklists and correspondence, should be filed in the appropriate project file.

Responses to Non-Compliance

- **Warning.** A written warning will be issued when a violation of a program requirement has occurred. This warning will cite the violation, and if the violation is occurring, a deadline when it must be remediated.
- **Suspension.** Grant funds will be discontinued for any award which is found to be in non-compliance and for which corrective action has not been initiated. Funding may be discontinued for a project, a specific use of funds, or for an owner/entity. The County will have the option of lifting the suspension upon the correction of the violating condition.
- **Repayment.** The entity will be required to reimburse HOME funds to the County for projects that fail to satisfy the HOME requirements. In instances where repayment is required, the County will take the following steps:
 - o The matter will be forwarded to County Counsel, including copies of all agreements and monitoring correspondence.
 - o The County Counsel will work with the Home Project Manager and HOME-funded entity in an effort to resolve the finding with a voluntary repayment.
 - o If an acceptable voluntary repayment cannot be agreed upon, the County Counsel will take appropriate steps to declare the entity in default and demand immediate repayment of the funds in question.
 - o The County Counsel will proceed to take legal action for breach of contract which, may result in foreclosure of the HOME-assisted properties.
- **Payment Adjustments.** If the entity has not demonstrated responsible fiscal and administrative capacity, the County may adjust the payment method in which the grant funds are disbursed.
- **Grant Adjustment.** Grant awards may be adjusted, reduced or the total amount withdrawn when there is non-compliance and the violation cited has not been remedied as specified.
- **Non-participation in the HOME Program.** Entities that are found in blatant non-compliance may be prohibited from future participation.
- **Full or Partial Termination.** The HOME agreement may be terminated in whole or in part if the County determines that the entity has failed to comply with its terms and conditions.
- **Referral to Law Enforcement.** In instances of suspected illegality, the County will contact HUD and other appropriate law enforcement agencies.

Affirmative Marketing & Minority Outreach

Each HOME developer must adopt affirmative marketing procedures and requirements for rental and homebuyer projects containing 5 or more HOME- assisted housing units. HOME developers shall use the Equal Housing Opportunity Slogan, logo, or statement in all advertisements, public service announcements, press releases, and information mailings. The HUD Fair Housing poster must be displayed in offices where rental activity takes place for all properties with five or more units. Affirmative marketing steps consist of actions to provide information and otherwise attract eligible without regard to:

- ☐ Race,
- ☐ Color,
- ☐ National origin,
- ☐ Sex,
- ☐ Religion,
- ☐ Familial status or
- ☐ Disability.

The affirmative marketing procedures do not apply to families with Section 8 tenant based rental housing assistance or families with tenant-based rental assistance provided with HOME funds.) The affirmative marketing requirements and procedures adopted must include:

- ☐ Methods for informing the public about Federal fair housing laws and the affirmative marketing policy;
- ☐ Procedures to inform and solicit applications from persons in the housing market area who are not likely to apply for the housing without special outreach (e.g., use of community organizations, places of worship, employment centers, fair housing groups, or housing counseling agencies);
- ☐ Records that will be kept describing actions taken to affirmatively market units and records to assess the results of these actions; and Developers to the maximum extent possible, will be inclusive of minorities and women, and entities owned by minorities and women, including, without limitation, real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and providers of legal services, in all contracts entered into by the participating jurisdiction with such persons or entities, public and private, in order to facilitate the activities of the participating jurisdiction to provide affordable housing authorized under this Act or any other Federal housing law applicable to such jurisdiction.

Organization	Contact Person	Address	Town
NAACP	David Aikens	PO Box 368	Plainfield
Greater Central Jersey Clergy Association	Rev. Gary Kirkwood	PO Box 2712	Plainfield
Angels for Action	Carmen Salviaterra	209 W. 2nd Street	Plainfield
City Hall	Donna Morris	515 Watchung Ave	Plainfield
Housing Authority of Plainfield	Randall Wood	510 E. Front St.	Plainfield
MLK Committee	Nancy Barber	PO Box 2111	Linden
Morning Star Community Christian Church	Dr. Thurman Evans	1009 Chandler Ave.	Linden
First Baptist Church	Rev. Derek Dumas	929 Dill Ave.	Linden
City Hall	Al McDonald	301 N. Wood Ave.	Linden
Linden Housing Authority	Ann Ferguson	Dill Aven	Linden
NAACP	Ms. Myrtle Counts	PO Box 391	Roselle
Bibleway Deliverance Center	Bishop Wayne Johnson	1149 St. George Ave.	Roselle
Boxwood Learning Center	Michelle Wallace	115 W. 2nd Ave.	Roselle
Borough Hall	David Brown	Chestnut St.	Roselle
JFK Community Center	Dave Brown	796 E. Hazelwood Ave	Rahway
NAACP	Ms. Shirley Palmer	PO Box 424	Rahway
Agape Family Worship Center	Dr. Lawrence Powell	501 E. Hazelwood Ave.	Rahway
City Hall	Cynthia Solomon	1 City Hall Plaza	Rahway
Rahway Housing Authority	Ken Puschko	165 E. Grand Ave.	Rahway
City Hall	David Klurman	Liberty & Hillside Ave	Hillside
Couples for Christ Foundation for Family Life	Frank Padilla	401 Rutgers Ave	Hillside
Logos Love Christian Center	Rev. Ron	1422 North Broad St.	Hillside
Christ Glory International Ministries	Bishop Joseph A. Adedeji	617 Purce St.	Hillside
First Baptist Church of Hillside	Dr. Christopher Jones	166 Hillside Ave.	Hillside
Community Food Bank	Kathleen DiChiara	31 Evans Terminal	Hillside

La Casa de Don Pedro
Tri City People Corporation
Central Jersey Housing Resource Center
Navicore
Puerto Rican Action Board
Urban League of Bergen County
Paterson Task Force
Housing Partnership
Central Jersey CDC

Newark
Newark
Somerville
Somerville
Perth Amboy
Hackensack
Paterson
Morris
Somerset

Appendix III

County of Union
Home Investment Partnerships Program
Homebuyer Development and Down Payment Policy

The County of Union HOME Program, before committing funds to a project, assesses all of the following:

- Reviews sources and uses funds for the project and determines that the costs are reasonable
- Market study is required to be completed by a third party.
- Reviews financial capacity and experience of the developer, capital one underwriting proforma and letter from the architect ensuring costs are reasonable.
- Obtains firm financial commitments.

Before committing HOME funds and sets up projects into IDIS, the County ensures all the following are met:

- Environmental review is conducted by applicable County staff. The County requests flood insurance in flood zones.
- When all necessary finances are secured via letters of commitment.
- Budget and project schedule have been established. Budget will be determined upon completion of the capital one proforma and schedule will be provided by the developer.
- Project underwriting/subsidy layering is complete and reviewed to ensure the County is not investing any more HOME funds then necessary. The HOME development cost is based on a method of cost allocation. HOME-eligible costs are subtracted from the total development cost in order to determine the total eligible development costs. The County prorates the total HOME-eligible development costs of the project in order to determine the actual costs of each HOME-assisted unit. 24 CFR 92.504
 - Cost allocation is executed if some units in the project were nonresidential or not HOME-assisted.
 - The County make sure all eligible costs are paid with HOME funds. The County's policy does not pay soft costs prior to the date of commitment.
 - The County reviews and approves written cost estimates to determine cost reasonableness.
 - The County reviews each project to make sure all application of HOME funds are eligible under the HOME program.
 - The County reviews that the home is a 1-4 unit single family home.
- Project construction is expected to start within 12 months. 24 CFR 92.504

Before setting up the project in IDIS, a fully executed contract signed and dated by both parties. The date of the written agreement is the same date, or prior to, the commitment date in IDIS. County Counsel coordinates efforts to obtain signatures from all parties. HOME Program manager ensures the written is properly filed and all supporting documentation is included.

The County ensures that the written agreement provides the following language to properly monitor the performance of all parties to achieve project completion:

- Project address or legal description of the property.
- Amount and use of HOME and other funds.
- Specific tasks expected to be performed.
- Detailed project schedule.
- Project budget, which includes sources and uses.

The County of Union ensures that the HOME investment totals *at least* \$1000.00 per HOME-assisted unit. The sale price of the home is determined by the Homebuyer Underwriting policy and will not be sold for more than 95% of the area median purchase price determined by HUD in their annual Homeownership Value Limits. The property is required to be sold within 9-months of final County inspection to an eligible homebuyer. If the property is not sold within 9-month it becomes a rental property.

Property Standards and On-Site Inspections

The County will ensure that the construction contracts and documents describe the work to be performed so inspections can be conducted. The County further confirms that as the project progresses, it is compliant with the County's Material and Workmanship Performance Standards. The County will conduct a final inspection, to confirm that the project meets the property standards per the County's property standards policy. Construction and rehabilitation project scopes of work will be specific, so the housing meets the standards written in the Material and Workmanship Performance Standards. The County conducts an initial property inspection that addresses deficiencies that arise during the rehabilitation. The scope of work/AIA will be reviewed to make sure the aforementioned deficiencies have been addressed.

Income Determination

The County will determine that the potential homebuyers are low-income, using the definition of low-income referenced in 24 CFR 92.203. The County uses the annual income limits released by HUD to ensure households are compliant with current income limits. The County has developed an income verification package for homebuyer projects, which meets the requirements outlined in 24 CFR 92.203. Income determinations are made no more than 6 months before the property is acquired by the homebuyer. The County requires housing counseling, conducted by a HUD-certified counselor, before any homebuyer purchases the property. The County has a homebuyer program assistance agreement that must be executed before the closing of the house.

Homebuyer Underwriting Agreement

The County's homebuyer underwriting agreement states that the County must review the homebuyer's loan to make sure there are no risky lending features.

Ownership and Occupancy

The County will only fund properties acquired by fee simple title in a 1 unit dwelling, included will be a deed restriction. The County will not fund condominiums. The County will require a deed at closing for the new homeowner. The HOME assistance agreement will include all resale and recapture provisions for the property and the correct period of affordability. A mortgage and deed restriction will be placed on the property. The property will be resold in accordance with resale requirements and the County will recapture funds in accordance with recapture requirements and agreements with the HOME assistance agreement. Projects funded are consistent with the County's Annual Action plan.

Recordkeeping

The County of Union Department of Finance, keeps records of all sources and allocation of HOME funds. The HOME Program manager further confirms that HOME funds are in compliance with 2 CFR 200.302 and 2 CFR 200.405.

Project Completion

The project must be completed within 4 years of the date of the commitment of HOME funds. There must be a ratified sales contract with the homebuyer within 9 months of project completion. All IDIS required information will be entered within 30 days of closing.

Resale and Recapture Policy**Resale**

If the property is sold within the affordability, the new homebuyer must be low income 60% to 80% of the median income paying no more than 45% of their income. The property must be their principal residence. The maximum resale price will be set to provide a fair return to the original and is affordable to a house hold at 60% to 80% of the median income paying no more than 45% percent of their income. The resale price will not be based upon what is affordable to the buyer. The original homebuyer will be entitled to a fair return on his investment for initial down payment (capital) and capital improvements. The value of the improvements would be multiplied by the consumer price index and added to the initial down payment for the total return to the homebuyer. The homebuyer must produce receipts. A mortgage, note, deed restriction and Homebuyer Agreement will be placed on the property.

Recapture

The County will recapture the direct subsidy (funded) if the housing does not continue to be a principal residence of the family for the duration of the period of affordability. The recaptured amount will be prorated, based on the period of time the owner has owned the house. Each year, 10% will be forgiven. If the net proceeds are less than the prorated amount due, the County of Union will accept the net proceeds. A mortgage, note, deed restriction and Homebuyer Agreement will be placed on the property.

County of Union
Home Investment Partnerships Program
Down Payment Assistance Policy

The County of Union HOME Program, before committing funds to a project, assesses all of the following:

- Reviews sources and uses funds for the project and determines that the costs are reasonable
- Market study is required to be completed by a third party.
- Reviews financial capacity and experience of the developer, Capital One underwriting proforma and letter from the architect ensuring costs are reasonable.
- Obtains firm financial commitments.
- In regards to down payment assistance, the potential homebuyer must follow the Homebuyer Underwriting Policy established by the County of Union.

Before committing HOME funds and sets up projects into IDIS, the County ensures all the following are met:

- Environmental review is conducted by applicable County staff. The County requests flood insurance in flood zones.
- All necessary finances are secured via letters of commitment.
- The County reviews each project to make sure all application of HOME funds are eligible under the HOME program.
- The County reviews that the home is a 1-4 unit single family home.

Before setting up the project in IDIS, a fully executed contract signed and dated by both parties. The date of the written agreement is the same date, or prior to, the commitment date in IDIS. County Counsel will review the proposed agreement and coordinate efforts to obtain a fully executed agreement (including but not limited to the mortgage, note, deed restriction, HOME agreement, and any other supporting documents necessary to finalize the transaction) The HOME Program Manager ensures the written agreement is properly filed and all supporting documentation is included.

The County ensures that the written agreement provides the following language to properly monitor the performance of all parties to achieve project completion:

- Project address or legal description of the property.
- Amount and use of HOME and other funds.
- Specific obligations and requirements of the parties, and other HUD requirements.

Sample versions of the County's HOME Investment Partnerships Program Assistance Agreement for resale and recapture are attached hereto.

The County ensures that the HOME investment totals *at least* \$1,000.00 per HOME-assisted unit. The sale price of the home is determined by the Homebuyer Underwriting policy and will not be sold for more than ninety-five (95%) percent of the area median purchase price determined by HUD in their annual Homeownership Value Limits. The property is required to be sold within 9-months of final County inspection to an eligible homebuyer. If the property is not sold within 9-month it becomes a rental property.

Property Standards and On-Site Inspections

The County will conduct an initial and final inspection, if necessary, to confirm that any work performed meets the property standards per the County's policy, prior to closing.

Income Determination

The County will determine that the potential homebuyers are low-income, using the definition of low-income referenced in 24 CFR 92.203. The County uses the annual income limits released by HUD to ensure households are compliant with current income limits. The County has developed an income verification package for homebuyer projects, which meets the requirements outlined in 24 CFR 92.203. Income determinations are made no more than 6 months before the property is acquired by the homebuyer. The County requires housing counseling, conducted by a HUD-certified counselor, before any homebuyer purchases the property. The County has a homebuyer program assistance agreement that must be executed before the closing of the house.

Reasonable Lending Standards

County interviews the banks regarding their mortgages for reasonable interest rates and no junk fees. County requires a 30 year fixed rate mortgage. Loans containing terms and conditions that are predatory or harmful to the homebuyer which are considered excessive, including fees, interest rates, origination fees, points and lenders charges.

Ownership and Occupancy

The County will only fund properties acquired by fee simple title in a 1 unit dwelling, included will be a deed restriction. The County will not fund condominiums. The County will require a deed at closing for the new homeowner. The HOME assistance agreement will include all resale or recapture provisions for the property and the correct period of affordability (typically 15 or 20 years). A mortgage, note, HOME agreement and deed restriction will be placed on the property. The property will be resold in accordance with resale requirements and the County will recapture funds in accordance with recapture requirements and agreements pursuant HOME agreement(s). Homebuyer projects funded shall be consistent with the County's Annual Action Plan.

Recordkeeping

The County's Department of Finance shall maintain a record of all sources and allocation of HOME funds. The HOME Program Manager further confirms that HOME funds are in compliance with 2 CFR 200.302 and 2 CFR 200.405.

Project Completion

The project must be completed within four (4) years of the date of the commitment of HOME funds. There must be a ratified sales contract with the homebuyer within nine (9) months of project completion. All IDIS required information will be entered within thirty (30) days of closing.

Resale and Recapture Policy

Resale

If the property is sold within the affordability period, the new homebuyer must be low income 60% to 80% of the median income paying no more than 45% of their income, inclusive of monthly payments for the principal, interest, property taxes, mortgage and property insurance, as well as other monthly expenses/costs (front- and back-end ratios factors). The property must be their principal residence. The maximum resale price will be set to provide a fair return to the original homebuyer and is affordable to a household at 60% to 80% of the median income paying no more than 45% percent of their income, inclusive of front- and back-end ratio factors. The resale price will not be based upon what is affordable to the buyer. The original homebuyer will be entitled to a fair return on their investment for initial down payment (capital) and capital improvements. The value of the improvements will be multiplied by the then current Consumer Price Index and added to the initial down payment for the total return to the original homebuyer. The original homebuyer must produce receipts to support their claims. A mortgage, note, deed restriction, and Homebuyer agreement will be placed on the property in the name of the new homebuyer.

Recapture

The County will recapture the direct subsidy (funded) if the property does not continue to be a principal residence of the homebuyer for the duration of the affordability period. The recaptured amount will be prorated, based on the period of time the homebuyer owned the property, measured against the required affordability period. If the net proceeds are less than the prorated amount due, the County will accept the net proceeds. A mortgage, note, deed restriction, and Homebuyer agreement will be placed on the property in the name of the new homebuyer.

Appendix IV

COUNTY OF UNION

HOME INVESTMENT PARTNERSHIPS PROGRAM

HOMEBUYER UNDERWRITING STANDARDS

In providing assistance to homebuyers, the Union County Home Investment Partnerships Program has established and implemented homebuyer program policies that address underwriting standards for buyers of HOME- assisted units, responsible lending standards, and subordination requirements, with the goal of ensuring that participating buyers will be successful homeowners while only being provided as much HOME assistance as they need (24 CFR 92.254(f)). HUD issued CPD Notice 18-09: Requirements for HOME Homebuyer Program Policies and Procedures detailing these requirements.

Income Determination

HOME regulations limit assistance to households with incomes at or below 80% of the Area Median Income (AMI). Income eligibility will be determined using the 24 C.F.R. 92.203 definition of income.

Housing Debt

The County will evaluate the housing and overall debt of each HOME-assisted homebuyer. An evaluation of a potential homebuyer's housing and overall debt is essential to determining the level of assistance that is appropriate to help them meet the costs involved in homeownership, while still being able to afford their other recurring monthly expenses. An assessment of a homebuyer's debt shall be considered individually on a case-by-case basis by calculating the two (2) essential ratios bulleted below:

- The front-end ratio, or housing expense ratio, considers the percentage of gross monthly income the individual homebuyer is expected to pay for monthly housing costs (i.e., mortgage principal and interest, real estate taxes, and homeowner's insurance, known collectively as PITI, as well as any mortgage insurance premiums, and other similar fees as applicable). Generally, the County looks for a baseline ratio for this category to be approximately \pm thirty-one (31%) percent.
- The back-end ratio, or debt-to-income ratio, reflects the percentage of gross monthly income the individual homebuyer is expected to pay for housing debt and expenses plus all recurring consumer debt (i.e., PITI and other fees plus credit card, auto loan, and student loan payments, other installment and revolving debt that appears on a credit report, alimony, child support, etc.). Generally, the County looks for a baseline ratio for this category to be approximately \pm forty-five (45%) percent.

The difference between the 45% (including front and back end ratio), and total gross income will be considered monthly expenses, which is considered residual income. Union County will review homebuyers recurring monthly expenses and gross income. Applying a longer front and back end ratio to buyers with residual income below a certain amount, varying according to family size. Therefore, consideration of recurring monthly expenses and residual income can inform the county to make an evaluation of the homebuyer's ability to sustain a mortgage. As well as determining the appropriate amount of home assistance to provide. Limited credit history above average debt to income ratios and limited financial assets may contribute to a low income homebuyer in need of additional assistance. Monthly expenses that will be looked at will be utilities, transportation, maintenance on cars and home, groceries, insurance, child care, cell phone, medical insurance. The County may not provide a uniform amount of assistance to each homebuyer. Credit history will be evaluated for each homebuyer.

Assets

The County does not require assets or cash reserves. If the homebuyer has cash reserves, they may contribute any amount to the purchase of the home.

Reasonable Lending Standards

County interviews the banks regarding their mortgages for reasonable interest rates and no junk fees. County requires a 30 year fixed rate mortgage. Loans containing terms and conditions that are predatory or harmful to the homebuyer which are considered excessive, including fees, interest rates, origination fees, points and lenders charges.

Homebuyer Home Price and Value Limits

Section 215(b) of the National Affordable Housing Act (NAHA) requires that the initial purchase price or after-rehabilitation value of homeownership units assisted with HOME funds not exceed 95 percent of the area median purchase price for single-family housing, as determined by HUD. Separate limits are provided for both existing housing and new construction. Current and past limits are available on the HUD Exchange at: <https://www.hudexchange.info/resource/2312/home-maximum-purchase-price-afterrehab-value/>. Homeownership value limits are updated and published regularly by HUD.

Pre-Purchase Homebuyer Counseling

Pre-purchase homebuyer counseling, conducted with a HUD-certified agency and HUD certified counselor, is required for all homebuyers assisted with HOME funds. All eligible applicants will need to provide proof of completion of homebuyer counseling from a HUD-certified agency and HUD-certified counselor prior to the commitment of HOME funding.

Subordination of HOME-Funded Liens

After providing assistance to eligible homebuyers, the HOME Program has ongoing interests in the success of those buyers. To help prevent future foreclosures and to protect the HOME Program's financial investment in assisted units, subordination of HOME-funded liens to future refinancing by assisted buyers will be considered on a case-by-case basis.

Resale and Recapture Policy

Resale

If the property is sold within the affordability period, the new homebuyer must be low income 60% to 80% of the median income paying no more than 45% of their income, inclusive of monthly payments for the principal, interest, property taxes, mortgage and property insurance, as well as other monthly expenses/costs (front- and back-end ratios factors). The property must be their principal residence. The maximum resale price will be set to provide a fair return to the original homebuyer and is affordable to a household at 60% to 80% of the median income paying no more than 45% percent of their income, inclusive of front- and back-end ratio factors. The resale price will not be based upon what is affordable to the buyer. The original homebuyer will be entitled to a fair return on their investment for initial down payment (capital) and capital improvements. The value of the improvements will be multiplied by the then current Consumer Price Index and added to the initial down payment for the total return to the original homebuyer. The original homebuyer must produce receipts to support their claims. A mortgage, note, deed restriction, and Homebuyer agreement will be placed on the property in the name of the new homebuyer.

Recapture

The County will recapture the direct subsidy (funded) if the property does not continue to be a principal residence of the homebuyer for the duration of the affordability period. The recaptured amount will be prorated, based on the period of time the homebuyer owned the property, measured against the required affordability period. If the net proceeds are less than the prorated amount due, the County will accept the net proceeds. A mortgage, note, deed restriction, and Homebuyer agreement will be placed on the property in the name of the new homebuyer.

Down Payment

Upon entering into a down payment assistance program with a subrecipient, the homebuyer underwriting policies above will apply. The policies referenced in the Homebuyer Development and Down Payment policy also apply.

County of Union
Home Investment Partnerships Program
Subordination Policy

1. The terms of current loan(s) on the property. The submitted documentation should include:
 - a. The amount of the current loan;
 - b. The amount of the monthly payment on the current loan;
 - c. The interest rate on the current loan;
2. The terms of the proposed property refinancing. The submitted documentation should include:
 - a. The amount of the new loan;
 - b. The amount of the new loan's monthly payment; and
 - c. The new loan's interest rate;
3. A verification of the current income from the homeowner and all adult household members (age 19 and over). 2 months of paystubs, 2 months of checking and savings account statements, Social Security Award Letters and all other forms of income documentation will be required.
4. A list of other person(s) responsible for payment of the new debt service and their ability to pay the new debt.
5. A copy of an up-to-date title search;
6. A copy of the property appraisal performed in connection with the application for the new mortgage;
7. A listing of all new debt that will exist on the property, with the exception of the Multi-Jurisdictional Housing Rehabilitation Program lien;
8. A statement from the original lender of the status of the current mortgage. This should include a statement that the current mortgage is not in default and that no foreclosure on the current mortgage is pending. (If taxes on the property are paid separately from the mortgage payment, provide a cancelled check or other evidence of payment of property taxes); and
9. A statement of the homeowner's proposed uses for the new loan. This statement should include an explanation of why the homeowner is not using the proceeds of the new loan to repay the loan.
10. Credit report.
11. Good Faith Estimate

Please send documentation for all information requested overnight mail. Please do not fax.

Appendix V

County of Union
Home Investment Partnerships Program
Property Standards Policy

Pursuant to 24 C.F.R. 92.251, all Home-funded properties must meet certain minimum property standards at project completion and ongoing monitoring during the affordability period.

- **State and Local Building Codes and Standards.**
 - o State and local codes, ordinances and zoning requirements including (disaster mitigation requirements) apply to any HOME-funded project regardless of whether the project involves acquisition, rehabilitation, or new construction.
- **Housing Quality Standards.**
 - o **Health and Safety** or life threatening deficiencies must be addressed immediately if the dwelling is occupied.
- **Lead Safe Housing Rules.**
- **Accessibility for Persons with Disabilities.**
- In regards to **Major Systems**, refer to the Material and Workmanship Performance Standards.
 - o Each of the major systems for **homebuyer** and **rental** units must have a remaining minimum useful life of 10 years. If they do not meet that standard, it should be rehabilitated or replaced.
 - o **Rental housing** projects of 26 units or more, the PJ will determine the useful life of 10 years, this will be determined by through a capital needs assessment. If the useful life is shorter than the period of affordability, either the system must be replaced or rehabilitated as part of rehabilitation, or funds must be budgeted for replacement reserves.

- **Disaster Mitigation**

- The County of Union Home Investment Partnerships Program refers to the County of Union's Multi-jurisdictional Disaster Mitigation Plan in regards to disaster mitigation efforts.
 - Please refer to the County of Union's Multi-jurisdictional Disaster Mitigation Plan: <https://ucnj.org/wp-content/uploads/2022/02/Union-County-Multi-Jurisdictional-Hazard-Mitigation-Plan.pdf>
- The review and approval of work write-ups or plans and specifications, cost estimate, construction contracts and construction documents will be reviewed in the underwriting and pre-contract.
- In order to conduct progress and final inspections to ensure that work meets property standards, please refer to the County's Material and Workmanship Performance Standards guide.
- For properties receiving assistance for acquisition only, the property must meet the HOME property standards for new construction (for newly constructed units and units rehabilitated within 12 months of project commitment) and rehabilitation for other existing units.
- Units occupied by TBRA recipients must meet HQS for the duration of the household's occupancy.
- The ongoing property standards inspections will be in a separate policy. Ongoing TBRA policy standards will be included in a separate policy.
- Please refer to the attached Material and Workmanship Performance Standards guide for all projects.

COUNTY OF UNION HOME INVESTMENT PARTNERSHIPS PROGRAM



MATERIAL AND WORKMANSHIP PERFORMANCE STANDARDS

Revised: 5/26/2023



Table of Contents

PREFACE.....	xi
--------------	----

SECTION I: ADMINISTRATION

A. Authority and Responsibility.....	1
1. The Department of Economic Development.....	1
2. The HOME Program Manager.....	1
3. The Bureau of Housing.....	1
4. Multi-Department Agency Authority.....	1
5. The County	2
B. Required Permits and Inspection Procedures.....	2
1. Permits Are Required.....	2
2. Building Code Inspections.....	2
3. Pre-Payment Inspections.....	2
4. Pre-Final Inspections.....	3
5. Final Job Inspections.....	3

SECTION II: CONTRACTOR AND DEVELOPER RESPONSIBILITIES

A. Contractor Compliance Standards.....	4
1. The Contractor is Defined As.....	4
2. Material and Workmanship Performance Standards.....	4
3. Material Standards.....	4
B. Contractor Performance Responsibilities.....	5
1. The Contractor Shall Furnish All Supervision.....	5
2. The Contractor Shall Maintain as Reasonably and Clean Project Site.....	5
3. The Contractor Shall Be Responsible.....	5
4. The Permit Card, Scope of Work and Plans.....	5
5. The Contractor is Responsible for Damages.....	5
6. Protection of Existing Utilities and Structures.....	6
7. The Contractor Shall Set Required Grades.....	6
8. The Contractor Shall Set Required Property Corners.....	6
9. For Housing Rehabilitation Projects.....	6

10. The Contractor Shall Provide Electric Service.....	6
C. Developer Support.....	6
1. The Developer Shall Make Decisions and Choices.....	6
2. For Owners Occupied Rehabilitation Projects.....	7
3. When the Owner is Continuing to Occupy.....	7

SECTION III: CONTRACT REQUIREMENTS

A. Definition of Contract Words and Phrases.....	8
1. Standard Detail Drawings.....	9

SECTION IV: DEMOLITION, EXCAVATING AND GRADING

A. Demolition, Site Clearance and Grading.....	11
1. Performance of Demolition, Site Clearance and Grading.....	11
2. The Remaining Surface of the Site.....	11
3. The Building Pad is Defined As.....	11
4. The Finish Grading of the Building Pad.....	11
5. Dust Control.....	11
6. The Contractor Shall Obtain all the Required Permits and Clearances.....	12
7. The Contractor Shall Clearly Understand.....	12
B. Excavation, Fill and Grading.....	12
1. Under Normal Soil Conditions.....	12
2. Special Soil Conditions at Structure Pads.....	12
3. Locating and Protection of Utilities and Services.....	12
4. Excess Soil.....	12

SECTION V: CONCRETE

A. General	13
1. Defective Concrete Installed by the Contractor.....	13
2. Subgrade Preparation, Building Slabs and Footings.....	13
3. Driveways, Parking Pads and Walkways.....	13
4. Steel Reinforcing.....	14
5. Expansion Joints.....	14

6. Concrete Poured Adjacent to Wood.....	14
7. All Steel and Wood Stakes and Form Lumber.....	14
B. Concrete Steps, Railings and Landings.....	14
1. Footings at Steps.....	14
2. Rise and Tread of Steps.....	14
3. Railings.....	14

SECTION VI: CARPENTRY

A. General Material and Workmanship.....	15
1. Framing Installation to Accommodate Other Trades.....	15
2. Framing Cuts and Joining/Jointing.....	15
3. Furring, Blocking and Backing.....	15
4. Plywood Sheathing.....	15
5. Roof, Overhand and Edge Sheathing.....	16
6. Roof Sheathing.....	16
7. Barge Rafters and Fascia Boards.....	16
B. Materials.....	16
1. Framing Lumber.....	16
2. Sills.....	16
3. Plywood Sheathing.....	16
4. Barge Rafters, Fascia and Exterior Trim.....	17
C. Lumber Fastenings.....	17
1. Nailing and Bolting of Wood Members.....	17
2. Bolts.....	17
3. Framing Anchors, Connectors and Hangars.....	17
4. Nails.....	17
D. Fences.....	17
1. Installation and Materials.....	17

SECTION VII: ROOFING

A. Preparation and Structural.....	18
---	-----------

1. Surface Preparation.....	18
2. Structural Replacement and Modification.....	18
3. Two (or More) Existing Roofing Layers.....	18
4. Removal of Debris and Surplus Materials.....	18
 B. Metal Flashing.....	18
1. Flashing at Edges of Plywood Roof Sheathing.....	18
2. Valley Flashing.....	19
3. Parapet Flashing.....	19
4. A/C and Cooler Flashing.....	19
 C. Antenna Removal and Reinstallation.....	19
1. Antenna Removal and Reinstallation.....	19
 D. Built-up Roof.....	19
1. New Drains at Parapet Walls.....	19
2. Three-ply Hot Mop Fiberglass System.....	19
3. Two-ply Modified Bitumen (Torch) System.....	19
 E. Composition Shingle Roofs.....	20
1. UBC Information.....	20
2. Manufacturers Installation Specifications.....	20
3. Application of Composition Shingles.....	20
4. Minimum Slope.....	20
5. Underlayment.....	20
6. Valleys.....	20
7. Pattern (Side Lap).....	20
8. Color.....	21
9. Vent Flanges.....	21

SECTION VIII: FINISH CARPENTRY

A. General.....	22
1. Work to be Furnished and Installed.....	22
2. Installation.....	22
3. Tool Marks or Marred Surfaces and Edges.....	22
4. All Exposed End Splices in Finished Members.....	23

5. Interior Finish.....	23
6. Finish Hardware.....	23
7. Specialty Items Not Specified Under Other Section.....	23
8. Wall-Mounted Items.....	23
9. Miscellaneous Items.....	23
 B. Materials.....	 24
1. Exterior Plywood.....	24
2. Interior Plywood Paneling.....	24
3. All Rough Hardware.....	24
4. Exterior Trim and Casing/Molding.....	24
5. Interior Trim and Casing/Molding.....	24

SECTION IX: DOORS AND WINDOWS

A. Doors.....	25
1. General Installation.....	25
2. Hanging Doors.....	25
3. Door Material.....	25
4. Setting Door Jam.....	25
5. Setting Door Casings.....	26
6. Hardware for Exterior Doors.....	26
7. Hardware for Interior Doors.....	26
8. Door Preparation and Finish.....	26
 B. Windows.....	 27
1. General Installation.....	27
2. Setting Windows.....	27
3. Weatherproofing.....	27
4. Wood Window Stools.....	27

SECTION X: CABINETS AND COUNTER TOPS

A. Cabinets.....	28
1. General Installation.....	28
2. Cabinet Material.....	28

3. All Doors and Drawer Facings.....	28
4. Range Hood and Vent Cabinet.....	28
5. Switch-Operated Light Fixture and Soffit.....	28
 B. Counter Tops.....	 28
1. High Pressure Laminated Plastic (Formica).....	28
2. Standard Ceramic Tile with 4-inch Splash and Standard Nosing.....	29

SECTION XI: ELECTRICAL

A. Minimum Requirements.....	30
1. Minimum Electrical Service.....	30
2. Service Conductors for 100 Amperes Service.....	30
3. Grounding Conductors for 100 Amperes Service.....	30
4. Aluminum Wiring.....	30
5. Non-Metallic Sheathed Cable Entering Plastic Boxes.....	30
6. All Circuits at the Service Panel.....	30
7. New and replacement Light Fixtures.....	30
8. Receptacle Outlets.....	30
9. Laundry Outlets.....	31
10. 3-Wire Grounded Receptacles with GFCI.....	31
11. 2-Wire Non-Grounded Receptacles.....	31
12. All Major Appliances.....	31
13. At Least One Light Bulb.....	31
14. All Electrical Boxes for Fixtures and Receptacles.....	31
15. Pre-Wiring for Telephone and Television Antenna Hookup.....	31

SECTION XII: PLUMBING

A. General.....	32
1. No Cross Connection between the Supply and Waste Systems.....	32
2. Access for Waste System Inspections.....	32
3. Vent System Termination at the Roof.....	32
4. All Water Closets.....	32
5. All Gas Appliances.....	32
6. All Exterior Sewer Cleanouts.....	32

7. All Exposed Plumbing, Faucets, Drains and Components.....	32
B. House Sewer.....	33
1. General Installation.....	33
2. Material.....	33
3. A Clean-Out.....	33
4. Trench Bed Preparation and Backfill of New House Sewer.....	33
C. Water Service.....	33
1. A Main Shutoff Valve.....	33
2. A New Water Service Line.....	33
3. A New Water Line.....	34
D. Water Heaters.....	34
1. All Installation Requirements.....	34
2. Water Heater Insulation Blankets.....	34

SECTION XIII: SHEETROCK AND PAINTING

A. Sheetrock/Texture Coat Installation.....	35
1. Sheetrock Installation.....	35
2. All Outside Edges.....	35
3. Texture Application.....	35
4. All Sheetrock Installed at New and Existing Framing.....	35
B. Paint Materials.....	35
1. All Paint Material.....	35
2. Reduction and Application.....	36
3. On Not Fully Cured and Dry Exterior Wood Surfaces.....	36
4. In Fully Cured and Dry Exterior Surfaces.....	36
5. On Exterior Masonry Surfaces (Stucco/Block Walls).....	36
6. On Interior Surfaces.....	36
7. On Interior Localized Surface Repairs of Drywall/Plaster.....	36
8. No Lead Base Paint.....	37
C. Defective Workmanship.....	37

1. Any Defective Work Performed by the Contractor.....	37
D. Preparation of Interior Surfaces.....	37
1. Pre-Paint Installation.....	37
2. Contractor Preliminary Examination of All Surfaces.....	37
3. All Existing Sheetrock.....	37
4. Surfaces Not Property Prepared.....	37
5. Existing Plaster Walls and Ceilings.....	38
6. Existing Loose Paneling.....	38
7. Woodwork.....	38
8. All Electrical Fixtures and Cabinet Hardware.....	38
9. Walls and Ceiling Surfaces with Moisture or Mildew Conditions.....	38
E. Preparation of Exterior Surfaces.....	38
1. Pre-Paint Inspection.....	38
2. New Wood Surfaces to Be Painted.....	38
3. Preparation of Previously Painted Wood.....	39
4. Preparation of Stucco or Masonry Block.....	39
5. Preparation of Wood Trim.....	39
6. Double-Hung Wood Windows.....	39
F. Spray Painting, Interior and Exterior.....	40
1. Protection from Over Spray.....	40
G. Metal Surfaces, Interior and Exterior.....	40
1. Sanding of All Surfaces.....	40
2. All Metal Surfaces.....	40
3. Prepared Metal Surfaces.....	40
4. Galvanized Treated Surfaces.....	40
H. Workmanship, Interior and Exterior.....	40
1. Application of Paint.....	40
2. Woodwork and Trim to be Finished.....	41
I. Clean-Up and Protection.....	41
1. Protective Coverings or Drop Cloths.....	41
2. All Debris Related to, or Created by Painting.....	41

3. All Shrubs and Plants.....	41
-------------------------------	----

SECTION XIV: FLOOR COVERINGS

A. General.....	42
1. Color and Pattern.....	42
2. All Carpet, Pad and Vinyl Floor Coverings.....	42
3. Underlayment.....	42
4. Do Not Commence Installation of New Floor.....	42
B. Preparation.....	42
1. Removing/Clearing.....	42
2. All New Subfloor Installations.....	42
3. All Cracks, Minor Holes, Crevices and Depressions.....	42
4. Concrete Floors.....	42
C. Installation.....	43
1. Manufacturer's Specifications and Recommendations.....	43
2. Adhesive.....	43
3. All Joints and Seams.....	43
4. Floor Covering in Kitchens, Bathrooms, and Service Porches.....	43
5. Floor Covering in Bathrooms.....	43
6. Coving.....	43
7. Exterior Corners at Coving.....	43
Appendix.....	44
Standard Drawings.....	46

PREFACE

"Material and Workmanship Performance Standards" has been developed to serve as an explanation of methods and materials to be used in the rehabilitation of residential dwellings. The Guide is based on the combined criteria of various sources; the state, national, and the uniform model codes, and the ordinances regulations and other requirements, all as adopted, or established, by the County of Union, and where stated, the specifications and standards developed by the various manufacturers and trade organizations in the industry. The Guide may also be referred to as "standard specifications",

It is intended that the Guide be maintained by amending it periodically. Every attempt will be made to notify participants in the construction and rehabilitation programs regarding any future changes. However, the County of Union reserves the right to make revisions without guarantee of timely notification.

In the event there are issues of doubt or disagreement regarding materials or methods utilized in rehabilitation projects, the appropriate County staff, with the support of the applicable County Department, will rely on the Guide and on the applicable codes adopted by the County in making determination. The decision of the County will be final.

Any exemptions, alternate methods of construction, variations, and/or deviations from the requirements of these Standards shall require prior approval in writing from the Department of Economic Development. This approval will only be made when it is clearly evident that the materials and methods to be used meet or exceed the minimum requirements of these Standards and all applicable codes.

For new construction, acquisition and rehabilitation projects must follow State and local codes, ordinances and zoning requirements. Housing that is newly constructed with HOME funds must meet all applicable State and local codes, ordinances and zoning requirements. HOME-assisted new construction, acquisition or rehabilitation projects must meet State or local residential building codes, as applicable, or, in the absence of a State or local building code, the International Residential Code or International Building Code (as applicable to the type of housing) of the International Code Council. The housing must meet the applicable requirement upon project completion.

SECTION I

ADMINISTRATION

A. AUTHORITY & RESPONSIBILITY

- 1. The Department of Economic Development**
is the administrator and designated authority of the County of Union that facilitates the creation of Community Development Block Grant (CDBG) projects, and administers the funding of Home Investment Partnerships Program (HOME) projects (new construction, acquisition and rehabilitation), and manages and approves completion of the projects performed under contractual agreements in accordance with the standards stated in said contractual agreements and in the Guide. The Department shall interpret the Guide.
- 2. The HOME Program Manager**
(herein after will be known as “the Manager”) is the staff member, of the Department, that is assigned with the duty to manage specific assigned programs and projects, with the support of County staff. The Manager shall perform as the project manager, carrying out all the functions of contract administration with the goal of providing project quality and timely project scheduling and completion in accordance with the Guide. With assistance from appropriate County staff, the Manager shall interpret the adopted codes of the County.
- 3. The Bureau of Housing**
is the administrator and designated authority of the County that checks and approves plans and work performed under said projects, all in accordance with the adopted codes. The Bureau of Housing shall offer final interpretation of the County's adopted codes.
- 4. Multi Department and Agency Authority**
(Municipal/County/State/Federal)
Occurs in some instances, where necessary and required. Such authority is assumed to be understood and may be described in the Guide and other documents.

5. The County

referred to throughout the Guide shall mean, either singly or as a group, the County of Union, or the Department(s), Division(s), Section(s) and staff person(s) of the County of Union.

B. REQUIRED PERMITS AND INSPECTION PROCEDURES

1. Permits Are Required

and shall be obtained by the Contractor from the County for all improvement projects involving construction, alteration, addition, demolition, and grading. Building, plumbing, mechanical, electrical, demolition, grading, public works, and other permits, when applicable, are required for all construction as stated by the applicable Codes and the County.

- a. For all projects, the Contractor/Developer is required to obtain and pay for all permits prior to construction.

2. Building Code Inspections

of projects in progress and upon project completion shall be performed by the County. Work performed without the required permits and inspections will be subject to scrutiny and possible non acceptance by the County, a stop work order will be issued. Inspections are required for all work performed. Work performed without the required permits and inspections will be subject to scrutiny and possible non-acceptance by the County of Union. The Contractor will assure that the necessary inspections are requested and performed. The Manager shall follow up as necessary.

3. Pre-payment Inspections

shall be performed by the Manager prior to the issuance of any partial progress payment Approval is required by the Manager and the architect via AIA form. The Manager shall not approve a payment to the Contractor for unauthorized work, or for work that is not, or may not be, acceptable.

4. Pre-final Inspections

shall be performed by the Manager when the project is near completion for providing a correction for the Developer/Contractor. The Manager will prepare a correction list and determine if the corrections are appropriate.

5. Final Job Inspections

shall be performed by the Manager and applicable County staff after all construction is completed and the building is in the process of obtaining a Certificate of Occupancy. The Manager shall confirm that all Building Code inspection approvals are completed and finalized by the County for all work performed under permit(s) prior to acceptance and approval of the project completion payment. Final payment will not be made until the County receives the Certificate of Occupancy.

SECTION II

CONTRACTOR AND DEVELOPER RESPONSIBILITIES

A. CONTRACTOR COMPLIANCE STANDARDS

1. The Contractor Is Defined as

The Contractor shall perform all work described in the Scope of Work (line item specifications) and plans, in accordance with the provisions of all the Contract Documents and the Guide. The Contractor shall perform as a construction manager, maintaining continuous contact with the Developer regarding the project status and any problems. The Contractor shall solve minor problems with the assistance of the Developer when the task and the solution is normal and implied in the Contract, without relying on the Manager

2. Material and Workmanship Performance Standards (A Quality Goal)

All work shall be performed to the Material and Workmanship Performance standards required by the County of Union. The commonly accepted standards set by the construction industry and the construction trades are used here only as a basis for establishing the minimum standards to be utilized and enforced by the County. Quality of appearance and durable utility, being the direct result of quality workmanship, shall be the goal of the Home Program and the Contractors participating in the Program. Achievement of quality workmanship shall become a goal accomplished by applying standards of excellence which exceed the commonly accepted minimum standards. The quality of workmanship performed by the Contractor shall be scrutinized prior to acceptance by the County. The decision of the County will be final.

3. Material Standards

All material shall be new, recently purchased, and in excellent condition. Only the material specified shall be the material which is used, and only the brand specified shall be the brand used, unless "or equal" is specified. The Contractor shall obtain approval for "equals" from the appropriate County staff prior to purchasing and installing the equivalent material.

B. CONTRACTOR PERFORMANCE RESPONSIBILITIES

- 1. The Contractor Shall Furnish All Supervision**
technical personnel, labor, materials, machinery, tools, equipment, fixtures, and services including transportation services, and shall perform all required work in an efficient and workmanlike manner. The Contractor shall perform all the construction and rehabilitation work as described in the Scope of Work (Line Item Specifications) and plans, and in accordance with the provisions of all the Contract Documents and the Guide.
- 2. The Contractor Shall Maintain a Reasonably Clean and Orderly Project Site**
during the course of the work on a daily basis, subject to inspection by the Manager. Materials and equipment that have been removed and replaced as part of the work shall belong to the Contractor, unless otherwise agreed by the Developer and Contractor all the time of the Preconstruction meeting. The Contractor shall remove all construction materials and debris and shall leave the property in "broom clean" condition upon project completion.
- 3. The Contractor Shall Be Responsible**
for determining that all plumbing and electrical fixtures, switches and receptacles, which were part of the Scope of Work, are in proper working order upon completion of new construction and rehabilitation.
- 4. The Permit Card, Scope of Work and Plans**
shall be posted and maintained by the Contractor at the job site at all times for the purposes of viewing by County staff.
- 5. The Contractor Is Responsible For Damages**
caused by encroachment on adjacent properties or on regulated setback areas. Damage caused by encroachment shall be corrected by the Contractor at no cost to the Developer or the County of Union.

6. Protection of Existing Utilities and Structures

shall be provided by the Contractor during the period of construction, unless otherwise indicated on the plans or Scope of Work. Utilities include all water, gas and sewer lines, lighting, power or telephone conduits and wires, house connections in place, and other surface and subsurface structures or lines. If, in the performance of the work, the Contractor disturbs, disconnects, or damages any of the above, all expenses of whatever nature arising from such disturbance, or in replacing or repair thereof, shall be paid by the Contractor.

7. The Contractor Shall Set Required Grades

by a registered engineer or land surveyor prior to commencement of any concrete work adjoining a public right-of-way, including, but not be limited to, drive approaches, walks, sidewalks, and other slabs as applicable.

8. The Contractor Shall Set Required Property Corners

by a registered land surveyor for all new construction and additions.

9. For Housing Rehabilitation Projects,

the Contractor shall coordinate all utility service installation and scheduling. All service installation locations shall be as close as possible (least costly) to the original service locations. The Contractor shall pay the cost for any relocation and rerouting of gas and electric services caused by the Contractor's negligence. Prior to approval for disbursement of the project completion payment, the Contractor shall provide fully operational utility hookup, including electric, gas, water and sewer service, ready for inspection testing and transfer to Developer.

10. The Contractor Shall Provide Electric Service

at the Contractor's own expense on all projects.

DEVELOPER SUPPORT

1. The Developer Shall Make Decisions and Choices

with the assistance of the Contractor regarding minor problems, general progress of the project and those items which require choice of color (and style, if applicable); and with the assistance of the Manager regarding major problems and general progress of the project the Developer shall authorize all payments to the Contractor, and shall submit said

authorization through the Manager to the County for processing. The Developer shall cooperate with the Contractor in a manner that will allow the work to progress as rapidly as possible. The Developer shall realize that rehabilitation is not restoration, and that the Contractor will do the best possible work.

2. For Owner-occupied Rehabilitation Projects,

the existing house utility services may be made available to the Contractor if the owner agrees, including electric power, gas, heat, water, and telephone (local calls only). Determination of responsibility to provide utility services shall be made at the reconstruction meeting.

3. When the owner Is to continue to occupy

the premises during the rehabilitation, the Developer shall cooperate with the Contractor in a reasonable manner to facilitate performance of the work, including abandonment of certain areas as may be essential to the conduct of the work, and moving, or removing personal possessions which will interfere with the work.

SECTION III

CONTRACT REQUIREMENTS

Overview

For all HOME-funded new construction and/or rehabilitation projects, the construction contracts and construction documents (*i.e.* AIA documents, Schedule of Values, Scope of Work, General Specifications, Plans, Drawings, Architectural Cost Estimate, etc.) must be in accordance with 24 CFR 92.251. Further, all construction contracts and construction documents shall be consistent and in accordance with the requirements outlined in the County's HOME Investment Partnerships Program Property Standards Policy and its Material and Workmanship Performance Standards.

A. Definition of Contract Words and Phrases

- a. **Install** means: Install the Selected Line Item at the Selected Location, finished and complete, including removal of the existing units, all modification, materials and work at and in the vicinity of the selected Location, leaving the Item fully operational, all in accordance with the Guide.
- b. **Reinstall/Rehang/Relocate for Rehabilitation means:** Remove the Selected (existing Line Item, perform corrective repairs to the Item, and in the manner described under "Repair" and reinstall the Item at either
the Selected; a) original Location (for Reinstall/Rehang), or b) new Location (for Relocate), finished and complete, including removal of existing units, all modification, materials and work at and in the vicinity of the selected Location, leaving the Item fully operational, all in accordance with the Guide.
- c. **Construct/Reconstruct/Frame/Reframe** means: Construct/Reconstruct or Frame/Reframe the Selected Line Item at the Selected Location, using standard construction practices of the trade, finished and complete, including removal of existing units, all modification, materials and work at and in the vicinity of the Location, leaving the Item fully operational, all in accordance with the Guide.
- d. **Replace** means: Remove the Selected (existing) Line Item and Install the Selected (replacement) Line Item at either the Selected; a) original Location, or b) new(relocated) location, finished and complete, including removal of existing units, all modification,

materials and work at and in the vicinity of the Location, leaving the Item fully operational, all in accordance with the Guide.

- e. **Repair** means: repair the Selected (existing) Line Item at the Selected Location, complete, including all necessary and required replacement parts, work and materials at the Location, leaving the Item fully operational, all in accordance with the Guide.
 - f. **Secure** means: Use a means to tighten and/or secure the Selected (existing) Line Item at the Selected Location , including all necessary and required work and materials at the Location, leaving the item fully secure, all in accordance with the Guide.
 - g. **Remove/Strip** means: Remove and legally dispose of the Selected (existing) Line Item at the Selected Location, and either a) cap/plug/close/cover/seal the Location (to abandon), or b) proceed as described by another Line Item (to remove and replace item), all in accordance with the Guide.
 - h. **Demolish** means: Remove and legally dispose of the Selected (existing) Line Item at the Selected Location, complete, including all components and all related, attached or detached, structures, services and appurtenances, all in accordance with the Guide.
 - i. **Scope of Work** means: all the work described by the Line Item Specifications as listed for a specific job and as described under Scope of Work all in accordance with the Guide.
 - j. **Line Item Specification** means: A work item specification which shall be performed in accordance with definition of Scope of Work, and in accordance with the Guide.
 - k. **Guide** means: "Material and Workmanship Performance Standards". acceptable phrases are: Standard Specifications, Rehabilitation Standards, Rehabilitation Guide, and the Guide as used herein.
1. **Standard Detail Drawings**
shall be considered as a part of the Scope of Work. The Contractor may deviate from the drawings subject to prior approval by the appropriate County staff. The Standard Drawings are referenced in various sections of the Guide and are listed in the Appendix.

SECTION IV

DEMOLITION,

EXCAVATION AND GRADING

A. DEMOLITION, SITE CLEARANCE AND GRADING (Reconstruct)

1. Performance of Demolition, Site Clearance and Grading

shall include: demolition, and the legal removal and disposal of all structure(s) and/or all other as specified in the Line Item(s) of the Contract including all related and unrelated, attached and detached, surface and subsurface structural systems, materials, fixtures and utility systems; all pavement and concrete slabs, poles, posts, and all other improvements, including all related and unrelated as just described; all surface and subsurface trash and debris to 18 inches below grade; all specified trees and all stumps, shrubs and vegetation including grubbing all roots to 18 inches below grade; and providing imported and compacted fill at basements and at the building pad.

2. The Remaining Surface of the Site

shall be uniformly graded to provide proper surface drainage away from the building and building pad, and shall be wetted and rolled, leaving all surfaces clear and uniformly smooth.

3. The Building Pad Is Defined as

all the area below the new building(s) including a 5 foot wide area, adjacent to and entirely around the outside perimeter of the new building(s).

4. The Finish Grade of the Building Pad

shall be as specified by the County, but shall never be less than 6 inches above the top of curb (or street center line).

5. Dust Control

shall be provided by the Contractor.

6. **The Contractor Shall Obtain All Required Permits and Clearances**
prior to commencing any demolition work.
7. **The Contractor Shall Clearly Understand**
that it is the Contractor's responsibility to ascertain the existence and application of all regulations pertaining to all aspects of demolition work prior to commencing any work, and to comply with, and perform all work in accordance with all regulations pertaining hereto during the course of all work.

B. EXCAVATION, FILL AND GRADING

1. **Under Normal Soil Conditions**
the Contractor shall employ standard practices in compliance with all applicable requirements of the County regarding excavation, trenching, back filling and basement filling. All areas of soil disturbance, cuts, fills and building pads shall be properly prepared, and all back fills and imported fills shall be properly installed utilizing approved compaction methods as required by the County. The cost for all known and expected work shall be included in the Contractor's Total Bid Price.
2. **Special Soil Conditions at Structure Pads**
including unforeseen debris pits and locations of saturated and unstable soil (usually over hardpan) may require major excavation, disposal, the importing of dean material, compaction and testing prior to allowing concrete pours or any type of structural work. The cost for special unforeseen work may be considered as extra, if so approved by the Housing Program Supervisor.
3. **Locating and Protection of Utilities and Services**
shall be the responsibility of the Contractor. Any damage to utilities shall be immediately repaired by the Contractor, at the Contractor's expense.
4. **Excess Soil**
shall be disposed of by the Contractor, or may be spread uniformly on the site as directed by County staff.

SECTION V

CONCRETE

A. GENERAL

1. Defective Concrete Installed by the Contractor

shall be removed and replaced at no additional expense to the Developer under any of the following conditions:

- a. Surface does not allow drainage.
- b. Incorrect forming, causing improper thickness and irregular appearances.
- c. Material contains foreign debris.
- d. Poor workmanship and poor appearance.
- e. Not in accordance with the plans, specifications or code.

2. Subgrade Preparation, Building Slabs and Footings

All sod or other debris shall be removed to clean earth, and a minimum of 4-inches of clean fine earth or sand shall be placed as a base for all slab and footing work. The base shall be compacted and wetted before pouring any concrete. Place monolithic 3 ½ -inches minimum thick concrete slab and concrete footing. See Standard Drawings: Slabs P-1, P-2 and P-3; Footings S-I, S-2 and S-3.

3. Driveways, Parking Pads and Walkways

shall be placed on a finished grade in order to provide drainage off of, and away from, the surface and shall be a full 3 ½ -inches thick, steel troweled and soft-brushed providing a non-slip finish. All edges shall be rounded.

All New Garages, Carports and Parking Pads shall have concrete walkways installed to nearest existing walkway or nearest exit from dwelling.

4. **Steel Reinforcing**
need not be provided at concrete slabs and footings unless required by engineered plans approved by the County. For reinforced mason block fences, see Standard Drawing (Concrete Block Fence) F-3.
5. **Expansion Joints**
shall be placed a maximum of 15 feet apart on all walkways and driveways and shall be standard vinyl or saturated felt. All joints must be visible and finished with rounded edges.
6. **Concrete Poured Adjacent to Wood**
shall have a minimum 26 gauge galvanized metal flashing placed between wood and concrete.
7. **All Steel and Wood Stakes and Form Lumber**
shall be removed from job site on a daily basis, if not in use.

B. CONCRETE STEPS, RAILINGS AND LANDINGS

1. **Footings at Steps**
shall be provided below natural grade.
2. **Rise and Tread of Steps**
shall comply with current adopted UBC requirements. Under any circumstances, rise shall not be less than 5-inches and not more than 6- inches and tread shall not be less than 11-inch run.
3. **Railings**
 - a. All Steps Over Three Rises with door landing only shall include an approved railing system, and shall be located on door lock side (or both sides) of steps.
 - b. All Steps Over Three Rises with porches shall include the same as 3(a) above, but shall always include railings at both sides of steps and at all sides of porches.
 - c. Open porches exceeding 30-inches Above Grade shall be equipped with approved railings. Wooden railings may be provided when approved in advance by Developer and Bureau of Housing.

SECTION VI

CARPENTRY

A. GENERAL MATERIAL AND WORKMANSHIP

1. Framing Installation to Accommodate Other Trades

shall be provided. Cut all wood as required to accommodate plumbing, heating, ventilation, electrical and other trades. Framing shall fit neatly around exposed items such as outlet boxes, conduit, pipes and ducts.

- a. Install all wood framing as per plans and details shown. All new wood framing shall match existing wood framing to assure that both framing systems are plumb, level, true to line and securely anchored and fastened.
- b. All new wood framing shall be covered with sheathing within one week of the framing installation.

2. Framing Cuts and Joining/Jointing

shall be provided precisely square and clean, and shall provide a tight fit over the entire bearing surface(s) of all members of each joint in order to reduce motion and settlement of the structure to a minimum, and therefore, to reduce stucco cracking, nail popping, and racking of doors and trim.

3. Furring, Blocking and Backing

shall be furnished and installed where required for receiving wallboard, formation or architectural features, concealment of pipes, conduits, ducts, building specialties, such as blocking for curtain rods and other fixtures. Contractor shall consult with the trades concerned and set furring and blocking they require.

4. Plywood Sheathing

shall be installed with the long dimension perpendicular across the supports, rafters of joists. No sheathing may be applied to less than three rafters. Install all wall sheathing as per UBC.

5. **Roof Overhang and Edge Sheathing**
shall have solid bearing under all edges. Outriggers shall be installed on all gable ends when new sheathing is applied. Outriggers will be spaced so that they bear under the exposed edges of the roof sheathing.
6. **Roof Sheathing**
shall be approved material.
7. **Barge Rafters and Facia Boards**
shall be installed with a uniform, tight and flush cut and fit at bevel splices and square corner joints. Material shall be #1 Hem/Fir and kiln dried, free of sap/pitch pockets.
 - a. Facia Boards shall be one lumber size larger than rafters with 2-inch nominal thickness.
 - b. Barge Rafters shall be the same size as facia boards.
 - c. Barge Rafters and Outriggers shall be installed when roof sheathing is completely replaced.

B. MATERIALS

1. **Framing Lumber**
shall be Douglas Fir #2 or better, surfaced four sides, or other as required, conforming to the Standard Grading and Dressing Rules No. 16 of the West Coast Lumber Inspection Bureau. Grade shall be stamped on the lumber at the mill. All framing lumber shall be fully cured.
2. **Sills**
shall be Foundation grade redwood or approved pressure treated fir conforming to the Standard Specifications for Grades of California Redwood Lumber, latest edition, as published by the Redwood Inspection Service. Grade shall be stamped on the lumber at the mill.
3. **Plywood Sheathing**
shall be Group I Species meeting requirements of U.S. Product Standards PS 1 -66, of the sizes and thicknesses shown on the drawings.

Each panel shall carry the grade trademark of the American Plywood Association along with the DFPA quality stamp.

4. Barge Rafters, Fascia and Exterior Trim

shall be kiln dried, Hem-Fir, # 1 and Douglas Fir #2, and may be surfaced or rough sawn, as appropriate and approved by the Manager.

C. LUMBER FASTENINGS

1. Nailing and Bolting of Wood Members

shall conform to the minimum requirements of the Uniform Building Code, and to the structural drawings.

2. Bolts

shall be all square or hexagonal head with matching washers and nuts. All bolted connections shall be tightened prior to final acceptance. In the case of concealed locations, all bolted connections shall be tightened and accepted before the area is sealed off.

3. Framing Anchors, Connectors and Hangers

shall be approved galvanized units as detailed in the structural drawing, and properly sized for the attached member.

4. Nails

shall be appropriate and suitable for the purpose. Nails for interior trim and finish shall be finishing nails. Nails for exterior work shall be standard types, common wire or box nails, and hot-dip galvanized. All nails for redwood interior or exterior shall be aluminum nails or hot-dip galvanized nails.

D. FENCES

1. Installation and Materials

shall be in accordance with Standard Drawings F-1, F-2 and F-3. Variations shall be accepted only with prior approval by the Manager

SECTION VII

ROOFING

A. PREPARATION & STRUCTURAL

1. **Surface Preparation (Stripping and Repair)**
shall include stripping all existing roofing materials, and repairing defective structural materials, leaving all components uniform and secure prior to installation of a new roof.
2. **Structural Replacement and Modification**
shall be performed by the Contractor, as specified by the Line Item in the Scope of Work, due to performance of significant remodeling, or when significant and extensive failure of the existing roof structure system exists due to undersized and over spanned members, and deterioration.
3. **Two (Or More) Existing Roofing Layers**
shall be stripped to the original sheathing. Damaged sheathing shall be replaced loose sheathing shall be secured with additional nailing.
4. **Removal of Debris and Surplus Materials**
shall be progressively performed by the Contractor on a daily basis, maintaining a clean and safe job site.

B. METAL FLASHING

1. **Flashing at Edges of Plywood Roof Sheathing**
shall be provided by using galvanized metal angle strips prior to installing the new roof covering.

Overlap At Metal Angle Splices shall be 2-inch minimum overlap. All Corners of Metal Angle Strips shall be cut on top and bent around corner to form continuous protection. Nailing of Metal Angle Strips shall be top-nailed only.

2. **Valley Flashing**
shall be provided using galvanized metal "W" flashing of 26 GA minimum.
3. **Parapet Flashing**
shall be provided at parapets using corrosion resistant, solid horizontal metal or metal step flashing to be laced in a professional manner and blind-nailed. All vertical ends of flashings will be installed beneath exterior wall coverings. When exterior wall coverings are not new or are not specified to be replaced, coverings shall be replaced to an adequate height to facilitate installation of flashing. These existing walls may be counter flashed, but only with prior approval by the appropriate County staff.
4. **A/C and Cooler Flashing**
shall be installed to form a watertight barrier.

C. ANTENNA REMOVAL AND REINSTALLATION

1. **Antenna Removal and Reinstallation**
shall be provided when the dwelling is re-roofed, and shall include installation of a new antenna, if necessary).

D. BUILT-UP ROOF

1. **New Drains at Parapet Walls**
shall be installed, when receiving new counter flashing.
2. **Three-ply Hot Mop Fiberglass System**
shall consist of one ply of fiberglass base sheet, one ply of fiberglass underlayment sheet, and one ply of 72 pound fiberglass mineral surfaced cap sheet, installed per manufacturers written instructions, GS A-6-M-3 (or approved equal).
3. **Two-ply Modified Bitumen (Torch) System**
shall consist of one ply of fiberglass base sheet, and one ply of 105 pound APP modified Bitumen (rubber) or 92 pound SBS, modified Bitumen (rubber), or 99 pound modified Bitumen (rubber) mineral surfaced cap sheet, installed per manufacturers written instructions, GS GTA-2-3, or GS GTS-2-3, or Dibiten, or approved equal.

E. COMPOSITION SHINGLE ROOFS

1. UBC Information

For information on all types of roofing material, see UBC, Chapter 32. All installations shall conform to the manufacturer's written recommendations and specifications.

2. Manufacturers Installation Specifications

shall be strictly adhered to for all roofing installations, and shall prevail above all other specifications contained herein, with exception of the UBC.

3. Application of Composition Shingles

shall be only to a smooth and uniform solidly sheathed roof surface, except when applied over existing wood shingle roof.

4. Minimum Slope

Composition shingles shall not be applied on roof having less than a three in 12 pitch, unless double layer felt underlay is installed in accordance with manufacturer's installation recommendations and the County of Union requirements.

5. Underlayment

shall be 30 pound felt, minimum.

6. Valleys

shall have shingles laced with an underlayment of 30 pound felt extending 1 inches from center line each way, or shall have metal flashing as per Section VII, B-2. Other installations will be approved only if they are submitted to the Manager in writing prior to the start of construction and if the installation meets all manufacturer's instructions.

7. Pattern (Side Lap)

shall be only a 2-inch or 3-inch (side lap) pattern. Patterns in excess of 3-inches will not be accepted. Exceptions to this requirement will only be allowed with prior written approval by both the Manager and the property developer. Requests for those exceptions must be made prior to the start of construction. Approval will not be given for a 6--inch (side lap) pattern.

8. **Color**

Developer shall have choice of standard and available color, selected from the Contractors samples prior to installation.

9. **Vent Flanges**

shall have only one or two nails placed at the top edge for securing.

SECTION VIII

FINISH CARPENTRY

A. GENERAL

1. Work to Be Furnished and Installed

shall include performance of all work necessary for the construction of the project, as required, in a professional and workmanship-like manner including, but not necessarily limited to:

- a. Finish carpentry
- b. Wood doors
- c. Shelving
- d. Millwork
- e. Building specialties
- f. Finish hardware
- g. Furnishing of building specialties

2. Installation

shall be in accordance with the details shown in the plans. All components shall be installed plumb, level, true to line and securely anchored. Nails and screws shall be neatly set and all wood raised in the driving of nails and screws removed. Exterior corner joints shall be mitered. Interior corner joints may be coped. Casings at head of doors and windows shall be mitered. Where molded members adjoin other molding or plain sections, the molded members shall be carefully and accurately scribed to the other members. All exposed edges shall be eased.

3. Tool Marks or Marred Surfaces and Edges

will not be acceptable on any exposed finished surfaces and, as evidence of inferior workmanship, shall be cause for rejection of such work. The Contractor shall replace inferior work at no extra cost to home Developer.

4. **All Exposed End Splices in Finished Members**
shall be accurately and neatly square butted. Install members in as long lengths as possible.
5. **Interior Finish**
shall be secured using finishing nails or screws as required, unless otherwise indicated. Set nails and screws for putty stopping.
6. **Finish Hardware**
shall be installed accurately and securely without marking or defacing hardware or finish work. Include the installation of pocket frames, tracks and hangers for sliding doors. Test to assure correct alignment and operation. Items of finish hardware shall be fastened at all points where fasteners are indicated or required. Protect finish hardware with suitable coverings until completion of construction. Properly tag keys to deliver to Developer at completion of construction. Leave all hardware in perfect order. Clean and polish all new (and existing) millwork.
7. **Specialty Items Not Specified under Other Sections** shall be installed. All finish carpentry work required to produce a complete and finished installation shall be performed, prior to acceptance.
8. **Wall-Mounted Items**
shall be securely fastened to solid backing or blocking.
9. **Miscellaneous Items**
Finish carpentry work and miscellaneous items and their related components which are to be furnished and/or installed under this section are not necessarily individually described. The most important features and those requiring detail description are mentioned. Finish carpentry work and miscellaneous items not mentioned or described shall be furnished and/or installed in accordance with the UBC, Neighborhood Services Division, Scope of Work, and as required to complete this work.

B. MATERIALS

1. Exterior Plywood

shall be of the species, type and face treatment as per ICBO building standards. The plywood shall be manufactured with exterior glue and shall be A/C grade.

2. Interior Plywood Paneling

shall be of the species, type and face treatment as shown on the drawings, and shall be Grade A, flame rate UBC, Chapter 42.

3. All Rough Hardware

shall be furnished, including all connections to metal studs, bolts, etc., required to complete the work. Exterior bolts, nuts and washers shall be hot dip galvanized.

4. Exterior Trim and Casing/Molding

shall be dressed S4s Fir, dressed or rough Redwood, or Cedar. There shall be no loose or open knots or knotholes. Any, and all, splices shall be cut to a 45 degree end bevel and joined over backing.

5. Interior Trim and Casing/Molding

shall be white pine or Douglas Fir #1, and shall completely void of, and properly sealed against bleeding or pitch runs. All corners to be mitered.

SECTION IX

DOORS AND WINDOWS

A. DOORS

1. General Installation

All doors, jambs, casings and hardware shall be installed expertly and in accordance with the plans and standard details, and shall be installed plumb, level, square, in plane, true to line and be securely anchored. All components shall fit accurately, with proper and uniform clearances, and shall operate freely, without binding or dragging.

2. Hanging Doors

All doors shall be installed in proper frames as scheduled and shall fit uniformly and snug against all stops. Provide accurate lit, free from hinge bind, and with uniform clearance of 1/16-inch at heads and jambs.

Undercut doors for floor finishes or coverings and ventilating purposes where required. Sliding doors shall slide and operate smoothly under fingertip pressure. Finish hardware shall be removed for painting and reinstalled after finishing is completed and dry, or shall be protected from paint by masking.

3. Door Material

All doors shall be flush panel, stain grade mahogany. Exterior doors shall be solid core, 1-3/4-inch thick. Interior doors shall be hollow core, 1-3/8-inch thick. All doors shall be of the size indicated on the Scope of Work (specifications). No exterior door used for egress, shall be smaller than 2-feet 8-inches in width with at least one measuring 3-feet 0-inches. No interior door to a habitable room shall be smaller than 2-feet &-inches.

4. Setting Door Jambs

Provide required dimensional modification of the framed opening in order to allow a plumb and square door setting. Jambs at nailing points, butts and lock strikes shall have solid backing. Exterior jambs shall be completely caulked and sealed around their perimeter, between jambs and adjoining framing construction, using mastic and tape as required.

5. Setting Door Casings

Exterior comer joints on door casings shall be mitered and interior comer joints to be coped. Casings at head of doors shall be mitered. Where molded members adjoin other molding or plain sections, the molded members shall be carefully and accurately scribe to the other members. All exposed edges shall be eased.

6. Hardware for Exterior Doors

1. All exterior doors shall have dead bolts as part of any installation. All front doors shall be provided with a security view port.
2. All exterior doors shall be installed with a rigid aluminum strip with neoprene-type weather stripping securely fastened to sides and head jambs. No other type of weather stripping will be allowed. Install to ensure no air leakage around openings in exterior doors.
3. All exterior doors shall be provided with aluminum threshold with rubber attached to the drip cap at bottom edge of door.
4. Aluminum Thresholds with Rubber Exposed to Foot Traffic Shall Not Be Acceptable Except in Exterior Water Heater or Heater Enclosures.
5. Hardware shall be fastened to framing in a manner to prevent removal to gain entrance while door is in its locked position.

7. Hardware for Interior Doors

All interior doors shall have the appropriate latch set and hinges as part of any installation.

8. Door Preparation and Finish

All doors to be finished shall have edges finished to match exposed face. Top and bottom of door shall be effectively sealed against moisture.

B. WINDOWS

1. General Installation

All windows assemblies and casings shall be installed expertly and in accordance with the plans, and shall be installed plumb, level, square, true to line and be securely anchored. All units shall lit accurately, and shall operate freely without binding or dragging.

2. Setting Windows

All windows shall be installed in proper frames and at the approved location and height Nails and screws shall be neatly set and all wood raised in the driving of nails and screws removed. Exterior comer joints on window casing shall be mitered and interior comer joints shall be coped. Casings at head of windows shall be mitered. Where molded members adjoin other molding or plain sections, the molded members shall be carefully and accurately scribed to the other members. All exposed edges shall be eased. Jambs at nailing points shall have solid backing.

3. Weatherproofing

shall be provided for all window rough openings when new windows are installed. This shall consist of 15 pound felt wrapped around all framing members prior to the installation of the new window.

4. Wood Window Stools

shall be provided for all new window installations unless written prior approval is given by the Neighborhood Services Division.

SECTION X

CABINETS AND COUNTER TOPS

A. CABINETS

1. General Installation

All cabinets, cabinet doors, drawers and hardware shall be installed expertly and in accordance with the plans and standard details, and shall be installed plumb, level, square, true to line and be securely anchored.

2. Cabinet Material

shall be Grade A, and custom built by a recognized cabinet shop. The materials utilized shall be; standard soft wood for the interior framework, stain grade hardwood veneered (Birch) members and plywood panels for all exterior exposed face locations (face panels, face frame members, and drawer faces and doors), and B grade plywood or compressed particle board for the interior shelving and dividers.

3. All Doors and Drawer Facings

shall be flat and plain with beveled edge pull (Developer to select color of paint or stain).

4. Range Hood and Vent Cabinet

shall be provided over stove when new cabinets are installed.

5. Switch-operated Light Fixture and Soffit

shall be provided over sink when new cabinets are installed.

B. COUNTER TOPS

1. High Pressure Laminated Plastic (Formica)

shall be the approved standard material to be accepted and utilized in the rehabilitation program. All counters shall be fully formed, one-piece assembly with 4-inch waterfall back splash and rolled no-drip front edge. All ends and miters shall be factory (shop) cut, or field cut, only by an expert professional counter installer. All counter tops must be installed perfectly level with provisions for water to drain towards the sink.

(Developer's choice of standard and available color pattern, selected from Contractor's samples.)

2. Standard Ceramic Tile with 4-inch Splash and Standard Nosing

shall be installed only when tile is specified by Manager

- a. Developer's choice of standard and available tile and grout color, selected from Contractor's samples.
- b. All tile shall be professionally installed using standard construction practices and according to code. All tile must be installed perfectly level with the tile surrounding the sink having provisions for water to drain towards the sink. All tile shall have an acceptable grout sealer applied to the grout to assure that all grout is sealed against moisture.

SECTION XI

ELECTRICAL

A. MINIMUM REQUIREMENTS

The County of Union, Department of Economic Development, has adopted the following requirements, in addition to the last adopted edition of the National-Electrical Code, relative to single-family residences:

1. **Minimum Electrical Service**
shall be 125 amperes or calculated load, whichever is greater.
2. **Service Conductors for 100 Amperes Service**
shall be three No. 2 aluminum or three No. 4 copper wires.
3. **Grounding Conductor for 100 Amperes Service**
shall be No. 8 copper with sheathing, or No. 6 copper with no sheathing, and shall be continuous to driven ground rod and to a cold water pipe, with visible clamp.
4. **Aluminum Wiring**
shall not be allowed, other than service entrance wires.
5. **Non-metallic Sheathed Cable Entering Plastic Boxes**
shall be stapled within 8-inches of the boxes.
6. **All Circuits at the Service Panel**
shall be phase balanced and identified.
7. **New and Replacement Light Fixtures**
shall be provided at all required locations of the entire dwelling when the dwelling is being completely rewired.
8. **Receptacle Outlets**
shall be rated for and installed on 20 amp circuits at the kitchen, bathroom, laundry and cooler, and on 15 amp circuits at other non- appliance locations (bedrooms, Jiving room, etc.).

9. **Laundry Outlets**
shall be 20 amp rated T-bar receptacle on a single dedicated circuit.
10. **3-Wire Grounded Receptacles with GFCI**
shall be provided at all kitchens, bathrooms and laundry facilities, including at all additional new wired locations, and at all new construction locations.
11. **2-Wire Non-grounded Receptacles**
at existing locations of living rooms, dining rooms, bedrooms and hallways may remain or be replaced using same type of component only.
12. **All Major Appliances**
shall have a single dedicated 20 amp circuit Major appliances are considered to be washers, dishwashers, garbage disposals, freezers, refrigerators and microwaves.
13. **At Least One Light Bulb**
shall be installed by the Contractor in all new light fixtures.
14. **All Electrical Boxes for Fixtures and Receptacles**
shall be installed in walls and ceilings with a maximum 1/8-inch side gap between the box and the covered surface, and shall be flush with the covered surface.
15. **Pre-wiring for Telephone and Television Antenna Hookup**
shall be provided whenever the exterior and/or interior surfacing is being replaced and on all new reconstruct projects.

SECTION XII

PLUMBING

A. GENERAL

1. **No Cross Connection Between the Supply and Waste Systems**
shall be allowed No plumbing fixtures or device shall be installed which will provide a cross connection of any sort between a potable water supply intended for drinking and a polluted water supply, waste pipe or drainage.
2. **Access for Waste System Inspections**
shall be provided Any drainage or building sewer, or part thereof, which is installed, altered or repaired, and is covered or concealed before being inspected, tested and approved, shall be uncovered for inspection upon notice.
3. **Vent System Termination at the Roof**
shall conform to Chapter 5 of the Uniform Plumbing Code. Each vent pipe or stack shall extend through its flashing and shall terminate vertically a minimum of 6-inches above roof and not less than 12-inches from any vertical surface and shall be painted.
4. **All Water Closets**
shall be water conservation type.
5. **All Gas Appliances**
shall have proper gas flex, shut-off valve, and flue according to Uniform Plumbing Code.
6. **All Exterior Sewer Cleanouts**
shall be properly boxed.
7. **All Exposed Plumbing, Faucets, Drains and Components**
shall be replaced when the sink, vanity or tub is replaced, removed or reinstalled.

B. HOUSE SEWER

1. General Installation

shall be within practical limits of alignment and at uniform slope of 1/4-inch per foot of fall from dwelling to property line.

2. Material

shall be approved 4-inch, ABS plastic sewer pipe.

3. A Clean-out

shall be installed at the dwelling and at each change of direction in excess of 22 degrees (except that no clean-out shall be required for ONE change of direction of 45 degrees) and at each 100 feet. Cleanouts are to be installed so that they open in the direction of the flow. Clean-outs are to be extended to grade and boxed.

4. Trench Bed Preparation and Backfill of New House Sewer

The new house sewer pipe shall be on a firm bed throughout its entire length and backfilled with sand or fine earth. Throughout the full length, the backfilled trench shall be flooded and tamped. Any surplus dirt to be either removed from property or spread as Developer directs. Settlement in excess of 3-inches within a 12-month period shall be refilled at Contractor's expense.

C. WATER SERVICE

1. A Main Shutoff Valve

shall be installed, when required and requested, where line enters dwelling, using a 3/4-inch minimum, all brass gate valve.

2. A New Water Service Line

shall be installed, from the meter location at the property line (street or alley), to the dwelling shut-off valve location, using either approved galvanized or PVC Schedule 40 pipe.

3. A New Water Line

may be installed in same trench with sewer line, if the following conditions are met

- a. The bottom of the water piping at all points shall be at least 12-inches above the top of the sewer pipe.
- b. The water piping shall rest on a solid shelf at one side of common trench.
- c. A new 8-foot driven ground rod shall be installed for electrical grounding in addition to grounding at the cold water line.
- d. There shall be a minimum of a 10-foot separation between sewer line and water line connection at the property line.

D. WATER HEATERS

1. All Installation Requirements

shall be complied with by the Contractor including, provision of all required hookup components.

2. Water Heater Insulation Blankets

shall be installed on all uninsulated water heaters, and shall be included with new water heaters only if the manufacturer's installation instructions allow it to be insulated.

SECTION XIII

SHEETROCK AND PAINTING

A. SHEETROCK/TEXTURE COAT INSTALLATION

- 1. Sheetrock Installation**
shall be in a uniform flat plane, secured using galvanized nails and in accordance with all requirements. All joints shall be taped and floated, and all nails sunk and spotted.
- 2. All Outside Edges**
shall have galvanized metal edge installed uniformly straight and square at openings to provide a screed for uniform texture applications.
- 3. Texture Application**
shall be uniform and square at window and door openings, so that blinds will properly fit the openings, and so that all openings will be, and appear, straight, plumb and square.
- 4. All Sheetrock Installed at New and Existing Framing**
shall be ½" thick material. Overlaid surfaces may utilize 3/8" thick material. Separation walls between residence and garage shall receive one layer of 5/8" Type "X" material or 2 layers of ½" material on the garage side and one layer of ½" material on the residence side.

B. PAINT MATERIALS

- 1. All Paint Material**
shall be of a well-known manufacturer of high quality paint. All paint colors selected shall be standard, pre-mixed, colors (custom mixed colors will generally not be permitted). Colors shall always be selected by the Developer from a color document provided by the Contractor. Paint shall remain in original containers until the final inspection has been performed.

2. **Reduction and Application**
of paint, stain or varnish shall not be performed in any way except as recommended by the manufacturer. All written instructions of the manufacturer shall be read and followed by the Contractor.
3. **On Not Fully Cured and Dry Exterior Wood Surfaces**
use only flat/semi-gloss acrylic latex paint
4. **On Fully Cured and Dry Exterior Surfaces**
use the following:
 - i. Rough siding - use only flat alkyd oil base paint, or acrylic latex paint
 - ii. Smooth siding - use only flat alkyd oil base paint, or 100 percent acrylic paint
 - iii. Smooth trim - use only satin/semi-gloss alkyd oil base enamel, or 100 percent acrylic enamel, or other synthetic enamel.
5. **On Exterior Masonry Surfaces (Stucco/Block Walls)**
use flat/satin vinyl latex paint
6. **On Interior Surfaces**
use the following:
 - i. General • It shall be the policy of this Department to only use satin/semi-gloss latex paint. It is a well-known fact in the construction industry that such paint does show imperfections more readily than flat wall paint. Therefore, if the home developer chooses to have flat wall paint in his project, he will be allowed to do so. He must, however, agree and acknowledge that he is aware and accepts the fact that flat wall paint does have limited maintenance abilities and has been informed of such by the Manager
 - ii. All Doors and Trim - use only semi/full-gloss alkyd oil base enamel, or 100 percent acrylic enamel, or other synthetic enamel.
7. **On Interior Localized Surface Repairs of**
Drywall/Plaster use suitable texturized paint (sanded/stipple/etc.).

8. No Lead Base Paint

shall be applied to any surface.

C. DEFECTIVE WORKMANSHIP

1. Any Defective Work Performed by the Contractor

shall be the responsibility of the Contractor, and shall be corrected at no additional cost to the Developer.

D. PREPARATION OF INTERIOR SURFACES

1. Pre-paint Inspection

shall be requested by the Contractor, of the Manager, to check the surface preparation prior to application of any paint. Surfaces may be required to be repainted at Contractor's expense if the surfaces are not inspected prior to painting.

2. Contractor Preliminary Examination of All Surfaces

shall be carefully performed (by the Contractor) before beginning any paint application in order to determine that all work of other trades and all surface preparation has been properly completed and that the surfaces are in approved condition to receive paint or stain. All woodwork to receive paint or stain is to be thoroughly sanded, dusted, and is clean. Collected dust is to be removed before preliminary paint work is begun.

3. All Existing Sheetrock

shall have all damaged or missing portions properly installed and/or replaced as outlined in the Scope of Work. Proper preparation of interior surfaces shall include removal of all tape that is loose or missing to be replaced with new tape and finish, and it must be done in a uniform, professionally finished workmanlike manner. All surfaces shall have a uniform, professional, and workmanlike finish, including texture if it is called out in the Scope of Work.

4. Surfaces Not Properly Prepared

all surfaces shall be thoroughly sanded and cleaned of all foreign materials prior to painting. Any surface that is painted, and was not properly prepared shall be cleaned, properly prepared, and be repainted, by the Contractor, at no additional cost to the Developer.

5. **Existing Plaster Walls and Ceilings**
shall have all cracks and holes filled and have a uniform and professionally finished surface.
6. **Existing Loose Paneling**
shall be re-nailed and re-glued to form a tight bond with the wall.
7. **Woodwork**
shall have all knotholes, pitch pockets or sappy portions shellacked before preliminary painting. Nail holes, cracks or other defects to be carefully puttied. New wood shall receive a prime coat before painting.
8. **All Electrical Fixtures and Cabinet Hardware**
shall be removed prior to painting. Missing and damaged cover plates and hardware shall be replaced after painting is complete. Any such items that have old paint, or are painted over, shall be cleaned (or replaced) at Contractor's expense.
9. **Walls and Ceiling Surfaces with Moisture or Mildew Conditions**
shall be made free of those conditions and properly prepared for painting as per *this* section, and the source and cause of the problem shall be corrected by the Contractor.

E. PREPARATION OF EXTERIOR SURFACES

1. **Pre-paint Inspection**
shall be requested by the Contractor, of the Manager, to check the surface preparation prior to application of any paint. Surfaces maybe required to be repainted at the Contractor's expense, if the surfaces are not inspected prior to painting.
2. **New Wood Surfaces to be Painted**
shall be inspected by the Contractor to determine and assure that all other trades have made proper and complete installations prior to application of any paint. All exterior new wood shall be Hem Fir, kiln dried, 4sf, #2 or better. All knots, pit pockets, or sappy portions shall be shellacked or sealed with knot sealer. All exposed nails are to be set and all imperfections are to be filled and sanded smooth. All dust shall be collected and removed from the job prior to any paint application. All

new wood shall receive a primer coat prior to the application of the paint coat. Two coats of paint, alone, will not be sufficient. Two coats of paint may be used if such application is in accordance to the paint manufacturer's instructions and has been approved in advance by the Manager.

3. Preparation of Previously Painted Wood

shall be requested by the Contractor by scraping, wire brushing and power sanding (vibrating type), or by burning or other method where necessary. Remove all defective material such as peeling, blistered, or scaling paint. Replace all rotted, damaged and defective siding or other inadequate material prior to painting **as described and called out** in the Scope of Work. All unpainted surfaces and weathered or bare wood shall receive a coat of primer prior to any paint being applied. All imperfections shall be filled and sanded smooth.

4. Preparation of Stucco or Masonry Block

shall be performed by the Contractor by scraping, wire brushing, sandblasting or other method, to remove all loose and defective material. For the treatment of mildew, prior to painting, first scrape the surfaces free of as much mildew as possible. Secondly, scrub the surfaces with a mixture of TSP and water, and brush the surfaces to remove all dust and other materials, and then finally prime the entire surface being treated prior to applying any paint. Other methods of treatment must have prior written approval from the Neighborhood Services Division. All masonry or stucco surfaces shall have all large cracks, chipped corners, loose material, etc., repaired and filled with proper materials before painting. Large repair areas shall be identified in the Scope of Work. Other methods must have prior approval from the Neighborhood Services Division.

5. Preparation of Wood Trim

shall be performed by the Contractor. Trim is to include all wood molding around door, windows and/or other openings, overhang (eaves), fascia, window shutter, window boxes or other exterior decorative adornment and to be prepared and painted as described above in this section.

6. Double-hung Wood Windows

shall be prepared for painting, including re-glazing as necessary, cleaning of glass and freeing windows of all new and old paint

F. SPRAY PAINTING - INTERIOR AND EXTERIOR

1. Protection from Over Spray

shall be provided for all surfaces not to receive paint or finish. All over spray on other surfaces to be cleaned and completely removed. Paint to be thinned or reduced per manufacturer's recommendations. All roof area to be protected from over spray.

G. METAL SURFACES- INTERIOR AND EXTERIOR

1. Sanding of All Surfaces

shall be performed prior to applying primer, and shall be scraped to remove old scaling paint.

2. All Metal Surfaces

shall have all foreign material completely removed, i.e., oil, rust, grease, etc. All surfaces to be primed before painting.

3. Prepared Metal Surfaces

shall receive sufficient paint to insure complete coverage. Any indication of defective surface preparation will be cause for repeat preparation and repainting at no extra cost to Developer.

4. Galvanized Treated Surfaces

shall not be painted unless prior direction and approval is obtained from the Manager. All galvanized treated roof jacks previously painted, will be repainted as per this Section. If the Scope of Work calls out for painting of new galvanized treated roof jacks or existing roof jacks (unpainted), they shall be properly prepared and treated as per paint manufacturer's instructions. All other methods shall have prior approval from the Manager.

H. WORKMANSHIP - INTERIOR AND EXTERIOR

I. Application of Paint

shall be at proper consistency as recommended by the Manufacturer, free of brush marks, sags, and runs (including those existing by previous coats), with no evidence of poor workmanship. Care shall be exercised to avoid lapping of paint on glass or hardware. Paint sharply cut to lines. Finished paint surface to be free from defects or blemishes. All exposed nails shall be set and holes filled.

2. Woodwork and Trim to be Finished

shall be adequately covered with sufficient coats, and a uniform color and finish. The number of coats herein specified as being a minimum shall be one prime coat and one coat to produce a first class job. All unpainted wood shall receive a prime coat before painting.

I. CLEAN-UP AND PROTECTION

1. Protective Coverings or Drop Cloths

shall be used to protect floors, fixtures and equipment. Care must be exercised to prevent paint being splattered onto surfaces which are not to be painted. Surfaces from which such paint cannot satisfactorily be removed shall be painted, repainted or replaced, as required by the Neighborhood Services Manager, to produce a satisfactory finish.

2. All Debris Related To, or Created by Painting

shall be removed from the job site, and the job site shall be left clean and ready for use. All windows to be free of paint and operating properly.

3. All Shrubs and Plants

shall be protected in an approved manner or replaced by Contractor at no added cost to the home Developer.

SECTION XIV

FLOOR COVERINGS

A. GENERAL

- 1. Color and Pattern**
shall be selected by the Developer(s) from standard and available material samples provided by the Contractor, unless otherwise specified.
- 2. All Carpet, Pad and Vinyl Floor Coverings**
shall meet or exceed FHA requirements. The Contractor shall provide suitable documentation of the material used.
- 3. Underlayment**
shall be installed prior to installation of all new linoleum, using 3/8" minimum particle board
- 4. Do Not Commence Installation of New Floor**
until work of all other trades has been entirely completed and a subfloor nailing inspection has been done. Commencing installation implies acceptance of surfaces to be covered.

B. PREPARATION

- 1. Removing/Cleaning**
All defective materials, dirt, grease, oil and/or any other films shall be performed by the Contractor.
- 2. All New Subfloor Installations**
shall be nailed in accordance to ICBO Building Standards. All existing subfloor shall be re-nailed, as required.
- 3. All Cracks, Minor Holes, Crevices and Depressions**
shall be filled with crack filler, as recommended by floor manufacturer.
- 4. Concrete Floors**
shall be dry. A smooth, steel troweled finish shall be provided.

C. INSTALLATION

1. **Manufacturer's Specifications and Recommendations**
shall be followed for all installations.
2. **Adhesive**
shall be spread uniformly and at the coverage rate recommended by manufacturer. Use notched steel trowel or other devices as specified by manufacturer of adhesive and flooring. Apply adhesive only to the extent which can be covered with flooring within the recommended tack time of the adhesive.
3. **All Joints and Seams**
shall be tightly butted, straight and aligned square with room axis. Neatly trim materials abutting other work to form a true, clean joint. Where flooring edges are covered by other materials, make cuts sufficiently accurate so that edges are completely concealed. All joints and seams between carpeting and vinyl flooring shall have trim and proper tack strips.
4. **Floor Covering in Kitchens, Bathrooms, and Service Porches**
shall be of durable, waterproof, non-absorptive materials-such as asphalt, vinyl asbestos, vinyl plastic or rubber. No floor tile or wood finish flooring shall be used in these rooms.
5. **Floor Covering Bathrooms**
shall cove at the walls and under toe space of vanities, unless otherwise specified in the Scope of Work.
6. **Coving**
shall have sufficient adhesive required to form a tight bond at the wall.
7. **Exterior Corners at Coving**
shall be neatly cut and trimmed straight with sufficient adhesive to form a tight bond.

APPENDIX

Standard Drawings included herein, are intended to provide basic and standard construction details for housing rehabilitation projects. The drawings were reviewed by appropriate County staff and shall be used as a guideline only, not to be substituted for engineered plans or for the customarily required approved plans which are submitted for full review and plan check processing by the County.

Structural (Dwelling)

Framing and Foundation (Concrete Slab Floor)	S-1
Framing and Foundation (Raised Wood Floor)	S-2
Stair and Porch (Hand Railing)	S-3
Window Replacement Flashing	S-4
Evap. Cooler Duct Flashing and Support (Roof)	S-5
Roof Flashing at Parapet/Sidewall	S-6
Composition Roofing	S-7

Fences

Wood Fence	F-1
Chain Link Fence	F-2
Concrete Block Fence	F-3

Parking Facilities

Standard Garage (Detached)	P-1(1)
Standard Garage (Detached Continued)	P-1(2)
Standard Carport - Metal (Detached)	P-2(1)
Standard Carport - Metal (Detached Continued)	P-2(2)
Standard Carport - Wood Gable (Detached)	P-3(1)
Standard Carport - Wood Gable (Detached Continued)	P-3(2)

CERTIFICATION

I have received a copy of the Union County Economic Development "Material and Workmanship Performance Standards", and I will comply with its contents in all work done through the Home Investment Partnerships Program.

NAME OF DEVELOPER/SUBGRANTEE

SIGNATURE OF CONTRACTOR

LICENSE NO.

DATE

MATERIALS

ALL RAILS, POST, & PICKETS SHALL BE FORMED FROM U.S. STANDARD GAUGE UNCOATED COLD ROLLED STEEL SHAPED INTO A SQUARE TUBE HAVING .0598" (1/16") THICK WALLS.

INSTALLATION

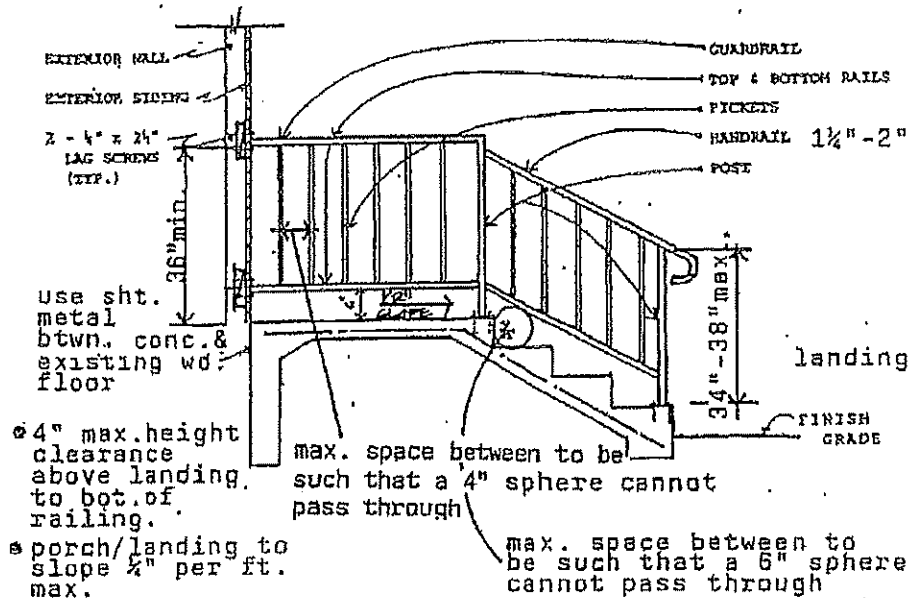
RAILS & POST TO HAVE 1/8" THICK x 1" WIDE x 2" LONG WELDED FASTENING PLATES WHERE SECURING TO WALL & DECK. THE RAILING SYSTEM SHALL CONSIST OF 1" SQUARE TOP & BOTTOM RAILS & POST. PICKETS SHALL BE 1/2" SQUARE ON 4" CENTERS, AND SHALL RUN BETWEEN TOP & BOTTOM RAILS. TOP RAILS TO BE CONTINUOUS IN LENGTHS UP TO 20'.

GENERAL NOTES:

1. EXISTING PORCH DESIGN & SIZE MAY VARY. REFER TO FLOOR PLAN FOR APPROPRIATE DIMENSIONS.
2. HANDRAILS SHALL BE PLACED NOT LESS THAN 34" NOR MORE THAN 38" ABOVE THE NOSING OF THE TREADS. THEY SHALL BE CONTINUOUS THE FULL LENGTH OF THE STAIRS AND SHALL EXTEND NOT LESS THAN 6" BEYOND THE TOP & BOTTOM RISERS. GUARDRAILS TO BE 36" IN HEIGHT.
3. All metal welded connections to be by certified welder.
4. ALL METAL TO HAVE NAT-BLACK FINISH IN ACCORDANCE WITH PAINTY SPECS.
5. Use 1/2" x 2 1/2" galv. lag screws to secure the rail to the wall and decks into solid blocking. Verify in field. Use lead shields when securing to concrete.

DETAIL

1. This detail is applicable only to single family dwellings and is expressly prohibited for use with multi-family dwellings.



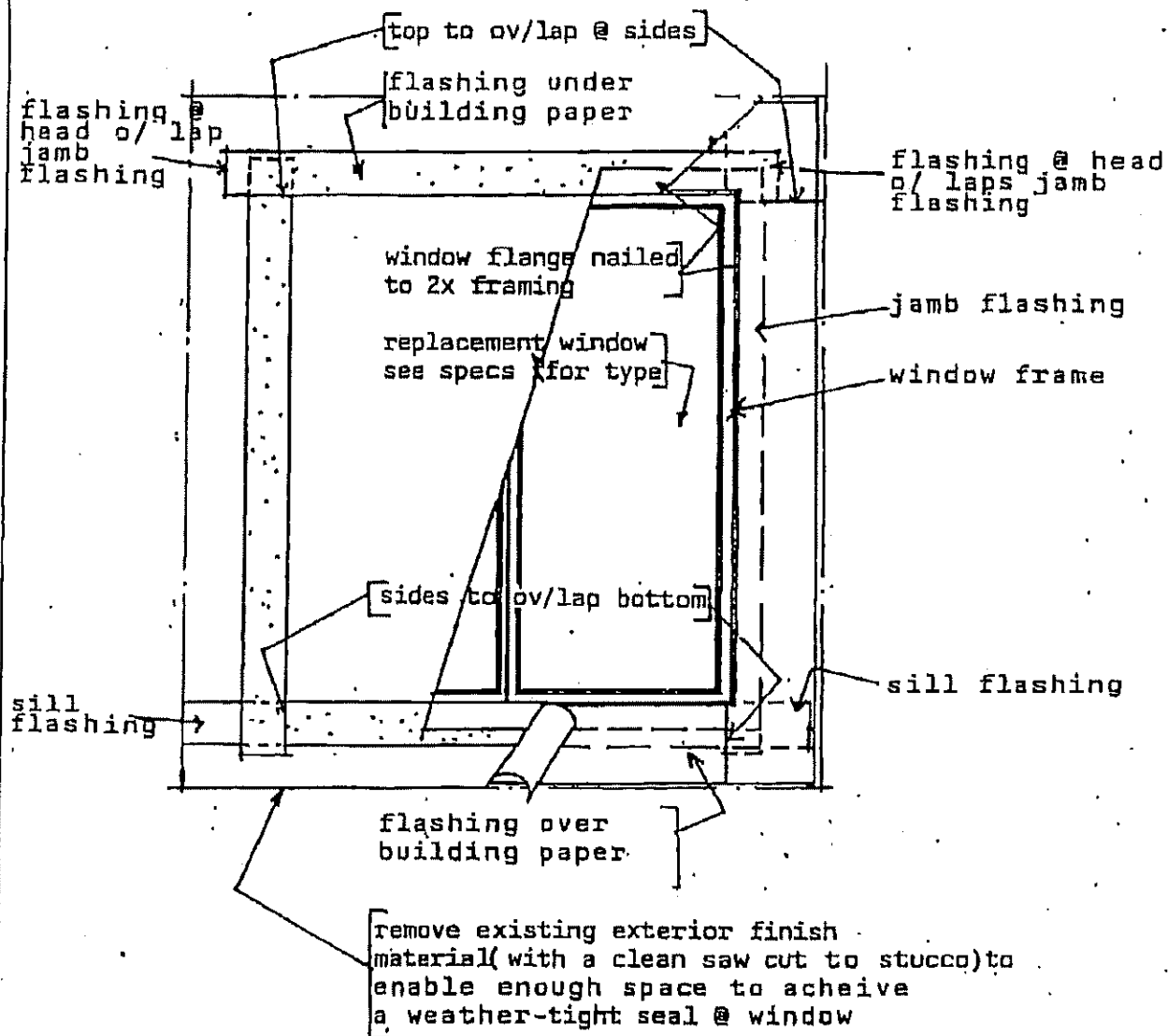
STEPS

8" max. rise, 9" min. run
there shall be no greater
than 3/8" tread ht. variance

STAIR AND PORCH

drwg.#

S-3



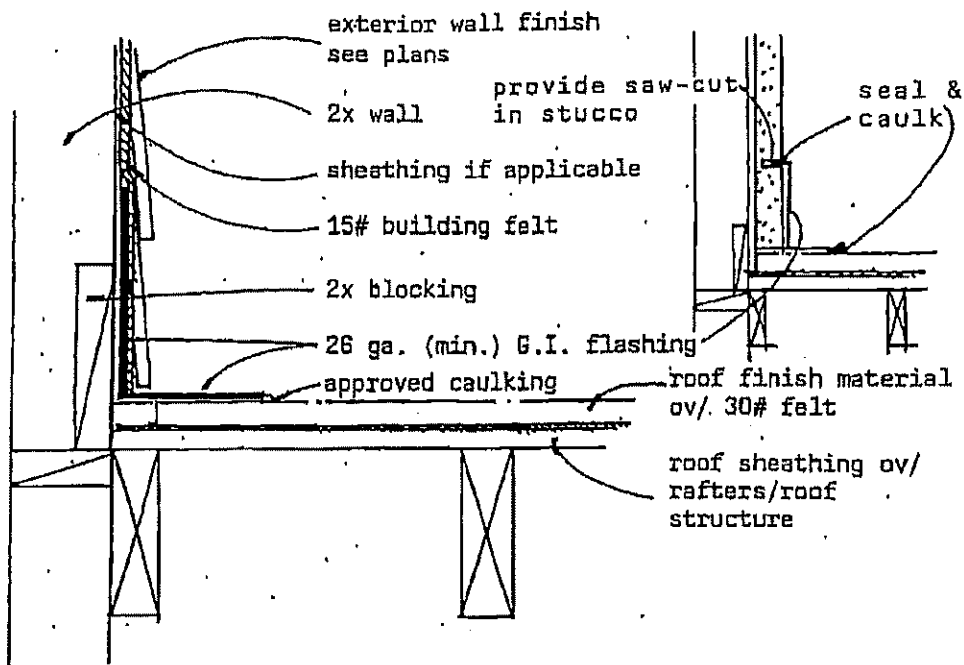
WINDOW REPLACEMENT OR NEW WINDOW INSTALLATION IN EXISTING WALL

All window installations to comply with all adopted codes and ordinances of the Municipal Development Department and to comply with window manufacturer's specifications and details.



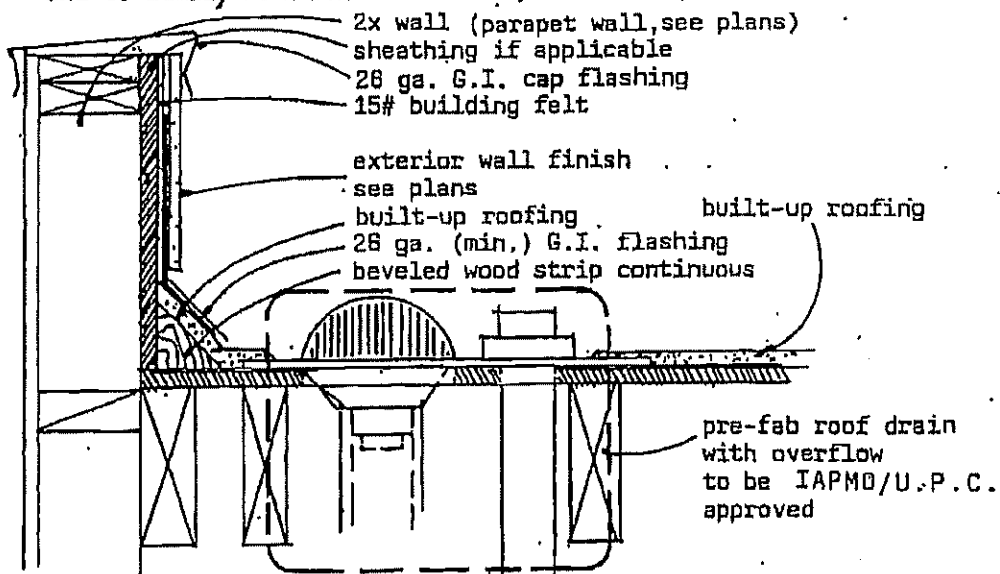
Evap. cooler unit may have to be relocated in order to be braced to a bearing wall. A field inspection may be required to locate bearing walls. Verify in field.

*** Over 5:12 pitch requires platform approved by the Municipality.



Flashing at sidewall butts to roof

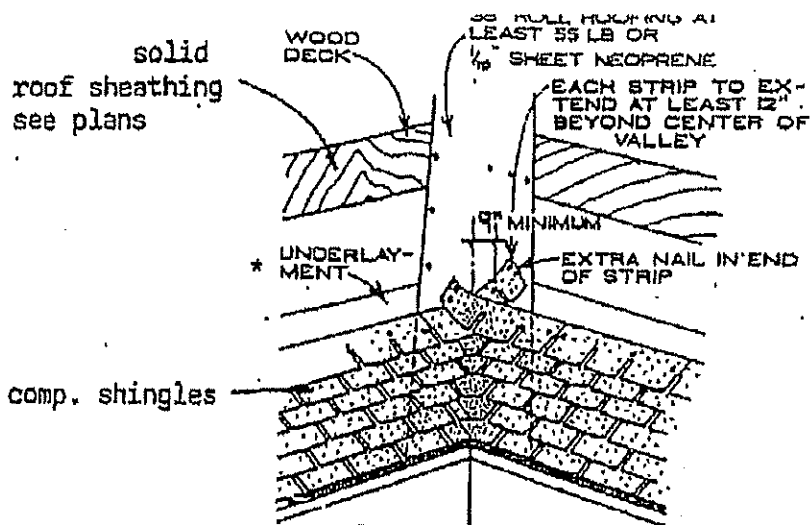
All flashing and roofing applications to comply with UBC, 3208
and to comply with manufacturers specifications.



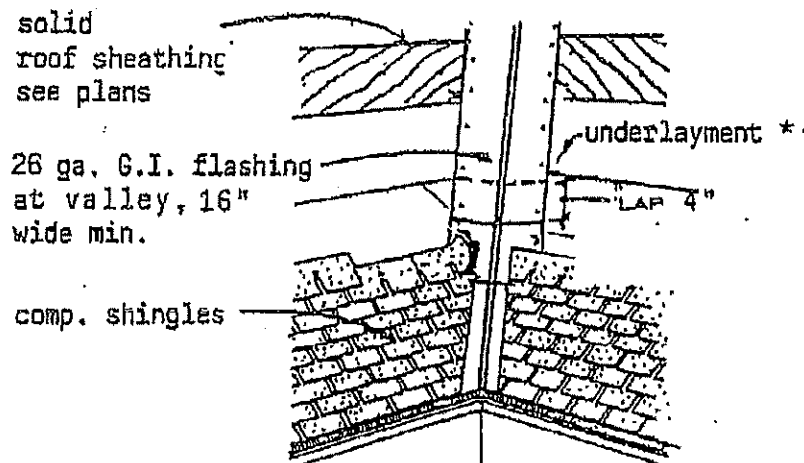
Parapet wall at built-up roof

ROOF FLASH'G @
PARAPET/SIDEWALL

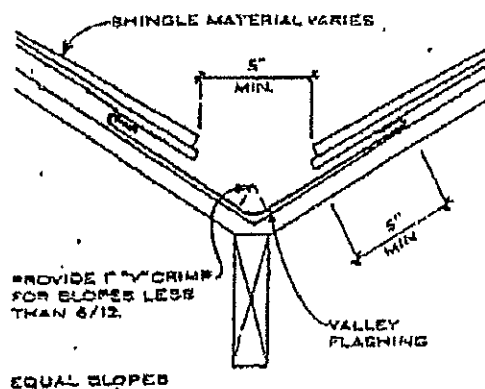
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S-6



CLOSED VALLEY using comp. shingles



OPEN VALLEY WITH VALLEY FLASHING

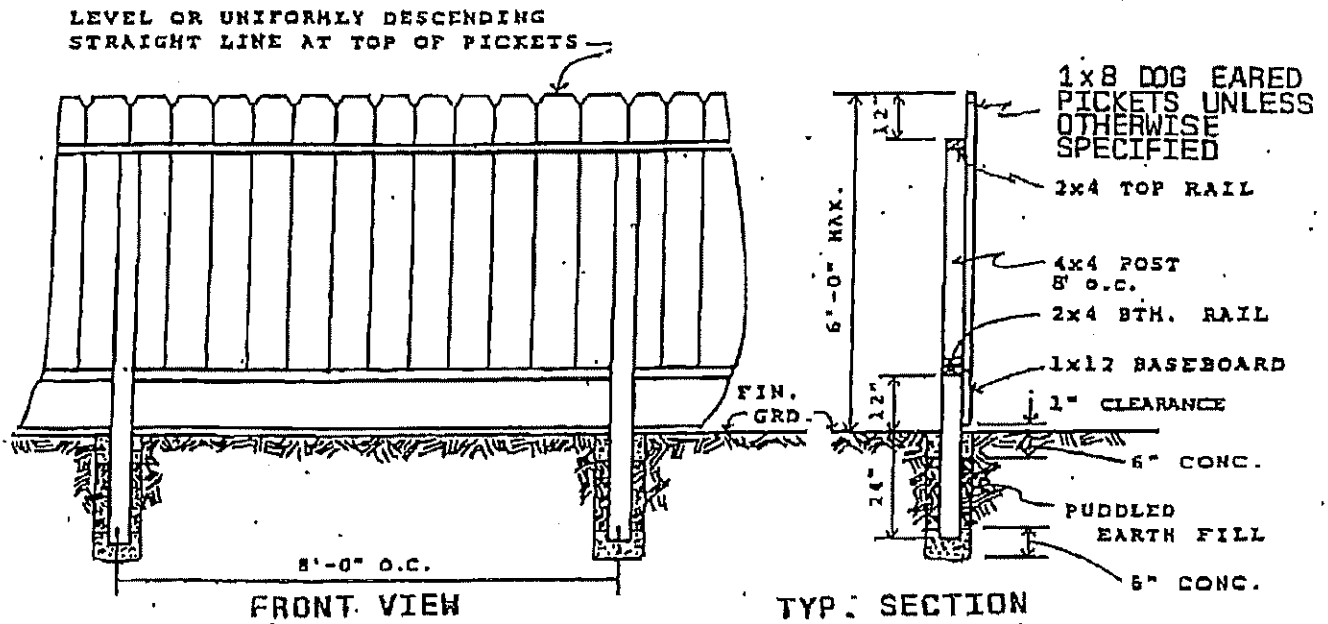


VALLEY SECTION for G.I. valley

1. Installation of roofing materials to comply with UBC and all codes and ordinances adopted by the Municipal Development Department.
2. All roofing installation shall be in accordance with manufacturer's specifications.

** Minimum underlayment to be 15# roofing felt.

S-7



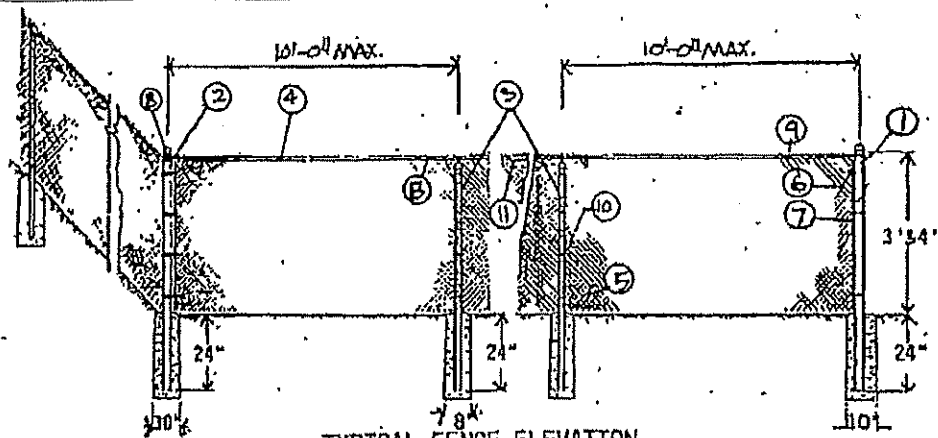
FENCE NOTES

1. Fence height to conform with all Municipal zoning requirements
2. GRADE TO PROVIDE A MIN. 1" AIRGAP BETWEEN THE BASEBOARD AND THE EARTH.
3. FENCE TO BE PLACED ON A STRAIGHT LINE FROM END TO END ON EACH SIDE.
4. GRADE LINE AT TOP OF PICKETS MAY BREAK GRADE ONCE IF NECESSARY.
5. PASSAGE AND VEHICLE GATES TO BE CONSTRUCTED WITH BRACING, HEAVY DUTY HINGES AND PROVIDED WITH LATCH & DROP ROD ON DOUBLE SWING GATES. ALL NAILS AND HARDWARE TO BE GALVANIZED.
6. Use D.F.#2 pressure treated post and Redwood, Cedar or pressure treated D.F. or Hemlock rails. Pickets to be Redwood or Cedar, #2 or better as specified. Use sound pickets free of loose knots sap pockets, splits, and uneven cuts. All knots which can be easily removed are considered loose. Rail material shall be free of sap pockets, loose knots and Peck (dry rot).
7. Use min. (2) 8d galv. nails at the top and bottom of ea. picket. Baseboard to be nailed on the ends and 16" o.c.

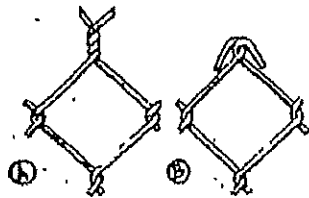
WOOD FENCE

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F-1

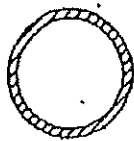


TYPICAL FENCE ELEVATION

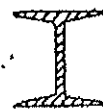


Barbed
Salvage

Knuckled
Salvage



Tubular
End & Corner Post



H-Section
Line Post



Tubular
Top Rail



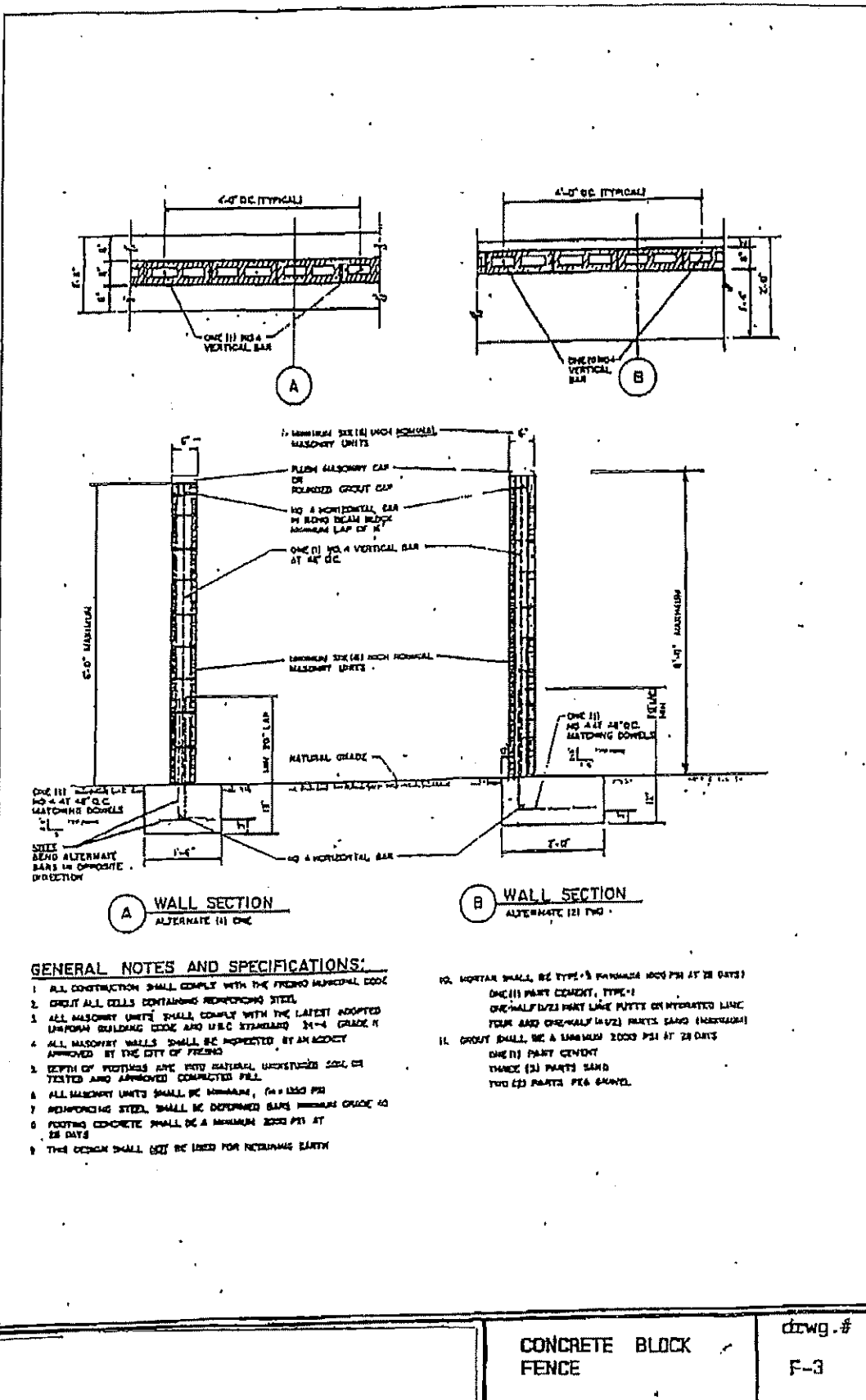
Knuckled Salvage
Closed at Top Rail

REALOCK		SPECIFICATIONS	
I.D.	Description	Size	Weight per Lin. Ft.
①	End Posts	2½" OD	3.65
②	Corner Posts	2½" OD	3.65
③	Line Posts	2"OD	2.20
④	Top Rail	1 3/8"	Tube
⑤	Galvanized After Weaving Chain-Link Fabric	2" x 11ga. 36" & 48"	
⑥	Tension Band	1/8" x 1"	
⑦	Tension Bars	3/4" x 3/16"	
⑧	Brace Bands	1/8" x 1"	
⑨	Alum. Rail Ties	9 ga.	
⑩	Alum. Post Ties	9 ga.	
⑪	Top Rail Sleeves	Standard	
⑫	Gate Posts	2½" OD	3.65
⑬	Gate Frame	1 3/8"	Tube
⑭	7 ga. Spring	Coil Bottom Tension Wire	
NOTE: All materials to be hot-dipped galvanized except as noted.			

CHAIN LINK FENCE

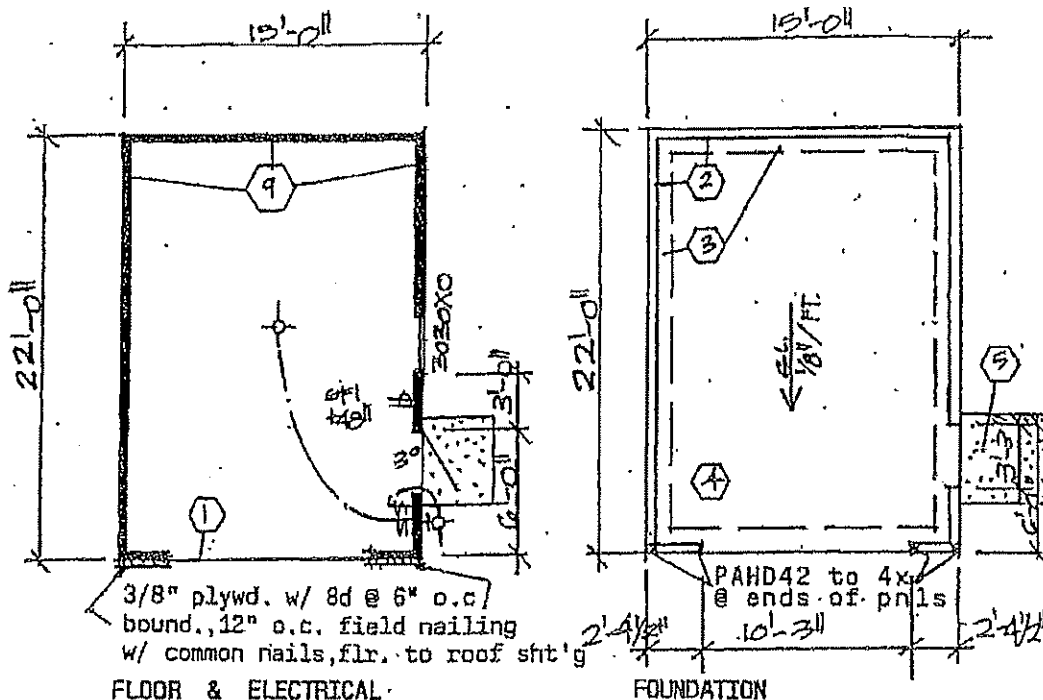
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F-2



CONCRETE BLOCK
FENCE

dwg. #
F-3



General notes

1. All framing lumber to be # 2 and better.
2. All framing lumber in contact with concrete to be P.T.D.F.
3. Construction of structure to comply with all adopted codes by local Building Dept.
4. General Contr. to provide certified truss calcs. and details for review and approval by Development Dept.

① 10'x7' steel overhead garage door with 4x12 D.F.#1 hdr.

② 5 1/2" wide x 3 1/2" conc. curbing

③ 12" wide x 12" deep conc. footing

④ 3 1/2" conc. slab.

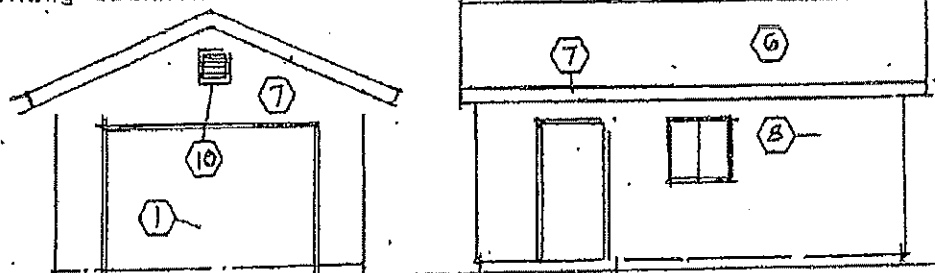
⑤ 48" wide x 36" conc. stoop, 1/2" lower @ door

⑥ comp. shingles ov/ 30# felt ov/ 1/2" APA, 32/15 roof sheathing:

⑦ 2x6 fascia

⑧ 1x siding or stucco to match exist'g res. ov/ 15# felt

⑨ 1 Hr. constr. when less than 3'-0" to property line if permitted by zoning ordinance.. ⑩ 12"x12" gable end vent, front and back



front (rear without dr.)

side

EXTERIOR ELEVATIONS

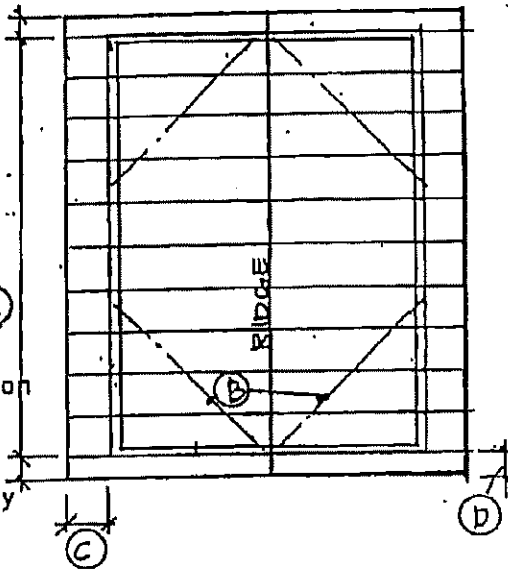
STANDARD
GARAGE
(Detached)

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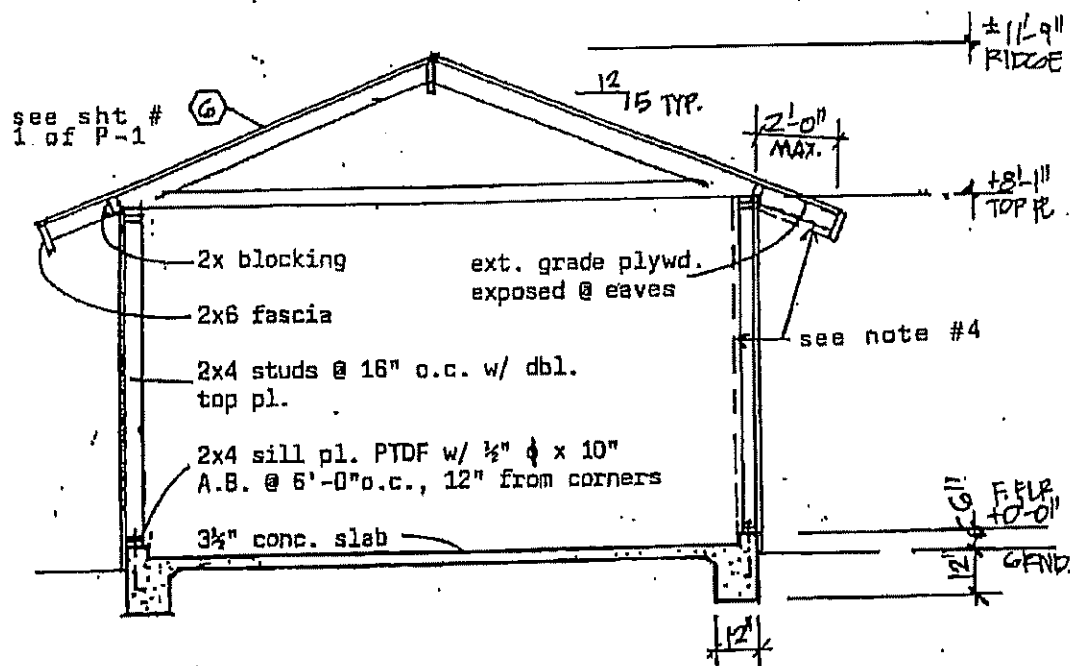
P-1
(1)

ROOF FRAMING PLAN

1. All framing lumber to be #2 and better.
2. General Contractor to provide certified truss calcs. and details for review and approval by Dev. Dept. prior to fabrication.
3. Construction to comply with all adopted codes and ordinances by Dev. Dept.
4. Provide 1hr. construction @ eaves when less than 5'-0" to property line and @ walls when less than 3'-0" from property line.

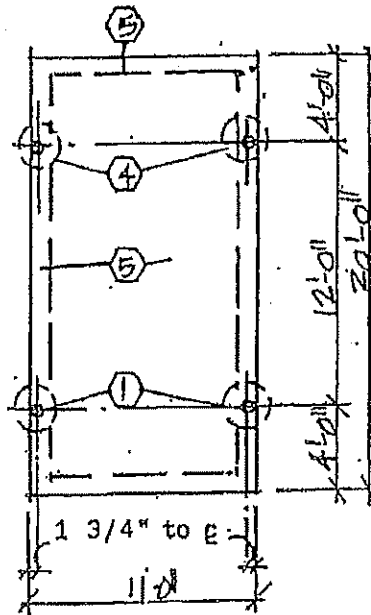


- (A) trusses @ 24" o.c. see note #2
- (B) 2x4x 10' long diagonal sway bracing @ corners to top pl. or option for shear
- (C) 24" overhang @ eaves see note # 4
- (D) 12" overhangs @ gable ends

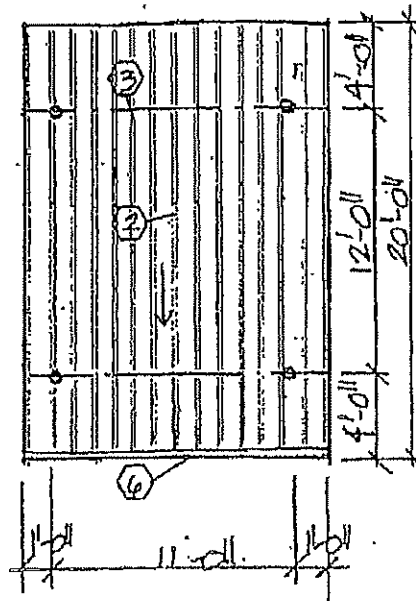


STANDARD
GARAGE
(Detached Continued)

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P-1
(2)



FOUNDATION PLAN

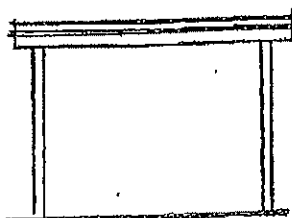


FLOOR AND ROOF

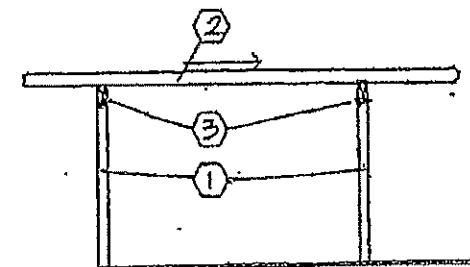
General notes

1. All framing lumber to be # 2 and better.
2. All framing lumber in contact with concrete to be P.T.D.F.
3. Construction of structure to comply with all adopted codes and ordinances and Dev. Dept.

- 1 — 3 1/2" ϕ std. pipe col.
- 2 — aprvd. roof decking as per Reynolds galv. steel or approved equal with min. 1/8" per ft. slope
- 3 — 4x12 DF #2 hdr. bm.
- 4 — (4) 18" ϕ x 36" deep footing into undisturbed soil
- 5 — 3 1/2" conc slab w/ 8" d. shovel footing @ perimeter of slab
- 6 — gutter



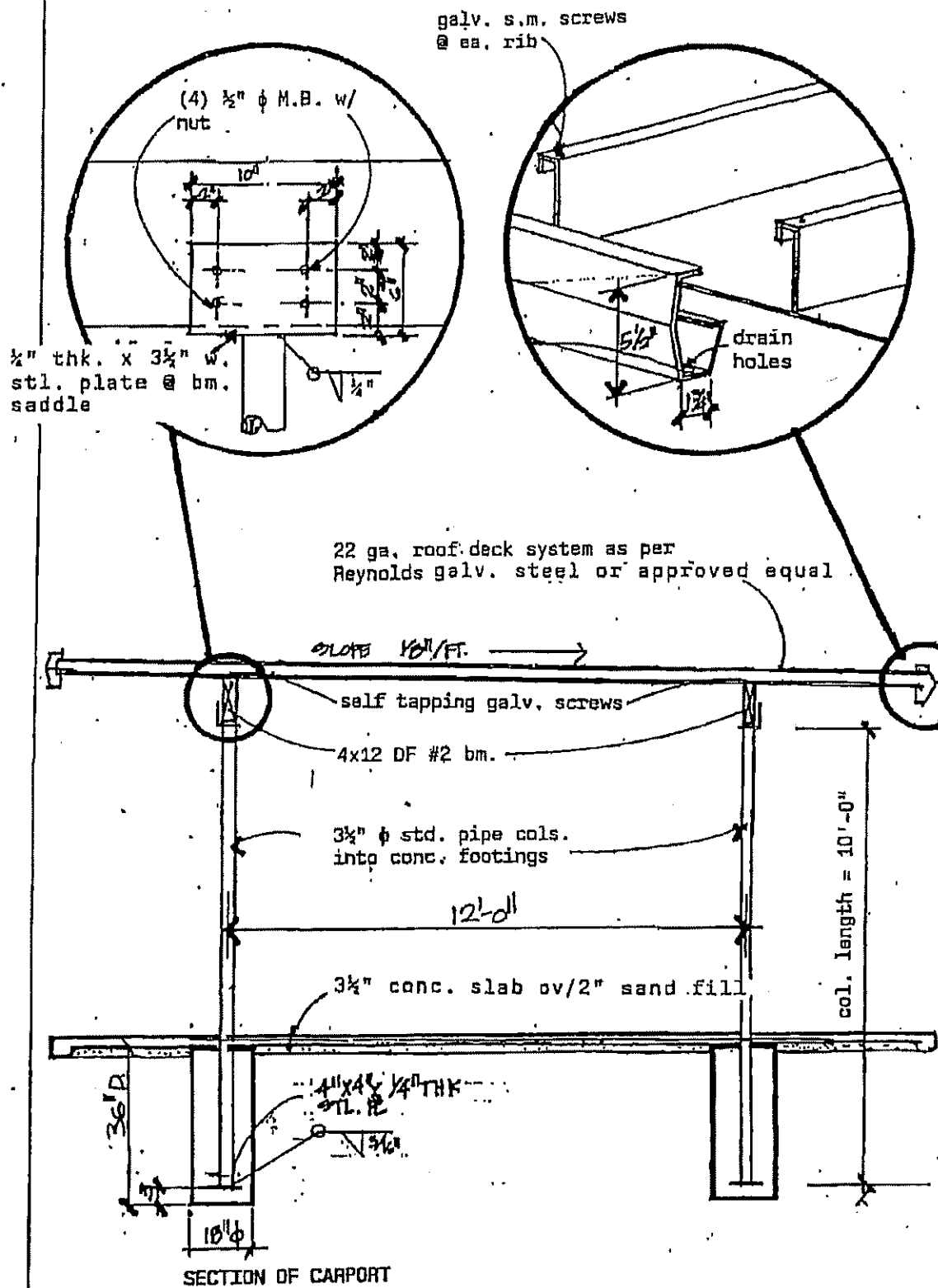
front and rear
ELEVATIONS



sides

STANDARD
CARPORT

dwg. #
P-2
(1)

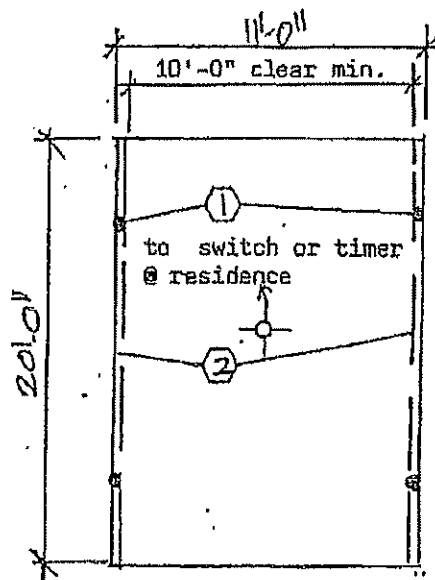


STANDARD
CARPORT
(Continued)

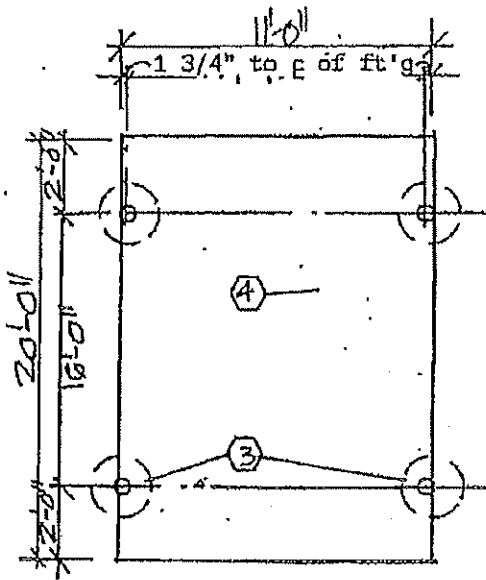
dwg. #

P-2

(2)



FLOOR & ELECTRICAL

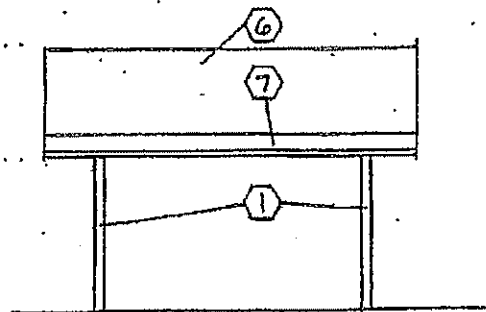
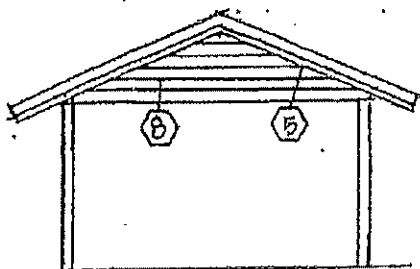


FOUNDATION

General notes

1. All framing lumber to be # 2 and better.
2. All framing lumber in contact with concrete to be P.T.D.F.
3. Construction of structure to comply with all adopted codes, ordinances and Development Dept.
4. Building and electrical permits are req'd
5. Engineering and calcs. are req'd. for structure.

- (1) 3 1/2" ϕ std. pipe col.
- (2) 4x14 DF #1 bm.
- (3) 18" ϕ x 36" deep conc ft'g
- (4) 3 1/2" conc. slab.
- (5) 1x2 trim @ gable end, ov/siding
- (6) comp. shingles ov/ 30# felt ov/ 1/2" APA, 32/16 roof sheathing.
- (7) 2x6 fascia
- (8) 1x siding to match existing residence, ov/ 15# building felt. nailed with 8d galv. nails.



CARPORT
(see O.I.)

drwg. #
P-3
(1)

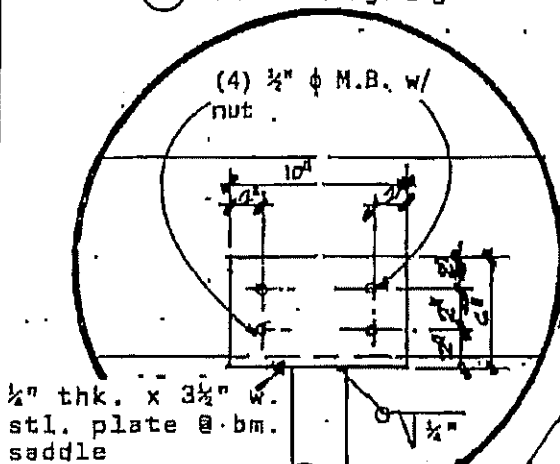
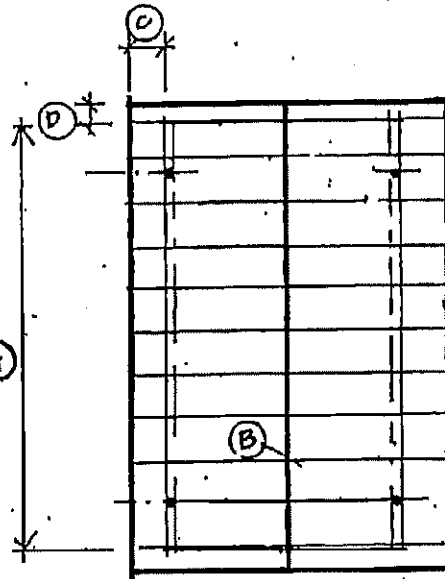
ROOF FRAMING PLAN

1. All framing lumber to be #2 and better.

- (A) 2x6 rafters @ 24" o.c. w/1x6 collar ties @ 48"
- (B) 2x8 cont. ridge

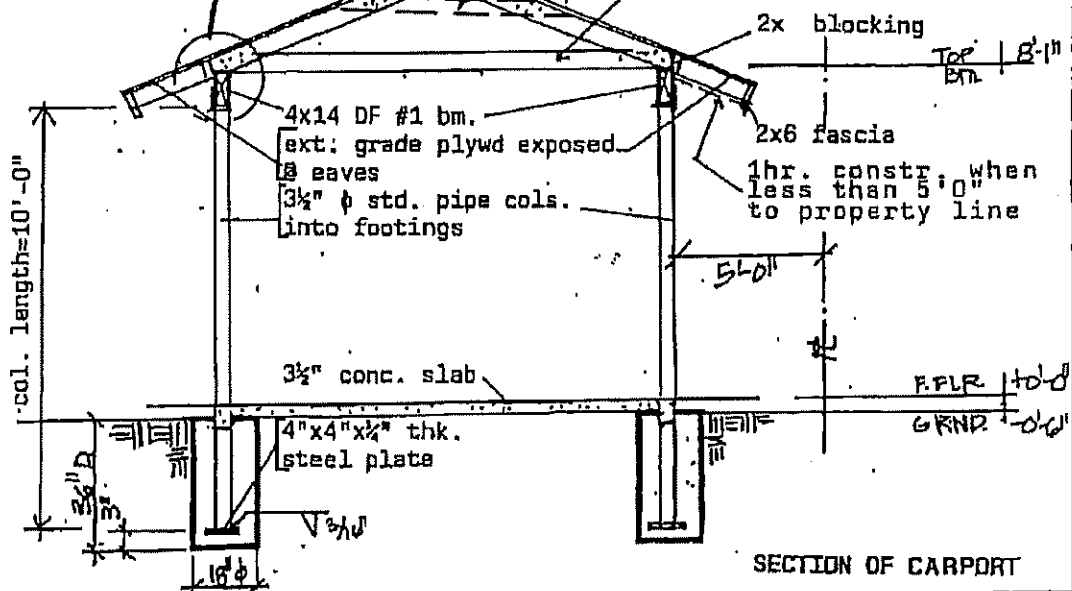
(C) 24" overhang @ eaves

(D) 12" overhangs @ gable ends



2x6 rafters @ 24" o.c. w/2x8 ridge w/1x6 collar ties @ 48" o.c. w/ 4-16d per lap

2x6 ceiling/rafter ties @ 48" o.c. w/ 5-16d per lap to rafters. (ties are to be lapped to same rafters as collar tie)



SECTION OF CARPORT

CARPORT (Continued)

dwg. #

P-3

(2)

Appendix VI

INSTRUCTIONS FOR COMPLETING THE [PJ] RENTAL APPLICATION & PROFORMA WORKSHEETS

General Instructions

- A. Only enter information into yellow cells. Green cells are for [PJ] use. All other cells are protected.
- B. Some cells appear black based on data inputted in early sheets/cells. Do not fill in blacked-out cells.
- C. Complete the following worksheets roughly in the order corresponding with their numbering:
 - 0) Underwriting & HOME
 - 1) Application
 - 2) Rent Limits
 - 3) Units & Revenue
 - 4) Operating Budget
 - 5) Operating Cash Flow
 - 6) Development Budget
 - 7) Construction Budget
 - 8) Sources & Uses Summary
 - 9) Capital Needs Assessment
- D. All worksheets above must be completed. Information on each worksheet is linked to other sheets.
- E. To print this entire file, click on *File>Print* and select "*Print Entire Workbook*".

0) Compliance Info

- A. This sheet informs you as to HUD and [PJ]'s program & policy requirements
- B. Fill out all yellow cells

1) Application

- A. This is the general application form. It is seven (7) pages long.
- B. Fill in all applicable yellow cells. Many sections will prompt you with drop-down menus. Some cells will initially be blank and will be populated once you have completed the other worksheets in this workbook.
- C. When you print a hard copy of this file, be sure to carefully read and sign the certifications on the final page.

2) Rent Limits

- A. *Utility Allowances*: Indicate the type of utilities the project will have, as well as which will be paid by owner and which by tenants. For utilities paid by tenants, enter the applicable utility allowance for each using the utility allowance tables provided on this worksheet.
- B. Review the [PJ] Contract Rent Limits. These represent the maximum starting rents you will be able to charge tenants. Any utility allowances have been subtracted from the Gross Rent limits. HUD often allows modest rent increases over time.

3) Units & Revenue

- A. *Unit Distribution*: For each bedroom type, enter the request information. Be sure to enter the Contract Rent--the rent you will be charging tenants or rent that a voucher will provide.
- B. *Square Footage Breakdown*: Enter the commercial square footage and common area square footage, if applicable.
- C. *Other Income*: Enter other sources of revenue you are reasonably sure the project will receive.
- D. *Annual Operating Subsidies*: If the project will receive operating subsidy, enter the source & amount.

4) Operating Budget

- A. Enter a vacancy rate. 7.5% has been entered as a default. You may modify this as appropriate.
- B. Enter the expenses for Year 1 of stabilized operations.
- C. Review the Estimated Mortgage calculations. This is the permanent debt [PJ] anticipates your project can support.

5) Operating Cash Flow

- A. This cash flow charts revenue and expenses over 20 years to see how a project performs financially. You may not need to enter any information, but you should make sure the project has sufficient debt coverage ratios and cash flow throughout whatever compliance period applies to the funding you seek.
- B. You may modify the default inflation or vacancy factors. Be prepared to justify your changes.

6) Development Budget

- A. Enter development costs for each address. Note that construction costs are entered on Sheet 3.
- B. The worksheet will automatically calculate Total Development Costs (TDC).

7) Construction Costs

- A. Enter detailed construction costs.
- B. Note [PJ]'s % limits for overhead, general conditions and profits. Be sure to stay within these limits.
- C. After completing this sheet, check Sheet 2 to insure costs transferred properly.

8) Summary Sources & Uses

- A. Enter all permanent sources of funding, financing, and equity, along with interest rates where applicable.
- B. Under "[PJ] Loan" you may enter 0% interest or propose an interest-only or non-servicing loan if necessary to make your project feasible.
- C. Enter all construction sources along with interest rates. Some may be identical to permanent sources.
- D. Check to be sure permanent sources = uses and that construction sources = uses.
- E. Enter any additional information you wish to provide [PJ] in the "Developer's Notes" section at the bottom of the sheet.

9) CNA (Capital Needs Assessment)

- A. Complete this sheet to determine if your project can afford future capital improvements during the HOME/NSP/CDBG compliance period--during which time you may not receive additional subsidy for the project.

HOME Rental Production Application & Proforma RENTAL COMPLIANCE CHECKS

Project; 0

Project Number: 0

Underwriting Standards

	Target	Applicant's #	If outside limits, briefly explain.
Vacancy Rate Year 1-4	7.0%		
Vacancy Rate Year 5-15	7.0%		
Rent Inflation Rate Years 1-3	2.0%		
Rent Inflation Rate Years 4+	2.0%		
Operating Cost Inflation Rates			
Administrative	3.0%		
Operating/Maintenance	3.0%		
Utilities	3.0%		
Taxes/Insurance	3.0%		
Replacement Reserve - Rehab	\$325	#DIV/0!	
Replacement Reserve - New Construction	\$275	#DIV/0!	
Annual Operating Costs Per Unit	\$3,000	#DIV/0!	
Debt Coverage Ratio Year 1	1.25	#DIV/0!	
Lowest DCR	1.00	#DIV/0!	

Household Income Limits:

PJ:

Household Size

Targeted Income	1	2	3	4	5	6
30% AMI						
50% AMI						
(HOME Rental Target) 60% AMI						
(HOME Limit) 80% AMI						

Last Updated By HUD:

HOME Gross Rent Limits

	Low-HOME	High-HOME	FMR
0 Bedrooms			
1 Bedroom			
2 Bedrooms			
3 Bedrooms			
4 Bedrooms			

Last Updated:

Development Costs Standards

	Minimum Required	Maximum Allowed	Notes	Project #s	Within Limits?
<u>Construction Contingency</u>					
New Construction	5.0%	7.5%	of construction - recommendation only	#DIV/0!	#DIV/0!
Rehab	7.5%	10.0%	of construction - recommendation only	-	FALSE
<u>Developer Fee</u>					
New Construction	na	12.0%	of TDC excluding acquisition	#DIV/0!	#DIV/0!
Rehab	na	15.0%	of TDC excluding acquisition	-	No
<u>Contractor's Fees</u>					
Profit	na	8.0%	of construction	#DIV/0!	#DIV/0!
Overhead	na	2.0%	of construction	#DIV/0!	#DIV/0!
General Conditions	na	6.0%	of construction	#DIV/0!	#DIV/0!

TDC = Total Development Costs

HOME Cost Allocation

Total Development Costs	\$0	
Total HOME Funds Requested	\$0	Includes State & Local HOME.
HOME Subsidy as % of Total Development Costs	#DIV/0!	
Total Units	0	

Required HOME Units

HOME Requirement

Number applicant has agreed to

# of HOME-Assisted Units	#DIV/0!	
# of Low HOME Units Required	#DIV/0!	
HOME Subsidy Per Unit	#DIV/0!	#DIV/0!

Minimum HOME Affordability Period

20 Years

Breakdown of HOME Units Required by Bedroom Type:

Required HOME Units

Bedrooms	# of Units	HOME as % TDC	(Estimated)
0 Bedroom	0	#DIV/0!	#DIV/0!
1 Bedroom	0	#DIV/0!	#DIV/0!
2 Bedroom	0	#DIV/0!	#DIV/0!
3 Bedroom	0	#DIV/0!	#DIV/0!
4 Bedroom	0	#DIV/0!	#DIV/0!

Total 0 Rounded Total: #DIV/0!
Actual Breakdown of HOME U (Must match or exceed requirements listed above.)

Bedroom Type	# High HOME Units	# Low HOME Units	Total
0 Bedroom			0
1 Bedroom			0
2 Bedroom			0
3 Bedroom			0
4 Bedroom			0
Total	0	0	0

HOME Subsidy Limits:		HUD HOME 221(d)(3)	Gross Maximum	Subsidy Limits Last Updated:
Bedroom Type	# Units	Subsidy Limit	Subsidy	
0 Bedroom	0	\$132,814	\$0	2012
1 Bedroom	0	\$152,251	\$0	
2 Bedroom	0	\$185,136	\$0	
3 Bedroom	0	\$239,506	\$0	
4 Bedroom	0	\$262,903	\$0	
Maximum HOME Subsidy Allowed			\$0	
HOME Funds Requested			\$0	
Within Limits?			Yes	

HOME RENTAL PRODUCTION APPLICATION

Last Date Modified: _____

PROJECT NUMBER: _____

General Information

You Must Input # of Units in Section II

Development Information

Development Name: _____

Street Address: _____

Neighborhood: _____

[PJ], [State]

Zip: _____

Ward: _____

Census Tract: _____

HOME Request (info comes from other worksheets)

	Total	Per Unit
Short-Term Subsidy		
Additional HOME Construction or Bridge Loan	\$0	#DIV/0!
Permanent Subsidy		
Development Subsidy Annual Pmt: \$0	\$0	#DIV/0!
	\$0	#DIV/0!

Developer Information

Entity Name: _____

Federal I.D. #: _____

Contact Person: _____

Phone: _____

Address: _____

Email: _____

City: _____

State: _____

Zip: _____

Legal Form: _____

Non-Profit Corp

General Partner/Corporate Officer Information (if applicable)

(List Managing General Partner on first line.)

Owner-ship %

Name: _____

Fed. ID/Soc. Sec. # _____

Name: _____

Fed. ID/Soc. Sec. # _____

Name: _____

Fed. ID/Soc. Sec. # _____

Will development be owned or sponsored by a:

Community Housing Development Organization (CHDO)?

Is the CHDO designation from [PJ]? _____

Development Plan Information

You Must Input # of Units

Total number of rental units planned

_____ units

Number of income restricted HOME Units planned

_____ units

Residential Floor Area planned

_____ gross sq. ft.

(info comes from another sheet)

Total number of Buildings planned

_____ buildings

Age of existing Building(s)

_____ years old

Construction Type

New Construction

Housing Type

of Stories: _____

Structural System

Basement

Exterior

Parking

Will this project target special populations?

If yes, indicate which populations: _____

Other: _____

Energy and Equipment Information

Heating System: _____

Air Conditioning System: _____

Domestic Hot Water: _____

Equipment included with Income Restricted Units

Microwave

Refrigerator

Kitchen Exhaust Duct

Other: _____

Range & Oven

Ceiling Fans

Common On-site Laundry

Garbage Disposal

Fireplace

Security Alarm

Dishwasher

Blinds/Drapes

Laundry Equipment

Site Information

Are any project buildings in a National or City historic district? _____

Form of Site Control: _____

Price: _____

Date of Acquisition: _____

Expiration date of option/contract: _____

Total Site Area (purchased in this transaction): _____

Project Site Area (utilized for proposed development): _____

Seller's Name: _____

Mailing Address: _____

City: _____

State: _____

Zip: _____

Phone: _____

Is This An Arms-Length Transaction? _____

Explain the relationship between buyer and seller. Provide sales contract from last arms-length transaction. If the sales contract cannot be provided at the initial application stage, it will be a requirement to receive a firm Financing Commitment.

Of the above, list those properties on which there is an existing mortgage and provide the approximate amount of the outstanding loan.

Address

Mortgage Balance

_____	\$0
_____	\$0
_____	\$0
_____	\$0
_____	\$0
_____	\$0

Does current site zoning allow the proposed residential use? _____

If no, please explain what steps have been or will be taken to obtain zoning approval.

Will the current site(s) require lots to be subdivided? _____

Are the following utilities now located on the site?

Public Water Supply	_____	_____	Feet from Site
Public Sewer System	_____	_____	Feet from Site
Natural Gas Distribution System	_____	_____	Feet from Site
Electric Power System	_____	_____	Feet from Site
Cable Television System	_____	_____	Feet from Site
Telephone System	_____	_____	Feet from Site

Are the following conditions present at the proposed development site?

All or part in 100-yr. floodplain	_____	Standing water	_____
Railroad tracks within 300 feet	_____	Creek, lake, river frontage	_____
High tension wires	_____	Ravines or steep grades	_____
High noise levels	_____	Industrial sites	_____
Hazardous waste sites	_____	Commercial sites	_____

Please Describe any other unusual site conditions:

Is there anything in proximity to the project that could have a noteworthy positive impact on the marketability of this development?
Please describe:

Market Analysis & Leasing

Describe how you determined the need/market demand for the proposed project.

Explain how you arrived at the projected rents:

How will you insure lease-up to eligible tenants within 18 months?

Previous Development Experience

How many full-time equivalent (FTE) employees at primary developer/CHDO? _____

Has the developer completed other residential development projects? _____

If yes, please answer the following:

How many projects has the developer completed? _____

How many dwelling units has the developer been responsible for producing?

New Construction # units: _____ Rehab # units: _____

List most recently completed projects:

Project Name	Address	Construction Type	Tenure Type	Target Residents	# Units	Total Devel. Costs

Describe the experience of the specific staff members who will manage this project. Attach resumes.

If developer has been involved in residential development projects in some other capacity, please specify:

Ongoing Management Experience, Structure & Capacity

Who will perform property management? _____

Name of management staff/company: _____

How many units is your staff or 3rd party mgt company currently managing? _____

How many HUD income-restricted units is your staff/mgt company currently managing? _____

Describe staff/mgt company's experience managing HUD income-restricted rental units.

Describe how the roles of property management, asset management & ongoing compliance will be delegated.

Existing Loan Subsidies in Developments to be Acquired

Does your development plan include acquisition of units with existing subsidies? _____

If yes, please indicate the kind of existing subsidy.

Does your development plan seek to preserve federally-assisted low-income housing which would otherwise convert to market rate use through mortgage prepayment, foreclosure or expiring subsidies? _____

Rental & Operating Assistance Information

Do you expect to receive or are you currently receiving any rental subsidies for this development? _____

If you answered yes, please check the types of subsidy expected: _____

If you answered yes, please describe the source and purpose of subsidies:

Number of units expected to receive assistance: _____

units

Number of years in assistance contract: _____

years

Supportive Services Information

(Attach copies of letter of intent from service providers.)

If you plan to provide supportive services to your tenants, please provide the following:

Description of the population to be served:

Description of the services to be provided and how they will be provided:

Development Schedule

For each item in the chart below, enter the month and year that the item was accomplished, or for future events, the month and year when that item is expected to be accomplished. If an item does not apply to your development, enter N/A or leave blank.

		Month	Year
Site	Option		
	Contract		
	Closing		
	Zoning		
	Site Analysis		
Construction Financing	Application Submission		
	Conditional Commitment		
	Firm Commitment		
	Closing		
Plans	Preliminary Drawings		
	Working Drawings		
Construction Loan Closing			
Construction Start			
Marketing Start-Up			
Construction Complete			
Unit(s) Fully Leased			

Total Construction Schedule: _____ months

Development Team Information

	Name	Address	Phone	Certified MBE WBE	Certification Number
Contractor:					
Consultant:					
Attorney:					
Tax Accountant:					
Architect:					
Engineer:					

Track record of prime contractor — list the contractor's five most recently completed projects:

1.	
2.	
3.	
4.	
5.	
Additional Information:	

Does developer or owner hold a direct financial interest in any development team member?

If yes, provide details of the relationship:

Is the Developer, Sponsor, or any other Development Team Member, including any of their owners, partners, or board members CURRENTLY DEBARRED from Federal contracting opportunities by any agency of the Federal Government?

If yes, please provide details:

Has the Developer, Sponsor, or any other Development Team Member listed on the previous page, including any of their owners, partners, or board members EVER BEEN DEBARRED from Federal contracting opportunities by any agency of the Federal Government?

If yes, please provide details:

Non-Profit Determination

Is the sponsor of the proposed development a non-profit?

Has a non-profit determination been made by the Internal Revenue Service?

If yes, indicate your Internal Revenue Code designation:

Is "fostering low-income housing" listed among the nonprofit's purposes in Articles of Incorporation and/or By-Laws? *(Please provide copy)*

Explain the role and activities of the non-profit sponsor in the development. Check which apply:

Developer	<input type="checkbox"/>	Marketing/Lease-Up	<input type="checkbox"/>
General Contractor	<input type="checkbox"/>	Carries Liability Insurance	<input type="checkbox"/>
Owner	<input type="checkbox"/>	Carries Liability/Property	<input type="checkbox"/>

Relocation

Relocation is the moving of existing residential or commercial occupants from their current space.

Will your development require any households to move temporarily?

of households to move temporarily:

Will your plans require any occupants to move permanently?

of households to move permanently:

Will your development require any commercial occupants to move?

of commercial occupants to move:

If you answered yes to any of the above questions, describe your relocation plan.

Required Hard Copy Application & Attachments

In addition to emailing this file to the appropriate [STAFF], applicants must also submit a printed hard copy along with the following attachments:

- a. Evidence of Site Control
- b. Preliminary Plans, Specs, Drawings, and/or Renderings
- c. Description of Development Team Experience or Resumes
- d. Letter of interest or commitment from a construction lender
- e. Market Analysis (Professional or In-house)
- f. Certification of Corporate Good Standing
- g. Conflict of Interest Disclosure
- h. Roster of Board Members, if applicable
- i. Proof of nonprofit status if applicable
- j. Nonprofit by-laws, articles of incorporation if applicable
- k. Letters from partners, service providers, and supporters

Applicant Certification

I certify that submission of this application has been duly authorized by the governing body of the applicant and that all information contained in this application, to the best of my knowledge, is true and accurate.

I understand that [THE PJ] has no obligation to make a grant or loan to the applicant. I am aware that incomplete or late applications will not be accepted or considered for federal funding. I understand that awards will be made on a competitive basis and [THE PJ] may award an amount less than requested.

Owner, Developer, Executive Director:

Printed Name

Signature

Title

Date

Chief Elected Officer Signature

Printed Name

Signature

Title

Date

**HOME Rental Production Application & Proforma
Utilities & Rent Limits**

Utility Allowance Calculation *(use Utility Allowance tables below to look up applicable amounts.)*

Utility	Type of Utility (gas, oil, etc.)	Utilities Paid By:	Allowance for Utilities Paid by Tenant Only				
			0 BR	1 BR	2 BR	3 BR	4 BR
Cooking							
Other, Lighting	Electric						
Hot Water							
Water							
Heating							
Sewer							
Trash Collection							
TOTAL			\$0	\$0	\$0	\$0	\$0

HOME Rent

Limits	HOME GROSS Rent Limits			HOME CONTRACT Rent Limits		
	Low-HOME	High-HOME	FMR	Low-HOME	High-HOME	FMR
0 Bedrooms	\$0	\$0	\$0	\$0	\$0	\$0
1 Bedroom	\$0	\$0	\$0	\$0	\$0	\$0
2 Bedrooms	\$0	\$0	\$0	\$0	\$0	\$0
3 Bedrooms	\$0	\$0	\$0	\$0	\$0	\$0
4 Bedrooms	\$0	\$0	\$0	\$0	\$0	\$0

(Rent Limit Minus Utility Allowances)

HOME Rental Production Application & Proforma

Unit Information & Gross Revenue Potential

Project: 0 Developer: 0

Efficiency Units	# of Units	% AMI Targeted	Baths	Sq. Ft.	Rent	Monthly Rent	Annual Rent	Contract Rent Limit
		<30%				\$0	\$0	\$0
		40%				\$0	\$0	\$0
		50%				\$0	\$0	\$0
		60%				\$0	\$0	\$0
		120%				\$0	\$0	\$0
		Market Rate				\$0	\$0	na
Subtotal	0					\$0	\$0	

3 BR Units	# of Units	% AMI Targeted	Baths	Sq. Ft.	Rent	Monthly Rent	Annual Rent	Contract Rent Limit
		<30%				\$0	\$0	\$0
		40%				\$0	\$0	\$0
		50%				\$0	\$0	\$0
		60%				\$0	\$0	\$0
		120%				\$0	\$0	\$0
		Market Rate				\$0	\$0	na
Subtotal	0					\$0	\$0	

4 BR Units	# of Units	% AMI Targeted	Baths	Sq. Ft.	Rent	Monthly Rent	Annual Rent	Contract Rent Limit
		<30%				\$0	\$0	\$0
		40%				\$0	\$0	\$0
		50%				\$0	\$0	\$0
		60%				\$0	\$0	\$0
		120%				\$0	\$0	\$0
		Market Rate				\$0	\$0	na
Subtotal	0					\$0	\$0	

Square Footage Breakdown

Residential Square Footage	0
Common Areas Sq. Ft.	
Commercial Sq. Ft.	
Total Square Footage	-

Total Units	0	Gross Rent Potential Per Unit Avg	Monthly Rent #DIV/0!	Annual Rent #DIV/0!
Other Income				
Miscellaneous & Interest				
Laundry				
Carports/Garages				
Tenant Charges (late fees, insufficient funds, etc)				
Other:				
Totals			\$0	\$0

Operating Subsidy:

Amount	Year 1	Year 2	Year 3	Year 4	Year 5
		(source)			

HOME Rental Production Application & Proforma

ANNUAL OPERATING BUDGET

Project: 0

Developer: 0

REVENUE

Gross Rent Potential	Annual	Per Unit
Other Revenue	\$0	#DIV/0!
Subtotal	\$0	#DIV/0!
Combined Vacancy Rate	0.0%	#DIV/0!
Adjusted Gross Income	\$0	#DIV/0!

OPERATING EXPENSES

Administrative Costs	Annual	Per Unit
Advertising		#DIV/0!
Management		#DIV/0!
Legal/Partnership		#DIV/0!
Accounting/Audit		#DIV/0!
Compliance Monitoring		#DIV/0!
Other		#DIV/0!
Subtotal	\$0	#DIV/0!

Maintenance

Decorating	Annual	Per Unit
Repairs		#DIV/0!
Exterminating		#DIV/0!
Grounds		#DIV/0!
Other		#DIV/0!
Subtotal	\$0	#DIV/0!

Operating

Security	Annual	Per Unit
Common Electricity		#DIV/0!
Water/Sewer		#DIV/0!
Gas		#DIV/0!
Trash Removal		#DIV/0!
Payroll		#DIV/0!
Payroll Taxes & Fringes		#DIV/0!
Other		#DIV/0!
Subtotal	\$0	#DIV/0!

Escrows

Insurance	Annual	Per Unit
Real Estate Taxes		#DIV/0!
Other Taxes		#DIV/0!
Other		#DIV/0!
Subtotal	\$0	#DIV/0!

Total Operating Expenses

	\$0	#DIV/0!
--	-----	---------

Replacement Reserve

		#DIV/0!
--	--	---------

NET OPERATING INCOME

	\$0	#DIV/0!
--	-----	---------

Estimated Mortgage

Debt Coverage Ratio Year 1	1.25
Interest Rate	0.00%
Term	30
Annual Payment	\$0
Mortgage Amount (PV)	\$0

Net Cash Flow Year 1 \$0
Cash Flow Per Unit #DIV/0!

HOME Rental Production Application & Proforma
OPERATING CASH FLOW PROJECTION

Project: 0	Developer: 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
REVENUE											
Gross Income Potential	Years 1-4 0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Factor	Years 5+ 0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Subsidy/Reserve Draw		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Income		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OPERATING EXPENSES											
Administration	Inflation Factor 0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Escrows & Reserves	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Operating Expenses		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Per Unit											
Replacement Reserve Contribution		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Operating Income		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Per Unit											
HOMEServicing Mortgage		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Debt Service		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Coverage Ratio (typically 1.15-1.40)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CASH FLOW											
Payments Out of Cash Flow:		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Payments Out of Cash Flow:		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FINAL CASH FLOW											
Per Unit		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

HOME Rental Production Application & Proforma
OPERATING CASH FLOW PROJECTION

Project: 0

	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
REVENUE										
Gross Income Potential	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vacancy Factor	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Subsidy/Reserve Draw	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Income	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
OPERATING EXPENSES										
Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Escrows & Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Operating Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Replacement Reserve Contribution	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Net Operating Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
HOMEServicing Mortgage										
Other Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Coverage Ratio (typically 1.15-1.40)	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
CASH FLOW										
Payments Out of Cash Flow:	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Payments Out of Cash Flow:	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
FINAL CASH FLOW										
Per Unit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Per Unit	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

HOME Rental Production Application & Proforma DEVELOPMENT BUDGET					
Project:	0	Developer:	0		
Project Number:	0				
PREDEVELOPMENT COSTS	TOTAL	Per Unit	Per SF	% TDC	
Architect & Structural Engineer		#DIV/0!			
Asbestos & Lead Based Paint Testing		#DIV/0!			
Phase I Environmental Inspections		#DIV/0!			
Market Analysis		#DIV/0!			
Survey & Civil Engineering		#DIV/0!			
Application Fees		#DIV/0!			
Other		#DIV/0!			
Total Predevelopment:	\$0	#DIV/0!	#DIV/0!	#DIV/0!	
BUILDING AND PROPERTY ACQUISITION					
Land & Building (Price or your offer to City)		#DIV/0!			
Settlement Costs (Title Ins., Recording Fees)		#DIV/0!			
Relocation		#DIV/0!			
Other		#DIV/0!			
Total Acquisition:	\$0	#DIV/0!	#DIV/0!	#DIV/0!	
CONSTRUCTION COSTS (complete sheet #7)					
General Cond., Overhead & Profit	\$0	#DIV/0!			
Construction Contingency	\$0	#DIV/0!			
Construction Hard Costs	\$0	#DIV/0!			
Total Construction:	\$0	#DIV/0!	#DIV/0!	#DIV/0!	
PROFESSIONAL SERVICES					
Consultant Fees		#DIV/0!			
Legal		#DIV/0!			
Marketing/Advertising		#DIV/0!			
Fees Related to State Tax Credits		#DIV/0!			
Other		#DIV/0!			
Total Professional Services:	\$0	#DIV/0!	#DIV/0!	#DIV/0!	
CARRYING AND CONSTRUCTION FINANCING COSTS					
Inspection & Draw Fees		#DIV/0!			
Points & Bank Fees: Construction Loan		#DIV/0!			
Title Insurance: Construction Loans		#DIV/0!			
Construction Loan Interest (non-[PJ])		#DIV/0!			
[PJ] Construction Loan Interest	\$0	#DIV/0!			
Builder's Risk Insurance		#DIV/0!			
Property Liability Insurance		#DIV/0!			
Real Estate Taxes During Development		#DIV/0!			
Other		#DIV/0!			
Total Carrying & Construction Finance:	\$0	#DIV/0!	#DIV/0!	#DIV/0!	
PERMANENT FINANCING					
Points & Bank Fees		#DIV/0!			
Title & Recording		#DIV/0!			
Partnership & Organization Expense		#DIV/0!			
Legal		#DIV/0!			
Other		#DIV/0!			
Total Permanent Financing:	\$0	#DIV/0!	#DIV/0!	#DIV/0!	
RESERVES					
Rent Up Reserves		#DIV/0!			
Initial Operating Reserve		#DIV/0!			
Operating Deficit Reserve		#DIV/0!			
Capital Replacement Reserve		#DIV/0!			
Total Reserves:	\$0	#DIV/0!	#DIV/0!	#DIV/0!	
Developer Fee		#DIV/0!	#DIV/0!	#DIV/0!	
TOTAL DEVELOPMENT COSTS (TDC):	\$0	#DIV/0!	#DIV/0!	#DIV/0!	

Appendix VII



Union County

***Home Investment
Partnership Program
Homebuyer***

Income Verification Packet

Subgrantee: _____

Table of Contents

1)Instructions

2)Documentation Needed

3)Forms

- a. Calculating Annual Gross Income
- b. HOME Program Eligibility Release Form
- c. Verification of Employment (*Must be filled out by employer*)
- d. Verification of Assets on Deposit (*Must be filled out by bank*)
- e. Verification of Alimony or Separation Payments, if applicable
- f. Verification of Veterans Administration Benefits, if applicable
- g. Verification of Pension and Annuities, if applicable
- h. Verification of Social Security Benefits, if applicable
- i. Verification of Child Support Payments, if applicable
- j. Verification of Public Assistance Income, if applicable
- k. Verification of Unemployment Benefits, if applicable

* Official award letters may be submitted in lieu of forms e through k

Instructions

The HOME Program regulations require that income of all family members be included in the determination of income.

The Part 5 definition of annual income provides specific guidance pertaining to whose income in a household must be included in the calculation.

The HOME regulations at 24CFR92.203(d)(1) require that, for the purpose of determining eligibility for HOME assistance, a PJ must project a household's income in the future. To do so, a "snapshot" of the household's current circumstances is used to project future income. In general, a PJ should assume that today's circumstances will continue for the next 12 months, unless there is verifiable evidence to the contrary. For example, if a head of household is currently working for \$7.00 per hour, 40 hours per week, the PJ should assume that this family member will continue to do so for the next year. Thus, estimate earnings will be \$7.00 per hour multiplied by 2,080 hours, or \$14,560 per year.

This method should be used even when it is not clear that the type of income received currently will continue in the coming year. For example, assume a family member has been receiving unemployment benefits of \$100 per month for 16 weeks at the time of income certification. It is unlikely that the family member will continue on unemployment for another 52 weeks. However, because it is not known whether or when the family member will find employment, the PJ should use the current circumstances to anticipate annual (gross) income. Income would therefore be calculated as follows:

$\$100 \text{ per week} \times 52 \text{ weeks}$, or $\$5,200$.

The exception to this rule is when documentation is provided that current circumstances are about to change. For example, an employer might report that an employee currently makes \$7.50 an hour, but a negotiated union contract will increase this amount to \$8.25 an hour eight weeks from the date of assistance. In such cases, income can be calculated based on the information provided. In this example, the calculation would be as follows:

- $\$7.50/\text{hour} \times 40 \text{ hours/week} \times 8 \text{ weeks} = \$2,400$
- $\$8.25/\text{hour} \times 40 \text{ hours/week} \times 44 \text{ weeks} = \$14,520$
- $\$2,400 + \$14,520 = \$16,920$

Use the required forms and backup documentation to project income. Use the Calculating Annual Gross Income form to complete the total income.

Documentation Needed

- A. 2 consecutive months of payroll stubs (No older than 2 months from date application was submitted to Union County)
- B. 2 consecutive months of checking account statements (No older than 2 months from date application was submitted to Union County)
- C. 2 consecutive months of savings account statements (No older than 2 months from date application was submitted to Union County)
- D. Include Social Security award letter, if applicable
- E. Birth certificates (For all household members)
- F. Signed Social Security cards (For all household members)
- G. Driver's licenses (For all household members who drive)
- H. Most recent IRS 1040 form
- I. Credit Reports from 3 agencies
- J. If applicable, signed Certification of Zero Income (for adult household members who do not have income) – (Included in packet)
- K. If applicable, signed No Asset Affidavit form (for adult family members who do not have a bank account) – (Included in packet)

***Documents A, B and C must be dated within the same two month period**

*** Income verification NOT needed for household members age 18 and under.**

Calculating Social Security Income

Income verifications / leases that are certified/executed on January 1st only need to use the current year's Social Security gross amount. Income verifications / leases that are certified/executed in any other month, have to be prorated. For example:

If a lease is renewed in July 2022, you would need to use the 2022 Social Security gross amount. (This is used to project July 2022 through December 2022: 6 months)

The next 6 months, which will start in January 2023, need to be projected using the 2023 social security gross amount.

There may be times when the Social Security Cost of Living Adjustment letter for the following year has not been determined. So in its place, calculate the average of the Social Security income increase percentages (aka Cost Of Living Adjustment) for 2021 and 2022. (2021- 1.3% & 2022- 5.9%)

When you get the average of the two COLA's, that percentage will be the increase in Social Security income you will use to project the next 6 months until the tenants lease is renewed for the new year.

Forms → Calculations Annual (Gross) Income

1. Name

2. Identification

Assets

Family Member	Asset Description	Current Cash Value of Assets	Actual Income from Assets
3.	Net Cash Value of Assets: 3-		
4.	Total Actual Income from Assets:		4-
5.	If Line 3 is greater than \$5,000, multiply line by ____ (passport rate) and Enter results here; otherwise leave blank.		5-

Anticipated Annual Income

Family Members	a. Wages / Salaries	b. Benefits / Pensions	c. Public Assistance	d. Other Income	e. Asset Income
					Enter the greater of lines 4 or 5 from above in e.
6. Totals	a.	b.	c.	d.	e.
7. Enter total of items from 6a through 6c. This is annual income.					7.

X

Signature of Applicant

For Subgrantee use only:

Income limit of household: \$ _____

X

Signature of Authorized Subgrantee Representative

Is the applicant income eligible (yes/no)? _____

HOME Program Eligibility Release Program

Organization requesting release of information (PJ name, address, telephone, and date)

Purpose: Your signature on this HOME Program Eligibility Release Form, and the signatures of each member of your household who is 18 years of age or older, authorizes the above-named

Organization to obtain information from a third party relative to your eligibility and continued participation in the:

- HOME TBRA Program
- HOME Homebuyer Program
- HOME Rental Rehabilitation Program
- HOME Homeowner Rehabilitation Program

Privacy Act Notice Statement: The Department of Housing and Urban Development (HUD) is requiring the collection of the information derived from this form to determine an applicant's eligibility in a HOME Program and the amount of assistance necessary using HOME funds. This information will be used to establish level of benefit on the HOME Program; to protect the Government's financial interest; and to verify the accuracy of the information furnished. It may be released to appropriate Federal, State, and local agencies when relevant, to civil, criminal, or regulatory investigators, and to prosecutors. Failure to provide any information may result in a delay or rejection of your eligibility approval. The Department is authorized to ask for this information by the National Affordable Housing Act of 1990.

Instructions: Each adult member of the household must sign a HOME Program Eligibility Release Form prior to the receipt of benefit and on an annual basis to establish continued eligibility. Additional signatures must be obtained from new adult members whenever they join the household or whenever members of the household become 18 years of age.

NOTE: THIS GENERAL CONSENT MAY NOT BE USED TO REQUEST A COPY OF A TAX RETURN. IF A COPY OF A TAX RETURN IS NEEDED, IRS FORM 4506, "REQUEST FOR COPY OF TAX FORM" MUST BE PREPARED AND SIGNED SEPARATELY

Information Covered: Inquiries may be made about items initialed by applicant/tenant.

	Verification Required	Initials
Income (<i>all sources</i>)		
Assets (<i>all sources</i>)		
Medical Expense (<i>if applicable</i>)		
Other (<i>list</i>) <div style="border: 1px solid black; height: 50px; width: 100%;"></div>		
Dependent Deduction <div style="display: flex; justify-content: space-between;"> <div>_____</div> <div>Full-Time Student</div> </div> <div style="display: flex; justify-content: space-between;"> <div>_____</div> <div>Handicap/Disabled</div> </div> <div style="display: flex; justify-content: space-between;"> <div>_____</div> <div>Family Member</div> </div> <div style="display: flex; justify-content: space-between;"> <div>_____</div> <div>Minor Children</div> </div>		

Authorization: I authorize the above-named HOME Participating Jurisdiction and HUD to obtain information about me and my household that is pertinent to eligibility for participation in the HOME Program.

I acknowledge that:

- (1) A photocopy of this form is as valid as the original.
- (2) I have the right to review the file and the information received using this form (with a person of my choosing to accompany me).
- (3) I have the right to copy information from this file and to request correction of information I believe inaccurate.
- (4) All adult household members will sign this form and cooperate with the owner in this process.

Head of Household—Signature, Printed Name, and Date Family Member HEAD
Other Adult Member of the Household—Signature, Printed Name, and Date Family Member #2
Other Adult Member of the Household—Signature, Printed Name, and Date Family Member #3
Other Adult Member of the Household—Signature, Printed Name, and Date Family Member #4

Forms → Verification of Employment

AUTHORIZATION: Federal Regulations require us to verify Employment Income of all members of the household applying for participation in the HOME Program which we operate and to reexamine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household. Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed. **WARNING: Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.**

Employer must fill out this page, do not leave any boxes blank – applicant signs release

Employed Since:

Occupation:

Salary:

Effective date of last increase:

Base pay rate:

\$ \$ \$

Average hours/week at base pay rate:

Hours No. weeks Worked/Year

Overtime pay rate:

\$

Hours

Expected average number of
hours overtime worked per
week during next 12 months

**RELEASE: I hereby authorize the release of
the requested information.**

(Signature of Applicant)

(Date)

or a copy of the executed "HOME Program
Eligibility Release Form," which authorizes the
release of the information requested, is attached.

Any other compensation not included above (specify for
commissions, bonuses, tips, etc.):

For: \$ per

Is pay received for vacation? ☐ (Check for Yes)

If Yes, no. of days per year:

Total base pay earnings for past 12 mos.

Total overtime earnings for past 12 mos.

Probability and expected date of any pay increase:

Does the employee have access to a retirement account?

If Yes, what amount can they get access to:

\$

Signature of Employer:

or Authorized Representative:

Title:

Telephone

Date:

Forms → Verification of Employment, Page 2

Employer must fill out this page.

AUTHORIZATION: Federal Regulations require us to verify Employment Income of all members of the household applying for participation in the HOME Program which we operate. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.

Expected date of potential pay increase: _____

Amount of pay increase: \$ _____

Signature _____

Date: _____

Telephone: _____

Forms → Assets on Deposit

AUTHORIZATION: Federal Regulations require us to verify Assets on Deposit of all members of the household applying for participation in the HOME Program which we operate and to reexamine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.

Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.

Home Investment Partnership Program
Income Verification Packet

Checking Account No.	Average Monthly Balance for Last 6 Months	Current Interest Rate	
Savings Accounts	Current Balance	Current Interest Rate	
Certificate of Deposit Account No.	Amount	Withdrawal Penalty	Current Interest Rate

RELEASE: I hereby authorize the release of the requested information.

(Signature of Applicant)

(Date)

or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.

Signature of:

or Authorized Representative:

Title:

Telephone

Date:

<input type="text"/>	<input type="text"/>	<input type="text"/>
----------------------	----------------------	----------------------

WARNING: Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.

Forms → Verification of Alimony or Separation Payments

AUTHORIZATION: Federal Regulations require us to verify Alimony and Separation Payments made to all members of the household applying for participation in the HOME Program which we operate and to reexamine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.

Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.

RELEASE: I hereby authorize the release of the requested information.

(Signature of Applicant)

(Date)

or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.

Signature of:

or Authorized Representative:

Title:

Telephone

Date:

Name of Person Paying Alimony or Separation Payments:

Address of Person Paying Alimony or Separation Payments:

Name of person being supported:

Amount of support:

\$

<input type="text"/>	<input type="text"/>	<input type="text"/>
Week	Month	Year

WARNING: Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.

Forms → Verification of Veterans Administration Benefits

AUTHORIZATION: Federal Regulations require us to verify Alimony and Separation Payments made to all members of the household applying for participation in the HOME Program which we operate and to reexamine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.

Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.

RELEASE: I hereby authorize the release of the requested information.

(Signature of Applicant)

(Date)

or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.

Signature of:

or Authorized Representative:

Title:

Telephone

Date:

Name of Veteran

Address

Claim No.:

Date of Birth:

Service Dates:

to

Benefits paid to

1. Current Benefit Amount

2. Original Start Date

3. This amount will increase/decrease to (circle one)\$

Date Change Takes Effect

4. Benefits are for:

☐

G

☐

I

☐

B

☐

i

1

1

WARNING: Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.

Forms → Pension and Annuities

AUTHORIZATION: Federal Regulations require us to verify Alimony and Separation Payments made to all members of the household applying for participation in the HOME Program which we operate and to reexamine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.

Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.

RELEASE: I hereby authorize the release of the requested information.

(Signature of Applicant)

(Date)

or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.

Signature of:

or Authorized Representative:

Title:

Telephone

Date:

\$

Current monthly gross amount of pension or annuity

\$

Deductions from gross for medical insurance premiums

Date of initial aware

Effective date of current amount

\$

Contributions to company retirement/pension fund

\$

Amount received in a lump sum

Forms → Social Security Benefits

AUTHORIZATION: Federal Regulations require us to verify Alimony and Separation Payments made to all members of the household applying for participation in the HOME Program which we operate and to reexamine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.

Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.

Social Security Data

Date of Birth

Gross monthly Social Security Benefit amount, type of benefit

Gross monthly Supplemental Security Income payment amount (including state supplement), type of benefit

RELEASE: I hereby authorize the release of the requested information.

(Signature of Applicant)

(Date)

or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.

Signature of:

or Authorized Representative:

Title:

Telephone

Date:

Forms → Child Support Benefits

AUTHORIZATION: Federal Regulations require us to verify Alimony and Separation Payments made to all members of the household applying for participation in the HOME Program which we operate and to reexamine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.

Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.

RELEASE: I hereby authorize the release of the requested information.

(Signature of Applicant)

(Date)

or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.

Signature of:

or Authorized Representative:

Title:

Telephone

Date:

Name of Person Paying Child Support

Address of Person Paying Child Support

Support is for ☐ his ☐ her children.

Name(s) of children being supported:

Amount of support:

\$

Week

Month

Year

Forms → Public Assistance Income

AUTHORIZATION: Federal Regulations require us to verify Alimony and Separation Payments made to all members of the household applying for participation in the HOME Program which we operate and to reexamine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.

Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.

RELEASE: I hereby authorize the release of the requested information.

(Signature of Applicant)

(Date)

or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.

Signature of:

or Authorized Representative:

Title:

Telephone

Date:

Public Assistance Data Rate per month

Number in family

Aid to families with Dependent Children

General Assistance

Does this amount include court-awarded support payments?

Amount specifically designated for shelter and utilities

Other assistance

Total Monthly Grant

Other income—Sources:

Maximum allowance for rent and utilities (as-paid States)

Amount of public assistance received during past 12 months

Forms → Unemployment Benefits

AUTHORIZATION: Federal Regulations require us to verify Alimony and Separation Payments made to all members of the household applying for participation in the HOME Program which we operate and to reexamine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.

Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.

RELEASE: I hereby authorize the release of the requested information.

(Signature of Applicant)

(Date)

or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.

Signature of:

or Authorized Representative:

Title:

Telephone

Date:

Are benefits being paid now?

If yes, what is Gross Weekly Payment?

Date of Initial Payment

Duration of Benefits

Is claimant eligible for future benefits?

If yes, how many weeks

If no, what is the termination date of benefits?



Union County

***Home Investment
Partnership Program***
Rental
Income Verification Packet

Subgrantee: _____

Table of Contents

1)Instructions

2)Documentation Needed

3)Forms

- a. Calculating Annual Gross Income
- b. HOME Program Eligibility Release Form
- c. Verification of Employment (*Must be filled out by employer*)
- d. Verification of Assets on Deposit (*Must be filled out by bank*)
- e. Verification of Alimony or Separation Payments, if applicable
- f. Verification of Veterans Administration Benefits, if applicable
- g. Verification of Pension and Annuities, if applicable
- h. Verification of Social Security Benefits, if applicable
- i. Verification of Child Support Payments, if applicable
- j. Verification of Public Assistance Income, if applicable
- k. Verification of Unemployment Benefits, if applicable

* Official award letters may be submitted in lieu of forms e through k

Instructions

The HOME Program regulations require that income of all family members be included in the determination of income.

The Part 5 definition of annual income provides specific guidance pertaining to whose income in a household must be included in the calculation.

The HOME regulations at 24CFR92.203(d)(1) require that, for the purpose of determining eligibility for HOME assistance, a PJ must project a household's income in the future. To do so, a "snapshot" of the household's current circumstances is used to project future income. In general, a PJ should assume that today's circumstances will continue for the next 12 months, unless there is verifiable evidence to the contrary. For example, if a head of household is currently working for \$7.00 per hour, 40 hours per week, the PJ should assume that this family member will continue to do so for the next year. Thus, estimate earnings will be \$7.00 per hour multiplied by 2,080 hours, or \$14,560 per year.

This method should be used even when it is not clear that the type of income received currently will continue in the coming year. For example, assume a family member has been receiving unemployment benefits of \$100 per month for 16 weeks at the time of income certification. It is unlikely that the family member will continue on unemployment for another 52 weeks. However, because it is not known whether or when the family member will find employment, the PJ should use the current circumstances to anticipate annual (gross) income. Income would therefore be calculated as follows:

\$100 per week x 52 weeks, or \$5,200 .

The exception to this rule is when documentation is provided that current circumstances are about to change. For example, an employer might report that an employee currently makes \$7.50 an hour, but a negotiated union contract will increase this amount to \$8.25 an hour eight weeks from the date of assistance. In such cases, income can be calculated based on the information provided. In this example, the calculation would be as follows:

- \$7.50/hour x 40 hours/week x 8 weeks= \$2,400
- \$8.25/hour x 40 hours/week x 44 weeks= \$14,520
- \$2,400 + \$14,520 = \$16,920

Use the required forms and backup documentation to project income. Use the Calculating Annual Gross Income form to complete the total income.

Calculating Social Security Income

Income verifications / leases that are certified/executed on January 1st only need to use the current year's Social Security gross amount. Income verifications / leases that are certified/executed in any other month, have to be prorated. For example:

If a lease is renewed in July 2022, you would need to use the 2022 Social Security gross amount. (This is used to project July 2022 through December 2022: 6 months)

The next 6 months, which will start in January 2023, need to be projected using the average of the Social Security income increase percentages (aka Cost Of Living Adjustment) for the previous two years. (2021- 1.3% & 2022- 5.9%)

At the time of tenant recertification, if you have the most recent COLA increase from the Social Security Administration, that amount needs to be used instead.

Documentation Needed

- A. 2 consecutive months of payroll stubs (No older than 2 months from lease signing date)
- B. 2 consecutive months of savings account statements (No older than 2 months from lease signing date)
- C. 2 consecutive months of checking account statements (No older than 2 months from lease signing date)
- D. Social Security income must be projected by the last 2 years
- E. Birth certificates (For all household members)
- F. Signed Social Security cards (For all household members)
- G. Driver's licenses (For all household members who drive)
- H. Most recent IRS 1040 form
- I. If applicable, signed Certification of Zero Income (for adult household members who do not have income) – (Included in packet)
- J. If applicable, signed No Asset Affidavit form (for adult family members who do not have a bank account) – (Included in packet)

All documentation related to any voucher payments must be included in this packet.

Please be aware the rule is the voucher payment and tenant payment cannot exceed the HOME rent minus the utility allowance.

Project based vouchers, where the tenant is at 50% of HOME median income and is paying 30% of rent can override this rule. There must be verification that the vouchers are project based, provide documentation, agency name and contact information. If the voucher is found to be over the HOME rent, reimbursement must be made to the agency providing the voucher.

All leases must be executed according to the proper HOME rent.

***The final two months of documents A & B must coincide with the final two months of document C.**

*** Income verification NOT needed for household members age 18 and under.**

Forms → Calculations Annual (Gross) Income

1. Name

2. Identification

Assets

Family Member	Asset Description	Current Cash Value of Assets	Actual Income from Assets
3.	Net Cash Value of Assets: 3-		
4.	Total Actual Income from Assets:		4-
5.	If Line 3 is greater than \$5,000, multiply line by ____ (passport rate) and Enter results here; otherwise leave blank.		5-

Anticipated Annual Income

Family Members	a. Wages / Salaries	b. Benefits / Pensions	c. Public Assistance	d. Other Income	e. Asset Income
					Enter the greater of lines 4 or 5 from above in e.
6. Totals	a.	b.	c.	d.	e.
7. Enter total of items from 6a through 6c. This is annual income.					7.

X
Signature of Applicant

For Subgrantee use only:

Income limit of household: \$ _____

X
Signature of Authorized Subgrantee Representative

Is the applicant income eligible (yes/no)? _____

HOME Program Eligibility Release Program

Organization requesting release of information (PJ name, address, telephone, and date)

Purpose: Your signature on this HOME Program Eligibility Release Form, and the signatures of each member of your household who is 18 years of age or older, authorizes the above-named

Organization to obtain information from a third party relative to your eligibility and continued participation in the:

- HOME TBRA Program
- HOME Homebuyer Program
- HOME Rental Rehabilitation Program
- HOME Homeowner Rehabilitation Program

Privacy Act Notice Statement: The Department of Housing and Urban Development (HUD) is requiring the collection of the information derived from this form to determine an applicant's eligibility in a HOME Program and the amount of assistance necessary using HOME funds. This information will be used to establish level of benefit on the HOME Program; to protect the Government's financial interest; and to verify the accuracy of the information furnished. It may be released to appropriate Federal, State, and local agencies when relevant, to civil, criminal, or regulatory investigators, and to prosecutors. Failure to provide any information may result in a delay or rejection of your eligibility approval. The Department is authorized to ask for this information by the National Affordable Housing Act of 1990.

Instructions: Each adult member of the household must sign a HOME Program Eligibility Release Form prior to the receipt of benefit and on an annual basis to establish continued eligibility. Additional signatures must be obtained from new adult members whenever they join the household or whenever members of the household become 18 years of age.

NOTE: THIS GENERAL CONSENT MAY NOT BE USED TO REQUEST A COPY OF A TAX RETURN. IF A COPY OF A TAX RETURN IS NEEDED, IRS FORM 4506, "REQUEST FOR COPY OF TAX FORM" MUST BE PREPARED AND SIGNED SEPARATELY

Information Covered: Inquiries may be made about items initiated by applicant/tenant.

	Verification Required	Initials
Income (<i>all sources</i>)		
Assets (<i>all sources</i>)		
Medical Expense (<i>if applicable</i>)		
Other (<i>list</i>) <div style="border: 1px solid black; height: 60px; width: 100%;"></div>		
Dependent Deduction <input type="checkbox"/> Full-Time Student <input type="checkbox"/> Handicap/Disabled <input type="checkbox"/> Family Member <input type="checkbox"/> Minor Children		

Authorization: I authorize the above-named HOME Participating Jurisdiction and HUD to obtain information about me and my household that is pertinent to eligibility for participation in the HOME Program.

I acknowledge that:

- (1) A photocopy of this form is as valid as the original.
- (2) I have the right to review the file and the information received using this form (with a person of my choosing to accompany me).
- (3) I have the right to copy information from this file and to request correction of information I believe inaccurate.
- (4) All adult household members will sign this form and cooperate with the owner in this process.

Head of Household—Signature, Printed Name, and Date Family Member HEAD
Other Adult Member of the Household—Signature, Printed Name, and Date Family Member #2
Other Adult Member of the Household—Signature, Printed Name, and Date Family Member #3
Other Adult Member of the Household—Signature, Printed Name, and Date Family Member #4

Forms → Verification of Employment

AUTHORIZATION: Federal Regulations require us to verify Employment Income of all members of the household applying for participation in the HOME Program which we operate and to reexamine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household. Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed. **WARNING: Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.**

Employer must fill out this page, do not leave any boxes blank – applicant signs release

Employed Since:

Occupation:

Salary:

Effective date of last increase:

Base pay rate:

\$ \$ \$

Average hours/week at base pay rate:

Hours No. weeks Worked/Year

Overtime pay rate:

\$
Hours Expected average number of
hours overtime worked per
week during next 12 months

Any other compensation not included above (specify for
commissions, bonuses, tips, etc.):

For: \$ per

Is pay received for vacation? ☐ (Check for Yes)

If Yes, no. of days per year:

Total base pay earnings for past 12 mos.

Total overtime earnings for past 12 mos.

Probability and expected date of any pay increase:

Does the employee have access to a retirement account?

If Yes, what amount can they get access to:

\$

**RELEASE: I hereby authorize the release of
the requested information.**

(Signature of Applicant)

(Date)

or a copy of the executed "HOME Program
Eligibility Release Form," which authorizes the
release of the information requested, is attached.

Signature of Employer:

or Authorized Representative:

Title:

Telephone

Date:

Forms → Verification of Employment, Page 2

Employer must fill out this page.

AUTHORIZATION: Federal Regulations require us to verify Employment Income of all members of the household applying for participation in the HOME Program which we operate. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.

Expected date of potential pay increase: _____

Amount of pay increase: \$ _____

Signature _____

Date: _____

Telephone: _____

Forms → Assets on Deposit

AUTHORIZATION: Federal Regulations require us to verify Assets on Deposit of all members of the household applying for participation in the HOME Program which we operate and to reexamine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.

Your prompt return of the requested information will be appreciated. A self-

Checking Account No.	Average Monthly Balance for Last 6 Months	Current Interest Rate	
Savings Accounts	Current Balance	Current Interest Rate	
Certificate of Deposit Account No.	Amount	Withdrawal Penalty	Current Interest Rate

addressed return envelope is enclosed.

**RELEASE: I hereby authorize the
release of the requested information.**

(Signature of Applicant)

(Date)

*or a copy of the executed "HOME Program
Eligibility Release Form," which authorizes the
release of the information requested, is attached.*

Signature of:

or Authorized Representative:

Title:

Telephone

Date:

<input type="text"/>	<input type="text"/>	<input type="text"/>
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WARNING: Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.

Forms → Verification of Alimony or Separation Payments

AUTHORIZATION: Federal Regulations require us to verify Alimony and Separation Payments made to all members of the household applying for participation in the HOME Program which we operate and to reexamine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.

Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.

RELEASE: I hereby authorize the release of the requested information.

(Signature of Applicant)

(Date)

or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.

Signature of:

or Authorized Representative:

Title:

Telephone

Date:

Name of Person Paying Alimony or Separation Payments:

Address of Person Paying Alimony or Separation Payments:

Name of person being supported:

Amount of support:

\$

<input type="text"/>	<input type="text"/>	<input type="text"/>
Week	Month	Year

WARNING: Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.

Forms → Verification of Veterans Administration Benefits

AUTHORIZATION: Federal Regulations require us to verify Alimony and Separation Payments made to all members of the household applying for participation in the HOME Program which we operate and to reexamine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.

Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.

RELEASE: I hereby authorize the release of the requested information.

(Signature of Applicant)

(Date)

or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.

Signature of:

or Authorized Representative:

Title:

Telephone

Date:

Name of Veteran

Address

Claim No.:

Date of Birth:

Service Dates:

to

Benefits paid to

1. Current Benefit Amount

2. Original Start Date

3. This amount will increase/decrease to (circle one)\$

Date Change Takes Effect

4. Benefits are for:

☐

G

☐

I

☐

B

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WARNING: Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.

Forms → Pension and Annuities

AUTHORIZATION: Federal Regulations require us to verify Alimony and Separation Payments made to all members of the household applying for participation in the HOME Program which we operate and to reexamine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.

Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.

RELEASE: I hereby authorize the release of the requested information.

(Signature of Applicant)

(Date)

or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.

Signature of:

or Authorized Representative:

Title:

Telephone

Date:

Current monthly gross amount of pension or annuity

Deductions from gross for medical insurance premiums

Date of initial aware

Effective date of current amount

Contributions to company retirement/pension fund

Amount received in a lump sum

Forms → Social Security Benefits

AUTHORIZATION: Federal Regulations require us to verify Alimony and Separation Payments made to all members of the household applying for participation in the HOME Program which we operate and to reexamine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.

Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.

Social Security Data

Date of Birth

Gross monthly Social Security Benefit amount, type of benefit

Gross monthly Supplemental Security Income payment amount (including state supplement), type of benefit

RELEASE: I hereby authorize the release of the requested information.

(Signature of Applicant)

(Date)

or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.

Signature of:

or Authorized Representative:

Title:

Telephone

Date:

Forms → Child Support Benefits

AUTHORIZATION: Federal Regulations require us to verify Alimony and Separation Payments made to all members of the household applying for participation in the HOME Program which we operate and to reexamine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.

Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.

RELEASE: I hereby authorize the release of the requested information.

(Signature of Applicant)

(Date)

or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.

Signature of:

or Authorized Representative:

Title:

Telephone

Date:

Name of Person Paying Child Support

Address of Person Paying Child Support

Support is for ☐ his ☐ her children.

Name(s) of children being supported:

Amount of support:

\$

Week

Month

Year

Forms → Public Assistance Income

AUTHORIZATION: Federal Regulations require us to verify Alimony and Separation Payments made to all members of the household applying for participation in the HOME Program which we operate and to reexamine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.

Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.

RELEASE: I hereby authorize the release of the requested information.

(Signature of Applicant)

(Date)

or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.

Signature of:

or Authorized Representative:

Title:

Telephone

Date:

Public Assistance Data Rate per month

Number in family

Aid to families with Dependent Children

General Assistance

Does this amount include court-awarded support payments?

Amount specifically designated for shelter and utilities

Other assistance

Total Monthly Grant

Other income—Sources:

Maximum allowance for rent and utilities (as-paid States)

Amount of public assistance received during past 12 months

Forms → Unemployment Benefits

AUTHORIZATION: Federal Regulations require us to verify Alimony and Separation Payments made to all members of the household applying for participation in the HOME Program which we operate and to reexamine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.

Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.

RELEASE: I hereby authorize the release of the requested information.

(Signature of Applicant)

(Date)

or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.

Signature of:

or Authorized Representative:

Title:

Telephone

Date:

Are benefits being paid now?

If yes, what is Gross Weekly Payment?

Date of Initial Payment

Duration of Benefits

Is claimant eligible for future benefits?

If yes, how many weeks

If no, what is the termination date of benefits?

(PJ should complete and place in project file)

Date:

Reporting Period:

No. of HOME Units:

Low HOME Rent Units:

High HOME Rent Units

[illegible]

Inspection Checklist

Housing Choice Voucher Program

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0169
(Exp. 07/31/2022)

Public reporting burden for this collection of information is estimated to average 0.50 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number

Assurances of confidentiality are not provided under this collection.

This collection of information is authorized under Section 8 of the U.S. Housing Act of 1937 (42 U.S.C. 1437f). The information is used to determine if a unit meets the housing quality standards of the section 8 rental assistance program.

Privacy Act Statement. The Department of Housing and Urban Development (HUD) is authorized to collect the information required on this form by Section 8 of the U.S. Housing Act of 1937 (42 U.S.C. 1437f). Collection of the name and address of both family and the owner is mandatory. The information is used to determine if a unit meets the housing quality standards of the Section 8 rental assistance program. HUD may disclose this information to Federal, State and local agencies when relevant to civil, criminal, or regulatory investigations and prosecutions. It will not be otherwise disclosed or released outside of HUD, except as permitted or required by law. Failure to provide any of the information may result in delay or rejection of family participation.

Name of Family		Tenant ID Number	Date of Request (mm/dd/yyyy)
Inspector		Neighborhood/Census Tract	Date of Inspection (mm/dd/yyyy)
Type of Inspection Initial <input type="checkbox"/> Special <input type="checkbox"/> Reinspection <input type="checkbox"/>		Date of Last Inspection (mm/dd/yyyy)	PHA
A. General Information			
Inspected Unit		Year Constructed (yyyy)	Housing Type (check as appropriate) <input type="checkbox"/> Single Family Detached <input type="checkbox"/> Duplex or Two Family <input type="checkbox"/> Row House or Town House <input type="checkbox"/> Low Rise: 3, 4 Stories, Including Garden Apartment <input type="checkbox"/> High Rise; 5 or More Stories <input type="checkbox"/> Manufactured Home <input type="checkbox"/> Congregate <input type="checkbox"/> Cooperative <input type="checkbox"/> Independent Group Residence <input type="checkbox"/> Single Room Occupancy <input type="checkbox"/> Shared Housing <input type="checkbox"/> Other
Full Address (including Street, City, County, State, Zip)			
Number of Children in Family Under 6			
Owner			
Name of Owner or Agent Authorized to Lease Unit Inspected		Phone Number	
Address of Owner or Agent			

B. Summary Decision On Unit (To be completed after form has been filled out)

<input type="checkbox"/> Pass <input type="checkbox"/> Fail <input type="checkbox"/> Inconclusive	Number of Bedrooms for Purposes of the FMR or Payment Standard	Number of Sleeping Rooms
---	--	--------------------------

Inspection Checklist

Item No.	1. Living Room	Yes Pass	No Fail	In-Conc.	Comment	Final Approval Date (mm/dd/yyyy)
1.1	Living Room Present					
1.2	Electricity					
1.3	Electrical Hazards					
1.4	Security					
1.5	Window Condition					
1.6	Ceiling Condition					
1.7	Wall Condition					
1.8	Floor Condition					

* Room Codes: 1 = Bedroom or Any Other Room Used for Sleeping (regardless of type of room); 2 = Dining Room or Dining Area;
3 = Second Living Room, Family Room, Den, Playroom, TV Room; 4 = Entrance Halls, Corridors, Halls, Staircases; 5 = Additional Bathroom; 6 = Other

Item No.	1. Living Room (Continued)	Yes Pas	No Fail	In-Conc.	Comment	Final Approval Date (mm/dd/yyyy)
1.9	Lead-Based Paint Are all painted surfaces free of deteriorated paint? If not, do deteriorated surfaces exceed two square feet per room and/or is more than 10% of a component?				Not Applicable	
2. Kitchen						
2.1	Kitchen Area Present					
2.2	Electricity					
2.3	Electrical Hazards					
2.4	Security					
2.5	Window Condition					
2.6	Ceiling Condition					
2.7	Wall Condition					
2.8	Floor Condition					
2.9	Lead-Based Paint Are all painted surfaces free of deteriorated paint? If not, do deteriorated surfaces exceed two square feet per room and/or is more than 10% of a component?				Not Applicable	
2.10	Stove or Range with Oven					
2.11	Refrigerator					
2.12	Sink					
2.13	Space for Storage, Preparation, and Serving of Food					
3. Bathroom						
3.1	Bathroom Present					
3.2	Electricity					
3.3	Electrical Hazards					
3.4	Security					
3.5	Window Condition					
3.6	Ceiling Condition					
3.7	Wall Condition					
3.8	Floor Condition					
3.9	Lead-Based Paint Are all painted surfaces free of deteriorated paint? If not, do deteriorated surfaces exceed two square feet per room and/or is more than 10% of a component?				Not Applicable	
3.10	Flush Toilet in Enclosed Room in Unit					
3.11	Fixed Wash Basin or Lavatory in Unit					
3.12	Tub or Shower in Unit					
3.13	Ventilation					

Item No. 4. Other Rooms Used For Living and Halls	Yes Pass	No Fail	In- Conc.	Comment	Final Approval Date (mm/dd/yyyy)
4.1 Room Code* and Room Location <input type="checkbox"/>	(Circle One) Right/Center/Left	(Circle One) Front/Center/Rear		____ Floor Level	
4.2 Electricity/Illumination					
4.3 Electrical Hazards					
4.4 Security					
4.5 Window Condition					
4.6 Ceiling Condition					
4.7 Wall Condition					
4.8 Floor Condition					
4.9 Lead-Based Paint				<input type="checkbox"/> Not Applicable	
Are all painted surfaces free of deteriorated paint?					
If not, do deteriorated surfaces exceed two square feet per room and/or is more than 10% of a component?					
4.10 Smoke Detectors					
4.1 Room Code* and Room Location <input type="checkbox"/>	(Circle One) Right/Center/Left	(Circle One) Front/Center/Rear		____ Floor Level	
4.2 Electricity/Illumination					
4.3 Electrical Hazards					
4.4 Security					
4.5 Window Condition					
4.6 Ceiling Condition					
4.7 Wall Condition					
4.8 Floor Condition					
4.9 Lead-Based Paint				<input type="checkbox"/> Not Applicable	
Are all painted surfaces free of deteriorated paint?					
If not, do deteriorated surfaces exceed two square feet per room and/or is more than 10% of a component?					
4.10 Smoke Detectors					
4.1 Room Code* and Room Location <input type="checkbox"/>	(Circle One) Right/Center/Left	(Circle One) Front/Center/Rear		____ Floor Level	
4.2 Electricity/Illumination					
4.3 Electrical Hazards					
4.4 Security					
4.5 Window Condition					
4.6 Ceiling Condition					
4.7 Wall Condition					
4.8 Floor Condition					
4.9 Lead-Based Paint				<input type="checkbox"/> Not Applicable	
Are all painted surfaces free of deteriorated paint?					
If not, do deteriorated surfaces exceed two square feet per room and/or is more than 10% of a component?					

Item No.	4. Other Rooms Used For Living and Halls	Yes Pass	No Fail	In-Conc.	Comment	Final Approval Date (mm/dd/yyyy)
4.1	Room Code * and Room Location	(Circle One) Right/Center/Left	(Circle One) Front/Center/Rear		Floor Level	
4.2	Electricity/Illumination					
4.3	Electrical Hazards					
4.4	Security					
4.5	Window Condition					
4.6	Ceiling Condition					
4.7	Wall Condition					
4.8	Floor Condition					
4.9	Lead-Based Paint				Not Applicable	
	Are all painted surfaces free of deteriorated paint?					
	If not, do deteriorated surfaces exceed two square feet per room and/or is more than 10% of a component?					
4.10	Smoke Detectors					
4.1	Room Code* and Room Location	(Circle One) Right/Center/Left	(Circle One) Front/Center/Rear		Floor Level	
4.2	Electricity/Illumination					
4.3	Electrical Hazards					
4.4	Security					
4.5	Window Condition					
4.6	Ceiling Condition					
4.7	Wall Condition					
4.8	Floor Condition					
4.9	Lead-Based Paint				Not Applicable	
	Are all painted surfaces free of deteriorated paint?					
	If not, do deteriorated surfaces exceed two square feet per room and/or is more than 10% of a component?					
4.10	Smoke Detectors					
	5. All Secondary Rooms (Rooms not used for living)					
5.1	None Go to Part 6					
5.2	Security					
5.3	Electrical Hazards					
5.4	Other Potentially Hazardous Features in these Rooms					

Item No.	6. Building Exterior	Yes Pass	No Fail	In - Conc.	Comment	Final Approval Date (mm/dd/yyyy)
6.1	Condition of Foundation					
6.2	Condition of Stairs, Rails, and Porches					
6.3	Condition of Roof/Gutters					
6.4	Condition of Exterior Surfaces					
6.5	Condition of Chimney					
6.6	Lead Paint: Exterior Surfaces Are all painted surfaces free of deteriorated paint? If not, do deteriorated surfaces exceed 20 square feet of total exterior surface area?				Not Applicable	
6.7	Manufactured Home: Tie Downs					
7. Heating and Plumbing						
7.1	Adequacy of Heating Equipment					
7.2	Safety of Heating Equipment					
7.3	Ventilation/Cooling					
7.4	Water Heater					
7.5	Approvable Water Supply					
7.6	Plumbing					
7.7	Sewer Connection					
8. General Health and Safety						
8.1	Access to Unit					
8.2	Fire Exits					
8.3	Evidence of Infestation					
8.4	Garbage and Debris					
8.5	Refuse Disposal					
8.6	Interior Stairs and Common Halls					
8.7	Other Interior Hazards					
8.8	Elevators					
8.9	Interior Air Quality					
8.10	Site and Neighborhood Conditions					
8.11	Lead-Based Paint: Owner's Certification				Not Applicable	

If the owner is required to correct any lead-based paint hazards at the property including deteriorated paint or other hazards identified by a visual assessor, a certified lead-based paint risk assessor, or certified lead-based paint inspector, the PHA must obtain certification that the work has been done in accordance with all applicable requirements of 24 CFR Part 35. The Lead -Based Paint Owner Certification must be received by the PHA before the execution of the HAP contract or within the time period stated by the PHA in the owner HQS violation notice. Receipt of the completed and signed Lead-Based Paint Owner Certification signifies that all HQS lead-based paint requirements have been met and no re-inspection by the HQS inspector is required.

C. Special Amenities (Optional)

This Section is for optional use of the HA. It is designed to collect additional information about other positive features of the unit that may be present. Although the features listed below are not included in the Housing Quality Standards, the tenant and HA may wish to take them into consideration in decisions about renting the unit and the reasonableness of the rent. Check/list any positive features found in relation to the unit.

D. Questions to ask the Tenant (Optional)

1. Living Room

- ☐ High quality floors or wall coverings
- ☐ Working fireplace or stove Balcony, patio, deck, porch Special windows or doors
- ☐ Exceptional size relative to needs of family
- ☐ Other: (Specify)

2. Kitchen

- ☐ Dishwasher
- ☐ Separate freezer
- ☐ Garbage disposal
- ☐ Eating counter/breakfast nook
- ☐ Pantry or abundant shelving or cabinets
- ☐ Double oven/self cleaning oven, microwave
- ☐ Double sink
- ☐ High quality cabinets
- ☐ Abundant counter-top space
- ☐ Modern appliance(s)
- ☐ Exceptional size relative to needs of family
- ☐ Other: (Specify)

3. Other Rooms Used for Living

- ☐ High quality floors or wall coverings
- ☐ Working fireplace or stove Balcony, patio, deck, porch Special windows or doors
- ☐ Exceptional size relative to needs of family
- ☐ Other: (Specify)

4. Bath

- ☐ Special feature shower head
- ☐ Built-in heat lamp
- ☐ Large mirrors
- ☐ Glass door on shower/tub
- ☐ Separate dressing room
- ☐ Double sink or special lavatory
- ☐ Exceptional size relative to needs of family
- ☐ Other: (Specify)

5. Overall Characteristics

- ☐ Storm windows and doors
- ☐ Other forms of weatherization (e.g., insulation, weather stripping) Screen doors or windows
- ☐ Good upkeep of grounds (i.e., site cleanliness, landscaping, condition of lawn)
- ☐ Garage or parking facilities
- ☐ Driveway
- ☐ Large yard
- ☐ Good maintenance of building exterior
- ☐ Other: (Specify)

6. Disabled Accessibility

Unit is accessible to a particular disability. ☐ Yes ☐ No
Disability

1. Does the owner make repairs when asked? Yes ☐ No ☐
2. How many people live there?
3. How much money do you pay to the owner/agent for rent? \$ _____
4. Do you pay for anything else? (specify) _____
5. Who owns the range and refrigerator? (insert O = Owner or T = Tenant) Range _____ Refrigerator _____ Microwave ☐
6. Is there anything else you want to tell us? (specify) Yes ☐ No ☐

E. Inspection Summary/Comments (Optional)

Provide a summary description of each item which resulted in a rating of "Fail" or "Pass with Comments."

Tenant ID Number	Inspector	Date of Inspection (mm/dd/yyyy) Address of Inspected Unit
Type of Inspection	Initial	Special Reinspection

Item Number

Reason for "Fail" or "Pass with Comments" Rating

--

Continued on additional page

Yes

☐

No

☐

HOME INVESTMENT PARTNERSHIPS PROGRAM
ON-SITE INSPECTIONS

Reporting:

Total Units - HOME Units -
High HOME Units -
Low HOME Units -

In Compliance
(Y OR N)

Proper Income definition
Income determined properly
Proper income documentation
Annual gross income correct
Proper rents being charged
Correct utility allowance
Proper number of high and low HOME units

Affirmative Marketing

Adhered to PJ policy and procedures

Tenant Section

Maintains a written tenant selection policy
Followed the written tenant selection policy
Properly determined tenant income eligibility (including reviewing source documentation)
Did not refuse to lease to Section 8 Certificate or voucher holders or households with comparable assistance

Leases

Length = at least one year
Leases do NOT contain the prohibited provisions
(Listed in 92.253)
Termination of tenancy or refusal to renew leases preceded by 30-day notice specifying grounds for such action
Units meet HQS property standards

Comments:

Jim Heim
Community Organization Specialist

sk

FILE: BOILER HOME ONSITE INSPECTIONS

AFFIRMATIVE MARKETING, TENANT SELECTION AND LEASE COMPLIANCE CHECKLIST
(PJ should complete and place in project file)

PROJECT NAME:

DATE:

ADDRESS:

	In Compliance? (Y or N)	Comments
Affirmative Marketing		
<ul style="list-style-type: none"> Adhered to PJ Policy and Procedures 		
Tenant Selection		
<ul style="list-style-type: none"> Maintains a written tenant selection policy. Followed the written tenant selection policy. Properly determined income eligibility (including reviewing source documentation) Did not refuse to lease to Section 8 Voucher holders or households with comparable assistance. If tenant selection is limited to or gives preference to certain subpopulations (such as elderly or disabled persons), this is specified in the owner's written agreement with the PJ. 		
Leases		
<ul style="list-style-type: none"> Must be written Length = at least one year, unless mutually agreed. Leases do <u>NOT</u> contain the prohibited provisions. (listed in 92.253) Termination of tenancy or refusal to renew leases preceded by 30-day notice specifying grounds for such action. 		

Appendix VIII

COUNTY OF UNION
HOME INVESTMENT PARTNERSHIPS PROGRAM
RESIDENTIAL ANTIDISPLACEMENT AND RELOCATION ASSISTANCE PLAN

Background and Scope. This Residential Anti-displacement and Relocation Assistance Plan ("RARAP") is a plan required by federal law that applies to projects funded by the County of Union with HOME program or CDBG program funds (or both). The intent of the plan is to identify steps the County will take by to minimize displacement of people from their homes and neighborhoods as a result of such projects, and to affirm that the County will comply with the requirements for relocation assistance and one-for-one replacement under Section 104(d) of the Housing and Community Development Act of 1974 ("Section 104(d)"). Terms used in the RARAP and defined in 24 CFR Section 42.305 have the meanings set forth in that Section unless the context otherwise requires.

Steps to Minimize Displacement.

The County shall take the following steps to minimize displacement:

- Prior to committing HOME or CDBG funding to a project, there will be an RFP process. If relocation is needed, a comprehensive one (1) page report must be included in the application. The County will collect information on existing structures and occupants to assess the potential impact of the proposed project. Before an application is submitted to the County of Union, General Information Notices (GIN) must be sent to each tenant in the project via certified mail. Ten (10) copies of those GIN notices must be included with the application for HOME funds.
- If any temporary or permanent relocation is contemplated by a project, the County will require the Home subgrantee and CDBG recipient to submit a detailed relocation plan that describes the entire relocation process and its impact on all current occupants. The plan must be sent to the County before funding and must be approved by the County. The County will actively consult with the sponsor in order to minimize displacement. If current tenants must move as part of the construction process, the County will encourage sponsors to provide those who are eligible an opportunity to rent a unit in the new project upon its completion.
- If the County commits HOME or CDBG funds to the project, the County will require that all occupants are provided with appropriate advisory services and relocation assistance as required by Section 104(d) and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended ("URA"). (See below paragraph on Relocation Assistance.)
- For rehabilitation or other projects that require the temporary relocation of residential tenants, the County will encourage project sponsors to minimize the amount of time that tenants are required to relocate from their unit. To the extent feasible, construction should be phased to allow tenants to stay in their units as long as possible.

One-for-One Replacement.

The County shall comply with Section 104(d), as implemented in 24 CFR Section 42.375, which requires one-for-one replacement of all occupied or vacant and occupiable lower-income dwelling units that are demolished or converted to a use other than as lower-income dwelling units in connection with a HOME or CDBG-funded project. Following is a summary of basic requirements of the Act and HUD regulations thereunder.

Replacement Units.

Replacement lower-income dwelling units may be provided by any government agency or private developer and must meet the following requirements:

- The units must be located within the recipient's jurisdiction. To the extent feasible and consistent with other statutory priorities, the units shall be located within the same neighborhood as the units replaced.
- The units must be sufficient in number and size to house no fewer than the number of occupants who could have been housed in the units that are demolished or converted. The number of occupants who could have been housed in units shall be determined in accordance with applicable local housing occupancy codes. The recipient may not replace those units with smaller units (e.g., a 2-bedroom unit with two 1-bedroom units).
- The units must be provided in standard condition. Replacement lower-income dwelling units may include units that have been raised to standard from substandard condition if:
 - No person was displaced from the unit (see definition of "displaced person" in [§ 42.305](#)); and
 - The unit was vacant for at least 3 months before execution of the agreement between the recipient and the property owner.
- The units must initially be made available for occupancy at any time during the period beginning 1 year before the recipient makes the information public and ending 3 years after the commencement of the demolition or rehabilitation related to the conversion.
- The units must be designed to remain lower-income dwelling units for at least 10 years from the date of initial occupancy. Replacement lower-income dwelling units may include, but are not limited to, public housing or existing housing receiving Section 8 project-based assistance.

Public Notice.

Before the recipient enters into a contract committing it to provide funds under programs covered by this subpart for any activity that will directly result in the demolition of lower-income dwelling units or the conversion of lower-income dwelling units to another use, the recipient must make public, and submit in writing to the HUD field office (or State, in the case of a unit of general local government funded by the State), the following information:

- A description of the proposed assisted activity;
- The location on a map and number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than for lower-income dwelling units as a direct result of the assisted activity;
- A time schedule for the commencement and completion of the demolition or conversion;
- The location on a map and the number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units. If such data is not available at the time of the general submission, the submission shall identify the general location on an area map and the approximate number of dwelling units by size, and information identifying the specific location and number of dwelling units by size shall be submitted and disclosed to the public as soon as it is available;
- The source of funding and a time schedule for the provision of replacement dwelling units;
- The basis for concluding that each replacement dwelling unit will remain a lower-income dwelling unit for at least 10 years from the date of initial occupancy; and
- Information demonstrating that any proposed replacement of dwelling units with smaller dwelling units (e.g., a 2-bedroom unit with two 1-bedroom units) is consistent with the needs assessment contained in its HUD-approved consolidated plan. A unit of general local government funded by the State that is not required to submit a consolidated plan to HUD must make public information demonstrating that the proposed replacement is consistent with the housing needs of lower-income households in the jurisdiction.

Relocation Assistance. The County shall ensure provision of relocation assistance in accordance with the requirements of Section 104(d), as implemented in 24 CFR 42.350, for lower-income persons who, in connection with an activity assisted under the CDBG and/or HOME programs, are “displaced persons” as defined in 24 CFR 42.305. A person who is not lower-income, but is a displaced person under URA, as implemented in 49 CFR Part 24, will be provided relocation assistance as required under URA. A lower-income person who is a displaced person may elect to receive assistance under URA in lieu of assistance under Section 104(d). Examples of assistance for displaced persons required by URA include advisory services, payments for moving expenses, and payments to cover the additional costs of renting a comparable dwelling for 42 months, or the equivalent amount to be used towards a down payment. Examples of assistance for displaced persons under Section 104(d) include advisory services, payments for moving expenses, and payments to cover the additional costs of renting a comparable dwelling for 60 months, or the or the equivalent amount to be used towards purchase of housing through a housing cooperative. Tenants who are not displaced but must temporarily relocate shall be reimbursed for out-of-pocket expenses, including moving costs and increases in monthly housing costs.

Appeals. The County will provide a process for persons to appeal decisions concerning their eligibility for and the amount of assistance. The appeals process will follow URA requirements at 49 CFR 24.10. If dissatisfied with the County’s determination with respect to a claim for relocation into comparable replacement housing under Section 104(d), a person may submit a request to HUD to review the determination. The decision of the HUD Secretary shall be final unless a court determines the decision was arbitrary and capricious.

Appendix IX



County of Union, N.J.

Finance Department

Policy and Procedures Manual

Financial Controls and Audit Function

Table of Contents
County of Union
Financial Controls and Audit Function

	<u>Page</u>
Funds Handling & Deposit Procedures.....	1
Petty Cash.....	2-3
Change Fund.....	3
Encumbering Contracts/Commitments.....	4
Drawdown on Existing Purchase Orders.....	4-5
Payment of Moneys.....	5-6
Payments of Advance for Travel Expenses	7
Policies and Procedures for the use of Store Charge Cards/House Account Cards.....	7-8
Special Items of Revenue/Grants.....	8
Privately Owned Vehicle (POV) Mileage Reimbursement Rates.....	9
Access To The Edmunds Financial System.....	9
Edmunds User ID.....	9
Payroll.....	10
Mobile Check Deposit Procedures.....	10
Capital Requests and Spending.....	11
Credit Card Sales/Receipts Handling Policy and Procedures.....	12-13
Finance Contacts.....	14

Supplemental Forms

Statement of Petty Cash.....	S-1
Edmunds Access Authorization Form.....	S-2
Capital Equipment Request Form.....	S-3 – S-4
Capital Project Request Form.....	S-5 – S-7
Credit Card Handling Policy & Procedures Attest Form.....	S-8
Credit Card Authorized Personnel & Devices.....	S-9
Sample Special Item of Revenue/Grant Budget Insertion Request Form.....	S-10

Mileage Reimbursement Request Log	S-11
Purchase Order Requirements.....	S-12
Store charge card/house account card Approval Form.....	S-13
Affidavit for Use of Store charge card/house account card.....	S-14
Affidavit for Prepaid Travel Expenses	S-15

Financial Controls and Audit Function

Funds Handling & Deposit Procedures

Departments, Offices and Agencies of the County of Union shall obtain written permission from the County Manager and the County Treasurer for all locations that receive monies on behalf of the County of Union. Please file requests prior to the commencement of receiving monies in each calendar year. The terms "funds" and "monies" refers to both cash and checks.

1. All moneys received from any source by or on behalf of the County of Union shall within 48 hours after receipt be turned over to the Department of Finance, Division of Treasury.
2. All receipt of funds must be entered in a cash receipt journal.
3. Duplicate Pre-numbered cash receipts shall be utilized. The original receipt shall be issued to the payer. The receipt copy shall be retained by the Department.
4. Departments shall maintain a cashier log including the following information: date of collection, receipt number(s), total amount of funds collected, name of the cash handler, name of the depositor, license/permit number, and the date when funds were remitted to the Department of Finance, Division of Treasury.
5. It is imperative that all receipts are directly traceable to a transmittal and that all transmittals be directly traced to an entry in the cash receipts journal.
6. The Revenue Deposit template, provided by the Department of Finance, Division of Treasury, shall should be placed on Departmental letterhead and accompany each deposit. The template is sent under separate cover.
7. The Department of Finance, Division of Treasury is responsible for depositing all funds received into a GUDPA certified depository within 48 hours as outlined in the County of Union's Cash Management Plan.
8. Departments should utilize the invoicing module in the Edmunds system to assist in collecting and identifying funds due to the County.
9. All funds must be properly secured during and after business hours in a locked cash box, preferably a fireproof safe, to prevent loss. Funds are to be secured on County property. Funds are never to be taken home or stored at a private residence or in a motor vehicle.
10. All cash operations are subject to review by the County of Union's external auditors and the Department of Finance's internal auditors. Reviews may be scheduled or unannounced.
11. **Do not put any cash or checks in the inter-office mail. Please drop off to the Treasury Division in person or by County messenger.**

Petty Cash

Petty Cash is a method to facilitate small claims. It is not an alternative source of funding. **Therefore, petty cash cannot be used to circumvent controls or to pay expenses which are to be paid through the normal accounts payable cycle.** All Petty Cash Funds are established by the Board of County Commissioners subject to approval by the NJ Director of the Division of Local Government Services.

1. Use of petty cash funds must conform to requirements for budgetary sufficiency of funds and all other pertinent County controls.
2. The amount of cash on hand plus expenses not yet reimbursed may not exceed the amount authorized by the Board of County Commissioners.
3. All expenses must be promptly listed on a purchase order and submitted to the Department of Finance, Division of Comptroller for reimbursement. Purchase Orders must include original invoice(s) for documentation to be reimbursed and must be signed by the custodian of the fund.
4. Petty cash must be properly secured during and after business hours in a locked cash box, preferably a fireproof safe, to prevent loss. Funds are to be secured on County property. Funds are never to be taken home or stored at a private residence or in a motor vehicle.
5. The fund must be available during business hours for review by the County of Union's external auditors and the Department of Finance's internal auditors - reviews may be scheduled or unannounced.
6. **The following are examples of disallowed petty cash expenses:**
 - Postage
 - Membership Fees
 - Registration (Seminar/Conference)
 - Meal Allowance
 - Lodging
 - Travel (e.g. Parking, Tolls and Gasoline)
 - Gift Cards
 - Office Parties
 - Holiday Decorations
 - Mileage Reimbursement

Some extraordinary circumstance may occur which may require use of petty cash for the cited disallowable expenses. Custodian must submit a memorandum detailing the extraordinary circumstance, with appropriate back-up, when submitting petty cash reimbursement.

7. No other cash or refunds are to be commingled with petty cash. Refunds of expenses must be forwarded to the Department of Finance, Division of Treasury with indication of the account to which these refunds should be credited.
8. All petty cash expenses must be charged to an appropriate sub account in each Department's Budget. This is to be accomplished by listing the accounts on the Purchase Order submitted to the Department of Finance, Division of Comptroller for reimbursement.

9. All petty cash funds must be closed at year end. At that time all cash in the fund must be remitted to the Finance Department, Division of Treasury. In addition, all expenses must be forwarded to the Department of Finance in Purchase Order form. For any Purchase Order already submitted but unpaid, a photocopy of the purchase order must be forwarded along with the cash. The total of the cash and the Purchase Order must equal the amount of the fund. In addition, a statement must accompany the funds stating the fund is closed and that all funds are accounted for. Copies of this statement will be issued for your use at year end. See the attached Petty Cash Statement Form.
10. Custodians of Petty Cash Funds are designated by resolution of the Board of County Commissioners and are responsible for ensuring that the above procedures are followed.
11. Any changes to the Petty Cash Fund, such as increases, purpose of the fund or change in Custodian must be authorized by resolution and approved by the NJ Director of the Division of Local Government Services.
12. At the end of each calendar year, the Custodians shall return any remaining cash and **process a final close-out Purchase Order**, signed by the Custodian. Additionally, the Custodian needs to sign the Petty Cash Statement form that is submitted at the end of the year.

Change Fund

A Change Fund is established to make change at various County service locations involving cash transactions.

1. Change Funds are NOT to be used for petty cash purposes or reimbursement of expenditures.
2. Change Funds shall not be commingled with revenue collected by or on behalf of the County.
3. Change Funds must be properly secured during and after business hours in a locked cash box, preferably a fireproof safe, to prevent loss. Funds are to be secured on County property. Funds are never to be taken home or stored at a private residence or in a motor vehicle.
4. The fund must be available during business hours for review by the County of Union's external auditors and the Department of Finance's internal auditors - reviews may be scheduled or unannounced.
5. Change Funds must always equal the amount authorized by the Board of County Commissioners.
6. Custodians of Change Funds are designated by resolution of the Board of County Commissioners and are responsible for ensuring that the above procedures are followed.

Encumbering Contracts/Commitments

Encumbering funds appropriated at the time contracts or commitments are authorized ensures that the funds allocated for such purposes are reserved and cannot be used for other charges within that line item.

1. Departments shall encumber amounts appropriated for "Other Expenses" by entering a requisition in the Edmunds Financial System simultaneous to requesting the Board of County Commissioners adopt a resolution approving a contract for goods and services.
2. The requisition number shall be entered into the Financial Impact Section of Minutetraq. Resolution requests not accompanied with the requisition number will not receive a certification of availability of funds.
3. Upon adoption of a resolution by the Board of County Commissioners, a Purchase Order for goods and services can be issued if all approvals are granted on the Departmental level and meets the approval of the Division of Purchasing.
4. EXCEPTION – While operating on a Temporary Budget, Departments shall encumber a pro-rated share of contracts/commitments to reflect the temporary appropriations so authorized in the Edmunds Financial System. Upon adoption of the CY Budget, Departments shall fully encumber the contract/commitment. Please Note: The Financial Impact Section of Minutetraq should always reflect the full contract value.
5. If a purchase or the execution of a contract does not require adoption of a resolution of the Board of County Commissioners, then the individual requesting a purchase shall obtain a duly authorized Purchase Order prior to placing an order for goods and services.
6. Attached for reference is a guide on Purchase Order Requirements; however, please refer to the County's Purchasing Manual for full guidance on purchasing procedures via the UC Employee Intranet: <http://ucnjwebsec:84/index.php/purchasing-manual/>

Drawdown on Existing Purchase Orders

All Departments, Offices and Agencies of County Government shall utilize the Edmunds Financial System to drawdown on Open Purchase Orders instead of submitting typed vouchers. Utilizing the Edmunds Financial System for all purchases insures that the Department Head and the Department of Finance approves of partial drawdowns for additional goods and/or services while simultaneously insuring that adequate balances exist on open Purchase Orders.

Drawdowns from open Purchase Orders can be effectuated by the following process:

1. Log into Edmunds Financial System
2. Go to: **Finance>A/P> Purchase Requisition>Requisition Maintenance**
3. Click **Add**. The next available requisition number will default. Click **Ok**.
4. Complete Vendor, Description and Shipping Information.
5. **P.O. Type:** Menu options are New Blanket or Existing Blanket. Select **Existing Blanket**. Click **Save**.
6. Click **Line Item** on Requisition Maintenance Screen. The Requisition Line Item Maintenance Screen will appear. Enter detailed Line Item Descriptions, Account Number, Unit Price, Quantity and Invoice Sections.
7. All initial quotes/invoices should be attached to the requisition prior to first approval. These attachments should have a unique name to their respective document (i.e. Invoice #123 October 2023 Payment)

Note: Information entered into the Invoice field will appear on Accounts Payable Checks. The above process remains the same for stand-alone Purchases with the exception that the P.O. Type should be left blank for "one time/normal requests."

*** To alleviate potential delays in acquiring goods and services previously authorized under an Open Purchase Order, Department/Divisions may with the approval of their Department Head place the order after entering the requisition in the system and receiving all requisition level approvals. Please Note: This exception only exists for drawdowns on open purchase orders.

Payments of Monies

The Department of Finance processes accounts payable checks weekly. Checks are released only to the payee by mail.

No bill, demand or claim shall be paid unless a detailed statement of the terms or demands is provided, specifying particularly how the bill or demand is made up, as well as a certification of the party claiming payment that it is correct. Nor shall any bill, claim or demand be paid unless the Purchase Order on which it is presented carries a certification of the Head of the Department, Office or Agency, and another, duly designated departmental representative having personal knowledge of the facts that the goods have been received by or the services rendered to, the County.

Departments shall update their list of authorized signatories with the Department of Finance, Division of Comptroller prior to the beginning of each calendar year and as changes in signatories occur.

Prior to forwarding Purchase Orders with corresponding back-up for payment, Departments are responsible for the following:

1. In consultation with the Department of Administrative Services, Division of Purchasing all Purchase Order requirements are met based upon aggregate pricing thresholds. See Attached.
2. Checking pricing on the bill, demand or claim against the authorized Purchase Order to insure same is reflected in the approved contract.
3. Checking the math on the bill, demand or claim to insure totals are accurate.
4. Vendor name and information on the bill, demand or claim corresponds to the information on the Purchase Order.

5. Three signatures appear on the Purchase Order. (All three signatures must be from different individuals):
 - a. Head of the Department, Office or Agency,
 - b. Another duly designated departmental representative, and
 - c. Vendor.
6. A duly authorized Purchase Order preceded an order for goods and/or services.
7. Budget appropriation accounts charged for goods and/or services shall correspond to the budget year in which goods and/or services are required. (i.e. Departments cannot charge a CY22 account for CY23 activity).

Advance payment for goods/services is generally prohibited. An allowable statutory exception exists for advance payment to nonprofit organizations or agencies with which the County enters into a service contract, if the following criteria are met:

1. The source of funds advanced is a Federal grant allowing the County to receive funds in advance of disbursement and requiring that any interest earned on said funds shall be returned to the Federal Government.
2. The Board of County Commissioners adopts a resolution authorizing the advance and that the purpose of the advance is to meet service program start-up costs and prevent an undue hardship to the nonprofit organization or agency in achieving the objectives of the Federal grant.
3. The amount of the advance to any given nonprofit organization or agency does not exceed an amount equal to the total amount of the contract with the nonprofit divided by the number of months in the term of the contract. Further, the total disbursements including the amount of the advance outstanding shall not at any time exceed the total cash receipts of the County under the Federal grant up to that time.
4. The resolution authorizing the advance includes a schedule for the depletion of the advance and indicates that the advance will be entirely depleted by the termination date of the contract.

The use of gift cards and prepaid cards for the payment of goods/services at a later date is prohibited.

County funds are to be expended for purposes essential to transacting official County business. As such, reimbursement or expenditure of public funds for departmental/division holiday luncheons or dinners is not permitted.

The aforementioned does not prohibit reimbursement for the cost of an official luncheon or dinner for which an employee is given authorization by the Department Head, via EPECs, when such a meal is scheduled as part of an official proceeding or program related to County business and the employee's responsibilities.

Payment of Advance for Travel Expenses

All payment of advance travel expenses will be made directly to the vendor via purchase orders only. EPEC forms must be attached to the purchase order. Purchase orders will not be processed for payment if properly completed EPEC forms are not attached it.

The payment of advance travel expenses are limited to the following:

- Conference, seminar and webinar registrations
- Hotel reservations
- Airfare and train fare reservations

Each department will designate an employee who will be responsible for the verification and adjustment of advances payments made for officers/employees in that department. That designated employee must obtain the following from the officers/employees within 10 days after the completion of the travel for which an advance was made, and forward a copy of same to the Division of Comptroller:

- Detailed bill of items
- Affidavit from the officers/employees (see page S-15 of this manual).

The Department of Finance has a Notary available if needed.

Policies and Procedures for the use of Store Charge Card/House Account Cards

A store charge card/house account card means an account, linked to a store charge card/house account card issued by a specific vendor, for which goods and services may be charged and that must be paid when a statement/invoice is issued. The store charge card/house account card issued by a specific vendor can only be utilized for the goods provided by said vendor and may be regulated by certain restrictions.

Store charge card/house account cards are a method to facilitate small claims and are not an alternative source of funding. Therefore, store charge card/house account cards cannot be used to circumvent controls or to pay expenses which are to be paid through the normal accounts payable cycle.

A maximum of 2 cards per account may be utilized per account. One card must be held by the Department/Division head and one card by an employee designated by the Department/Division Head. These store charge card/house account cards are non-transferable to any other employees.

The use of a store charge card/house account card is subject to approval by the Department of Finance. Requests submitted to the Finance Department shall include the following:

- Reason for the use of a store charge card/house account card
- Name of the vendor issuing the store charge card/house account card
- The type of purchase that will be made (for County related purposes only). The collective store charge card/house account card limit being requested on all the store charge card/house account cards that will be issued **shall not exceed \$2,000.**
- Names of the employees who will be issued a store charge card/house account card **(Max 2 issued)**
- Name of the store charge card/house account card Department/Division heads who will monitor the use the store charge card/house account cards, (Department/Division Head Monitor)
- Store charge card/house account cards can only be used for official County of Union business. **The personal use of a store charge card/house account card is not allowed.**

The following store charge card/house account card procedures must be followed by departments permitted to use store charge card/house account cards:

- Provide to the Department of Finance the original signed vendor store charge card/house account card approval documentation. The department will also provide copies, (both front & back), of the store charge card/house account cards issued to the department's employees.
- Provide to the Department of Finance signed affidavits from employees issued store charge card/house account cards acknowledging that they understand the store charge card/house account card procedures and that they are responsible for all transactions which occur on the store charge card/house account card issued to them.
- Create an open Purchase Order encumbering the allowed/approved collective store charge card/house account card limit amount. Drawdowns will be made against the open Purchase Order for statements/invoices submitted by the vendor. A new open Purchase Order encumbering the same amount will be created after the existing open Purchase Order has been fully drawn down.
- Employees assigned store charge card/house account cards must obtain written pre-approval, (e.g. via email), from the Department/Division Head Monitor, prior to making a purchase. A copy of written approval must also be sent to Jason Shanley in the Department of Finance.
- All purchases should generate an immediate email to the Department/Division head.
- Receipts generated from the purchase transaction must be provided to the store charge card/house account card Department/Division Head Monitor. The store charge card/house account card Department/Division Head Monitor will obtain statements/invoices from the vendor.
- The store charge card/house account cards Department/Division Head Monitor will reconcile the receipts to the vendor statements/invoices. Both items will be initialed and dated by the Department/Division Head Monitor for approval.
- A drawdown Purchase Order will be generated for the approved receipts and invoices. After all the receipts and invoices have been attached to the drawdown Purchase Order, authorized signatures must be obtained. The complete drawdown Purchase Order package will be submitted to the Department of Finance – Accounts Payable for review and payment.
- All outstanding balances must be paid in full each month.

Special Items of Revenue/Grants

Prior to including Special Items of Revenue/Grants in the Budget and forwarding same to the Division of Local Government Services (through the Temporary Budget, Amendment to the Temporary Budget, Budget Adoption or Chapter 159), Departments shall complete a Special Item of Revenue/Grant Budget Insertion Request Form on the UC Grants program to insure uniform information is obtained and maintained for Audit purposes. Please refer to the attached Special Item of Revenue/Grant Budget Insertion Request Form as a guide to the information to be recorded on the program.

In the process of administering grant programs, Departments are reminded of the following:

1. Fiscal reports should reflect reconciled costs which compare salary allocations to actual time spent on grant activities. A standard percentage of an employee's salary cannot be used to allocate costs.
2. Reconciled time sheets must be filed monthly with the Department of Finance, Division of Reimbursement.
3. All fiscal reports filed with a State/Federal Agency for reimbursement must also be filed simultaneously with the Department of Finance, Division of Reimbursement for auditing purposes.
4. The Department of Finance, Division of Reimbursement must be notified of employees charged to a grant whose personal leave is greater than 5 or more consecutive business days. The salary allocation may need to be adjusted to stay compliant with State/Federal guidelines.

Privately Owned Vehicle (POV) Mileage Reimbursement Rates

The IRS has adjusted all POV mileage reimbursement rates effective January 1, 2023. If use of a privately owned vehicle is authorized and if no County owned vehicle is available, the rate per mile reimbursed is \$0.655 or as detailed in each applicable collective bargaining agreement.

Employees must calculate reimbursable mileage based on the shortest and most cost-effective route between two destinations. This is the case even if the employee chooses another route. Commuting to and from work is not reimbursable. This is considered commuter mileage rather than business mileage.

The only two destinations should be the office site where the employee is regularly assigned and the temporary work related destination site. If an employee travels from home to the temporary work related destination site, reimbursement shall be on the basis of total travel costs from home to the temporary work related destination site or from the office site to the temporary work related destination site, whichever is less.

To receive mileage reimbursement, employees must maintain a log of their business miles, and a copy of this information must be supplied to their Department. The log must include the date of the trip, the mileage driven and the reason for the travel. See the attached Mileage Reimbursement Request Log.

Original receipts of tolls paid during business travel must accompany the log and shall serve as back-up to Purchase Orders.

Employees will receive reimbursement for miles traveled and tolls only when the business travel was approved in advance by their Department Director and no County owned vehicle was available for use.

Mileage reimbursements for the year 2023 must be submitted before year end. Any mileage reimbursements submitted in year 2024 for travel that occurred in 2023 will not be approved for reimbursement.

Access to the Edmunds Financial System

Departments, Offices and Agencies of County Government are asked to complete the Access/Authorization to Edmunds Financial System Form to insure that only authorized users have access to the financial system. Please complete the Edmunds Financial System Access Form for each authorized user and return to the Department of Finance Attention: Linda Ferraro. Current users not authorized by the Head of their Department, Office or Agency will cease to have access to Edmunds. See the attached Access/Authorization to Edmunds Financial System Form.

User ID for Edmunds Financial System

The Edmunds Financial System User ID assigned to an employee can only be used by that employee. Using another employees User ID to create or approve Requisitions is not permitted.

Payroll Processing

Payroll is processed on a semi monthly basis on the 15th and 30th of each month. Time is gathered at department level week by week.

Payroll Liaisons have access to Primepoint where they can create worksheets as well as view and check reports for their departments only.

Payroll Liaisons process the employees time using one of 2 methods:

1. Primepoint Grids: Primepoint worksheets have all the pay categories necessary, and the payroll Liaison can enter all the employee hours or amounts into their department worksheet. This applies to County of Union salaried employees.
2. Time clock external file import: Jail, Sheriff's and Hospital have time clocks. These time clocks prepare a file that is placed into a designated network file. The payroll Supervisor imports the file into Primepoint. This applies to County of Union hourly employees.

Once all the time is on worksheets and time imports are complete the Payroll Department will process a preliminary payroll.

Primepoint users can extract Primepoint Reports to review payroll.

Preliminary payrolls can be run as many times as possible until payroll is as error proof as possible.

After the final payroll is processed all departments can run their own payroll reports to view it.

The Finance Department receives checks and direct deposit stubs via FedEx the next day after the final run is processed. These checks are counted, sorted and distributed to the County's payroll liaisons. The payroll liaisons will distribute the checks to the employees in their department.

Mobile Check Deposit Procedures

Employees are recommended to use the following guidelines when depositing paychecks via mobile deposit APP:

1. Upon scanning and completing a mobile deposit, write "electronically presented on (date)" across the top of the check to protect against duplicate deposits.
2. Securely store the check for 30 days after it has been posted to your account. After 30 days, you can consider the check to be void and securely destroy it.

Should a payee attempt to physically deposit a check that has already been deposited electronically, the payee will be responsible for reimbursing the financial institution or check cashing store for the duplicate presentment of the check.

Capital Requests and Spending

Capital requests are submitted to the Department of Finance beginning each Fall of every calendar year for the next calendar year during the annual budget process.

Capital requests should be items that have a useful life of at least five years. Some examples are:

- Road resurfacing
- Computers/technology equipment
- Furniture and Equipment
- Infrastructure improvements
- SUV's and trucks (passenger cars and station wagons are not considered capital)
- Environmental remediation that is part of a larger capital project (i.e. remediation on the removal of underground tanks). However, a sample air test in a building just for the sake of testing is not considered a long-term capital project. This would be a short term test (sample) and would not be permissible to charge capital funds for this purpose.

When using capital funds for a purchase, a capital request form should be submitted to the County Manager's office for approval prior to a requisition becoming a purchase order. Once the Department has the authorization form signed, it should be attached to requisitions in the financial system so that Finance can review for determining account usage. Once reviewed, Finance will give 1st approval if the proposed capital account matches the purpose of the purchase and there is sufficiency of funds. The requesting Department and Purchasing will complete 2nd and 3rd approvals respectively.

Please note: if a capital account was adopted with an ordinance description for computers, you cannot use this account to buy any other type of item (i.e. fencing, roof repairs, etc.)

Although the Capital Budget is included with the County's annual adopted budget, the capital accounts and budget do not become effective until a Capital ordinance is adopted sometime after the annual County Budget.

Finance will assign account numbers for new capital accounts and distribute to the respective departments once the ordinance takes effect (usually 20 days after the adoption date).

County of Union
Credit Card Sales/Receipts Handling Procedures

1. Purpose

This policy sets forth requirements to be followed by employees and provides guidance for compliance with industry standards for credit card processing.

2. Policy Statement

The establishment of control measures for credit card sales/receipts transactions is necessary to maintain proper security over credit cardholder information. The Division of the Treasurer requires each location (i.e. Constitutional office, Department or Division) be approved and set up as a credit card processing merchant with the ability to use each method of processing credit transactions.

3. Requirements for Credit Card Processing Include the Following:

- Finance, County Counsel and Purchasing approval before entering into any contracts or purchases of credit card processing software and/or equipment. This requirement applies regardless of the transaction method or technology used (i.e. e-commerce or point-of-sale device).
- Comply with procedures for safeguarding cardholder information and secure storage of data. This pertains to ALL transactions (over the counter or online).
- Complete an annual security self-assessment questionnaire provided by Security Metrics or a comparable merchant data security and compliance company.
- Compliance with Payment Card Industry (PCI) Data Security Standards.

4. Who Should Know This Policy

Any management with responsibilities for utilizing Union County credit card transactions, and those employees who are entrusted with handling credit cards and credit card information must be familiar with, understand, and comply with this policy.

5. Responsibilities of the Department of Finance – Division of Treasurer

- Review and approve the establishment of new department (or additional) credit card accounts and/or processors.
- Administer the process of obtaining new Merchant I.D. numbers.
- Conduct periodic reviews of existing departments regarding safeguarding and storage of cardholder information.
- Collaborate with the Division of Information Technology to complete the annual security self-assessment questionnaire.

6. Responsibilities of Departments and Offices using Credit Card Sales

Departments and Constitutional Offices submit a request to establish credit card accounts with an approved merchant service provider. Credit Card Handling Supervisor (Management) ensures the following standards are maintained:

- Keep secure and confidential all cardholder information. Credit card receipts should typically be treated the same as you would treat cash.
- Ensure the Department/Constitutional office does not store or retain credit card numbers after processing.

- Ensure credit card transactions are only conducted on secure computers or other authorized devices. A quarterly scan will be conducted by Security Metrics to ensure the network is non-compromised.
- Sensitive cardholder data (i.e. full account number, type, expiration, and track (CVC2/CVV2) data, CANNOT be stored in any fashion (paper, computers or networks, etc.).
- Credit card numbers must NOT be transmitted in an unsecure manner, such as by e-mail, fax or traditional mail.
- Credit card receipts should be kept in secure environments such as locked drawers, file cabinets in locked offices, locked storage facilities, and safes.

7. Restrict Access to Credit Card Data and Processing to Appropriate and Authorized Personnel

- Maintain an updated list of authorized credit card processing personnel, authorized computers or other media (wireless hand held units, third party gateways, etc.)
- Establish appropriate segregation of duties between credit card processing, the processing of refunds, and the reconciliation function.
- Perform an annual self-assessment to ensure compliance with this policy and associated procedures and report results to the Division of Treasury.

8. Accounting for Sales/Receipts Transactions

The daily sales settle electronically into the appropriate bank account, usually within 48 hours. It is the responsibility of the Department/Constitutional Office to close out credit card batches daily.

It is the Department's responsibility, in cooperation with Finance, to reconcile the settlement amount in the general ledger account to the credit card receipts on a regular basis, but no less than monthly.

Each Department receives a monthly statement directly from the merchant service provider. These statements provide a listing of each batch submitted for reconciliation purposes. It is each Department's responsibility to verify that this information is correct. If the Department is not receiving such statements, please contact the Division of the Treasurer.

9. Additional Information

Fees – each transaction is subject to interchange, discount and per item fees charged by Visa, MasterCard, Discover and American Express. Additional fees may be assessed by the authorized merchant service provider based on the RFP process. Examples include monthly maintenance fees and chargeback fees.

Merchant Service Provider – The current processing provider for the County of Union is TD Merchant Services (First Data). See Resolution #940-2015 adopted December 3, 2015.

CODE 10/Fraud – Should personnel suspect credit card fraud from a customer, the Code 10 phone number to call is 800-228-1122 option 4. Personnel should simply say they have a Code 10.

Department of Finance Contacts

Please contact the following areas/individuals for the following matters:

Payments to Vendors, EPECS, Drawdowns, Edmunds Financial System – Office of the Comptroller

Jason Shanley, Division of the Comptroller Director – 908-527-4051

Ryan Kuber, Fiscal Analyst – 908-527-4000 ext. 2408

Grants – Division of Reimbursement

Cathy Campanella, Division of Reimbursement Director – 908-527-4829

Deposits, Petty Cash, Change Funds, Banking, Credit Card Processing matters, Capital/Debt Service

Julie Origliato, Division of the Treasurer Director – 908-527-4075

Payroll

Lily Duran, Payroll Supervisor – 908-527-4088

Pensions

Jane Samsel, Pension Administrator – 908-527-4058

Almerinda Henriques – 908-527-4000 ext. 2420

Trust Accounts

Laurie Caternicchio – 908-527-4827 or Elizabeth Olivari– ext. 2417

Capital Accounts

John Dziedzic, Division of Internal Audit Director – 908-527-4818

Operating Accounts, CDBG and Open Space

Jason Shanley, Division of the Comptroller Director – 908-527-4051

Edmunds Training

Ryan Kuber – 908-527-4000 ext. 2408



**PETTY CASH STATEMENT AS OF
DECEMBER _____**

1. Cash remitted to the Department of Finance, Division of Treasury:

--

TOTAL CASH \$ _____

2. Original vouchers or purchase orders remitted:

--

TOTAL ORIGINAL PURCHASE ORDER \$ _____

3. Purchase Order(s) previously submitted but not yet paid:

--

TOTAL PURCHASE ORDER(S) PREVIOUSLY SUBMITTED \$ _____

4. TOTAL (Must Equal the Petty Cash Authorized by Resolution): \$ _____

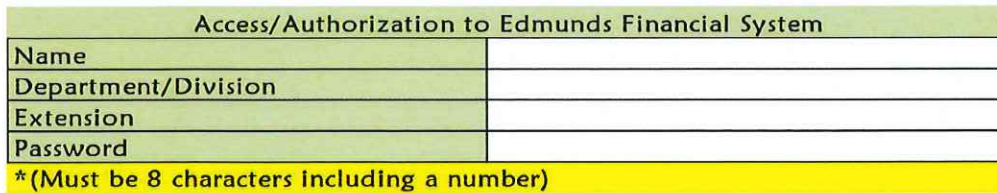
I, _____, hereby certify the above statement is correct to the best of my knowledge and belief and that the above mentioned account is closed for the year _____.

Signature of Custodian

Date:

DEPARTMENT:

DIVISION:



Accounts	
OE	<input type="checkbox"/>
Salary & Wages	<input type="checkbox"/>

[illegible]

Approved By (Department Head/Division Head or Supervisor Approval)
(Finance Only)
Approved By

Date

Date



CAPITAL EQUIPMENT REQUEST FORM

DEPARTMENT:

DIVISION:

CONTACT PERSON:

I. Background

Equipment Name:

Priority: ☐ Urgent ☐ Necessary ☐ Desirable

Purpose:

Are there existing Capital Accounts w/ balances that have the same purpose/description as the requested equipment? ☐ Yes ☐ No

If Yes, please list all Capital Account(s) w/ Available Balances w/ Similar Description:

What is the long term benefit of this investment?

What are the alternatives to this investment?

Estimated Expected Life:

Is this a replacement request?

If yes, how will the existing capital item be disposed/utilized?

When was the existing item purchased? What is its condition?

How many more years can the item last?

Does the Department have similar equipment? If yes, how many?

Will this equipment acquisition affect the County operating budget? (i.e. maintenance after warranty, increase revenue/decrease costs/increase staffing, utilities, etc.)

Expenditure by Fiscal Year:

2023	\$	2024	\$	2025	\$
2026	\$	2027	\$	2028	\$

1. Has this equipment acquisition been included in prior year's adopted capital budget?
 - a. If yes, what year?
2. Was a bond ordinance adopted for this equipment acquisition in prior years?
 - a. If so, what ordinance #
3. How was the cost of acquisition calculated?

II. Estimated Costs:

- a) Equipment \$
- b) Furniture \$
- c) Miscellaneous \$

Total Estimated Equipment Costs \$_____

III. Funding Source:

TOTAL CIP REQUEST	GRANTS (Source)	DEBT ISSUANCE	DOWN PAYMENT	OTHER
\$	\$	\$	\$	\$
\$	\$	\$	\$	\$
\$	\$	\$	\$	\$

Where grant funds approved/received?

If so, provide account number:

IV. Status of Plans and Specifications: (Check All That Apply)

- Nothing done except this report (☐)
- Preliminary estimates received (☐)
- Detail specifications completed (☐)



CAPITAL PROJECT REQUEST FORM

DEPARTMENT:

DIVISION:

CONTACT PERSON:

PROJECT NAME:

PRIORITY: (☐) Urgent (☐) Necessary (☐) Desirable

I. Background

Purpose:

Are there existing Capital Accounts w/ balances that have the same purpose/description as the requested equipment? (☐) Yes (☐) No

If Yes, please list all Capital Account(s) w/ Available Balances w/ Similar Description:

What is the long term benefit of this investment?

What are the alternatives to this investment?

Will this capital project affect the County operating budget? (i.e. increase revenue/decrease costs/increase staffing or utilities)

Project Expenditure by Fiscal Year:

2023	\$	2024	\$	2025	\$
2026	\$	2027	\$	2028	\$

1. Has this project been included in any year's previously adopted capital budget? If yes, what year?
2. Was a bond ordinance adopted for this project in prior years? If so, what ordinance #
3. Were any bonded dollars expended for this project? If so, how much?
4. If bonded dollars have been used, how much of this project has been completed?
5. How many dollars remain unspent in the adopted bond?
6. Have any funds outside of bonding been spent on this project to date?
 - a. If so, how much?
 - b. What was the source of these funds?
7. How has the costs of this project been calculated?
8. Is the project recommended in another report? If so, attach a copy of the report/page.

II. Estimated Costs:

Section 20 - Planning Phase (Not to Exceed 3% of Project Cost):

- | | |
|--|----|
| A. Planning Scheduling Fees | \$ |
| B. Architectural Fees | \$ |
| C. Engineering (Drawings/Specifications) | \$ |
| D. Supervision/Inspection Fees | \$ |
| E. Bond Counsel/Auditor Fees | \$ |
| (See Finance for Bond Counsel/Auditor Fees.) | |

Total Section 20 Fees: \$

Acquisition of Land or Structure:

What is being purchased?

Address & Block/Lot:

Estimated Acquisition Costs \$

Implementation Phase:

Estimated Construction Fees \$

Estimated Total Project Costs \$

III. Funding Source:

TOTAL CIP REQUEST	GRANTS (Source)	DEBT ISSUANCE	DOWN PAYMENT	OTHER
\$	\$	\$	\$	\$
\$	\$	\$	\$	\$
\$	\$	\$	\$	\$

Where grant funds approved/received?

If so, provide account number:

IV. Status of Plans and Specifications: (Check All That Apply)

Design plans not needed (☐)

Nothing done except this report (☐)

Preliminary estimates received (☐)

Survey Completed (☐)

Work on Plans scheduled (☐)

Sketch plans in preparation (☐)

Sketch plans completed (☐)

Detail plans in preparation (☐)

Detail plans/specs completed (☐)

County of Union
Credit Card Handling Policy and Procedures Attest Form

By signing this form I acknowledge that I have been provided and read fully a copy of *County of Union – Credit Card Handling Policy and Procedures*, as well as attest to the following:

- 1.) Ensuring credit card numbers are not stored or retained after processing.
- 2.) Ensure credit card transactions are only conducted on secure computers or other authorized devices.
- 3.) No sensitive cardholder data (i.e. full account number, type, expiration, and track (CVC2/CVV2) data) is stored in any fashion.
- 4.) Credit card numbers are not transmitted in an unsecure manner, such as by e-mail, fax or traditional mail.
- 5.) Credit card receipts are kept in secure environments such as locked drawers, file cabinets in locked offices, locked storage facilities and safes.
- 6.) An updated list of authorized credit card processing personnel, authorized computers or other media (wireless hand held units, third party gateways, etc.) is kept on site.
- 7.) An annual self-assessment is performed to ensure compliance with this policy and associated procedures and results are reported to the Division of Treasury.

If any information is unclear, or if you have additional questions or concerns, please contact the Finance Department-Division of the Treasurer at (908)527-4075.

Print Name

Signature

Date

County of Union
Credit Card Authorized Personnel & Devices

Department: _____

Personnel Authorized for Credit Card Processing

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Authorized Devices used for Credit Card Processing

Model _____	Serial # _____
Model _____	Serial # _____
Model _____	Serial # _____
Model _____	Serial # _____

Third Party Gateways used for Credit Card Processing (e.g. – Plug N Pay, Authorize.net)

_____	_____
_____	_____
_____	_____
_____	_____



**SPECIAL ITEM OF REVENUE/GRANT
BUDGET INSERTION REQUEST FORM**

DEPARTMENT:

DIVISION:

CONTACT PERSON:

TELEPHONE:

GRANT NAME:

STATE/FEDERAL AGENCY:

GRANT PERIOD:

GRANT AWARD: \$

GRANT NUMBER:

CFDA#

MATCHING FUNDS: (☐) In Kind

(☐) Cash

MATCHING FUNDS: \$

FUNDING: (☐) New (☐) Renewal

(☐) Supplemental

PRIOR YEAR AWARD: \$

FISCAL REPORTING: (☐) Monthly (☐) Quarterly

BUDGET SUMMARY: Salary & Wage: \$

Other Expenses: \$

GRANT PURPOSE:

COUNTY PROGRAM/SERVICE SUPPORTED BY GRANT FUNDS:

REMINDER: Fiscal reports should reflect reconciled costs between salary allocations to actual time spent on grant activities. All fiscal reports filled with a State/Federal Agency for reimbursement must also be filed simultaneously with the Department of Finance, Division of Reimbursement for auditing purposes.

NOTE: This information should be inputted in the UC Grants X Drive program and the complete grant award notice should be submitted as an attachment in the documents screen in the program.



MILEAGE REIMBURSEMENT REQUEST LOG

EMPLOYEE NAME:

TELEPHONE:
DIVISION:

DATE SUBMITTED:

DATE	FULL WORK SITE ADDRESS	FULL DESTINATION ADDRESS	TOLLS	MILES	PURPOSE OF TRIP (Please state One-way or Round-Trip)
SUBTOTAL TOLLS		\$0.00		\$0.00	
		SUBTOTAL MILEAGE x \$0.655 per mile		\$0.00	
TOTAL REQUESTED REIMBURSEMENT:		\$0.00			

I, [Insert Name], certify that the above information is correct and that the mileage incurred was in the performance of my official duties, as required by my position. I further certify that a County pool vehicle was not available for use.

Date: _____

SIGNATURE: _____



PURCHASE ORDER REQUIREMENTS

CONTRACT/PURCHASE ORDER THRESHOLDS (AGGREGATE)	AFFIRMATIVE ACTION EVIDENCE (AA)	BUSINESS REGISTRATION CERTIFICATE (BRC)	CHAPTER 271 PCD (PAY TO PLAY) (271)
Up to \$ 6,000	No	No	No
\$ 6,000 - \$17,499	No	YES	No
\$17,500 - \$43,999	No	YES	YES
*\$44,000 – and over	YES	YES	YES

Affirmative Action Evidence Exemptions	Business Registration Certificate Exemptions	Chapter 271 (PCD) Exemptions
<ul style="list-style-type: none"> Contracting Units Subject to Title 40A:11 State of New Jersey Contract Purchases Other contracting units, eg. County College and local authorities, boards, etc. 	<ul style="list-style-type: none"> Contracting Units Subject to Title 40A:11 State of New Jersey Contract Purchases Boards of Education including Educational Services Commissions Other contracting units, eg. County & State Colleges and local authorities, boards, etc. Non-profit Organizations <p>Exempt Situations</p> <ul style="list-style-type: none"> Emergency Purchases – No payment unless BRC is on file. Employee settlements paid to attorneys; Establishments that are out of state & business being conducted takes place out of state, eg. Hotels, band camps, seminars, theatres, etc. 	<ul style="list-style-type: none"> Contracting Units Subject to Title 40A:11 State of New Jersey Contract Purchases Other contracting units, eg. County College and local authorities, boards, etc. Contract Renewals Non-Profit Organizations Public Utilities, e.g. PSE&G <p>Exempt Situations</p> <ul style="list-style-type: none"> Emergency purchases; Litigation payments to parties through court order.

*Based upon a QPA \$44,000 Bid Threshold

Store charge card/house account card Approval Form

1. **Reason for the use of a Store charge card/house account card:**

2. **Name of the vendor issuing the Store charge card/house account card:**

3. **Names of the employees who will be issued a Store charge card/house account card (Max 2 issued)**

Dept/Div Head: _____

Employee: _____

4. **Name of the store charge card/house account card Department/Division Heads who will monitor the use the**
Store charge card/house account card.

Dept/Div Head: _____

Approved by

Department of Finance	Date

County of Union Affidavit

For the use of Store Charge Card/House Account Cards

State of New Jersey

County of Union

I, _____, from the Department of _____ being duly sworn on his/her oath, says that he/she shall only use the store charge card/house account card issued to me for official County of Union Business.

Date

Signature

Printed Name

Subscribed and sworn to before me this _____ day of, _____, 2023.

Signature of Notary

County of Union Affidavit

For the Payment of Advances Travel Expenses

State of New Jersey

County of Union

I, _____, from the Department of _____ being duly sworn on his/her oath, says that he/she confirms that the advance payments associated County of Union purchase order # _____, paid on _____ with check # _____ was incurred. Also, detailed documentation of actual expenses incurred was provided within 10 days after the completion of the travel, for which the advance was made.

Date

Signature

Printed Name

Subscribed and sworn to before me this _____ day of, _____, 2023.

Signature of Notary

OFFICE OF THE COUNTY MANAGER

RULES FOR EMPLOYEE PERSONAL EXPENSE CLAIM (EPEC)

The purpose and intent of these rules are to define and outline procedures regarding attendance at events by County of Union (County) employees strictly for the purpose of improving the skill set of their specific work duties through education. Further, these rules have been redefined to include **any time** an employee is out of the office. All EPECs must contain a requisition number(s). After all approval signatures are obtained and proper documentation provided, these requisitions will be converted into purchase orders.

For circumstances when employees are out of the office on a regular basis, a "blanket" EPEC shall be approved every January, and a requisition must be created to encumber the estimated funds needed for the year. Once the requisition becomes a blanket purchase order, drawdowns shall be made against them. Properly completed EPEC and EPEC-related forms must be attached to each purchase order or drawdown.

1. Authorization to use County time to attend any conference, training/seminar, webinar, etc., **MUST** be approved by the County Manager in advance at least two weeks prior to the event. Any and all dollar costs must also be addressed and authorized.

NOTE: NO RETROACTIVE EPECS WILL BE ACCEPTED. ANY UNAUTHORIZED EXPENSES WILL BE PAID BY THE EMPLOYEE.

EPEC forms, for the attendance of any conferences, conventions, seminars, training sessions, workshops, meeting of professional associations, webinar, and/or similar events, must include detailed written justification approved by the Department Head explaining the purpose for attending the conference or training seminar, and must be submitted in advance of any arrangements being made. Also, a post conference report must be attached to the purchase order/EPEC package requesting reimbursement. See the attached EPEC checklist for full instructions.

EPEC forms for mileage and travel reimbursements, and for employees out of the office on a regular basis for the purpose of conducting various County business as part of their employment responsibilities, do not need to provide detailed written justifications or post conference reports. However, requisitions must be created at the beginning of the year encumbering the estimated mileage and travel reimbursement funds needed for the year. Once all approval signatures are obtained, these requisitions will become blanket purchase orders and actual expenses will be drawn down against these blanket purchase orders using the draw down process.

Financial Management Policy

Special Items of Revenue/Grants

Prior to including Special Items of Revenue/Grants in the Budget and forwarding same to the Division of Local Government Services (through the Temporary Budget, Amendment to the Temporary Budget, Budget Adoption or Chapter 159), Departments shall complete a Special Item of Revenue/Grant Budget Insertion Request Form on the UC Grants program to insure uniform information is obtained and maintained for Audit purposes. Please refer to the attached Special Item of Revenue/Grant Budget Insertion Request Form as a guide to the information to be recorded on the program.

In the process of administering grant programs, Departments are reminded of the following:

1. Fiscal reports should reflect reconciled costs which compare salary allocations to actual time spent on grant activities. A standard percentage of an employee's salary cannot be used to allocate costs.
2. Reconciled time sheets must be filed monthly with the Department of Finance, Division of Reimbursement.
3. All fiscal reports filed with a State/Federal Agency for reimbursement must also be filed simultaneously with the Department of Finance, Division of Reimbursement for auditing purposes.
4. The Department of Finance, Division of Reimbursement must be notified of employees charged to a grant whose personal leave is greater than 5 or more consecutive business days. The salary allocation may need to be adjusted to stay compliant with State/Federal guidelines.

Internal/Resolution Process

RFP Process

Current Mileage rate for 2023

- [1] The 2023 mileage reimbursement rate is \$0.655 per mile.**
- [2] The 2023 per diem rate for meals when overnight travel is required is limited to \$59.00.**
- [3] The 2023 per diem for meals when attending same day work-related functions and meetings that take place during normal County work hours is limited to \$13.00 for breakfast and \$15.00 for lunch.**

All EPEC forms must be properly completed.

OFFICE OF THE COUNTY MANAGER

RULES FOR EMPLOYEE PERSONAL EXPENSE CLAIM (EPEC)

The purpose and intent of these rules are to define and outline procedures regarding attendance at events by County of Union (County) employees strictly for the purpose of improving the skill set of their specific work duties through education. Further, these rules have been redefined to include any time an employee is out of the office. All EPECs must contain a requisition number(s). After all approval signatures are obtained and proper documentation provided, these requisitions will be converted into purchase orders. For circumstances when employees are out of the office on a regular basis, a "blanket" EPEC shall be approved every January, and a requisition must be created to encumber the estimated funds needed for the year. Once the requisition becomes a blanket purchase order, drawdowns shall be made against them. Properly completed EPEC and EPEC-related forms must be attached to each purchase order or drawdown.

I. Authorization to use County time to attend any conference, training/seminar, webinar, etc., MUST be approved by the County Manager in advance at least two weeks prior to the event. Any and all dollar costs must also be addressed and authorized.
NOTE: NO RETROACTIVE EPECs WILL BE ACCEPTED. ANY UNAUTHORIZED EXPENSES WILL BE PAID BY THE EMPLOYEE.

EPEC forms, for the attendance of any conferences, conventions, seminars, training sessions, workshops, meeting of professional associations, webinar, and/or similar events, must include detailed written justification approved by the Department Head explaining the purpose for attending the conference or training seminar, and must be submitted in advance of any arrangements being made. Also, a post conference report must be attached to the purchase order/EPEC package requesting reimbursement. See the attached EPEC checklist for full instructions.

EPEC forms for mileage and travel reimbursements, and for employees out of the office on a regular basis for the purpose of conducting various County business as part of their employment responsibilities, do not need to provide detailed written justifications or post conference reports. However, requisitions must be created at the beginning of the year encumbering the estimated mileage and travel reimbursement funds needed for the year. Once all approval signatures are obtained, these requisitions will become blanket purchase orders and actual expenses will be drawn down against these blanket purchase orders using the draw down process.

II. Time and Expense Claims will be allowed for the following events:

a. Attendance at conferences, conventions, seminars, training sessions, workshops, meeting of professional associations, webinars and/or similar events that take place on the same day and/or for events which requires an overnight stay.

b. Registration for County employees to use County time and funds to attend same-day, work-related functions, meetings, luncheons, and dinners for purposes other than their assigned daily duties.

iii. All registration and lodging expenses must be paid via purchase orders issued to the vendors offering the services. If an employee pays for registration and lodging expenses out of pocket and requests reimbursement from the County, a written explanation must be provided explaining why the purchase orders were not issued to the vendors offering these services. Sales tax incurred by the employee from these expenses will not be reimbursed.

iv. Procedures for booking travel are outlined in the EPEC checklist. All airplane and train travel booking should be done through Gateway Travel Services. If Gateway Travel Services is not used, a written explanation must be provided explaining why travel arrangements were made through another vendor. Sales taxes incurred from using another vendor will not be reimbursed.

v. All payment of advance travel expenses will be made directly to the vendor via purchase orders only. EPEC forms must be attached to the purchase order. Purchase orders will not be processed for payment if properly completed EPEC forms are not attached it.

The payment of advance travel expenses are limited to the following:

- a. Conference, seminar and webinar registrations
- b. Hotel reservations
- c. Airfare and train fare reservations

Each department will designate an employee who will be responsible for the verification and adjustment of advances payments made for officers/employees in that department. That designated employee must obtain the following from the officers/employees within 10 days after the completion of the travel for which an advance was made, and forward a copy of same to the Division of Comptroller:

- a. Detailed bill of items
- b. Affidavit from the officers/employees (see page S-15 of the Finance Department Policy and Procedures manual).

The Department of Finance has a Notary available if needed.

vi. Pursuant to the UC Administrative code and the guidelines set by the IRS, rates for reimbursement for travel miles using a personal vehicle and for meals will be adjusted in accordance with the Code and the IRS guidelines.

vii. Lodging expenses may be reimbursable up to the "convention rate" or prevailing rate in the area for a standard room, per day. If multiple employees are attending an event, same sex room sharing shall always be preferred to save tax dollars. Car pooling must be addressed and accomplished whenever multiple attendees are involved.

viii. Backup for EPECs and subsequent requisitions for expenses such as luncheons/dinners must have original documentation, i.e., original detailed restaurant receipts and summary payment receipts, charge card detailed statements, hotel bills, toll vouchers etc. The purpose, date, place and persons in attendance must be specifically outlined on the attached documentation.

ix. Expenses must be for specific County purposes. Reimbursement with public funds for departmental/division holiday luncheons or dinners is NOT permitted.

Note: The aforementioned does not prohibit reimbursement for the cost of an official luncheon or dinner for an employee if authorized by the Department Head, via EPECs, where such a meal is scheduled as part of an official proceeding or program related to

County business and the employee's responsibilities.

The County is exempt from State of New Jersey Sales and Use Tax. A completed Form W-9 "Exempt Organization Certificate" or equivalent should be presented to all vendors so that the County does not pay State of New Jersey sales tax.

x. Reimbursements to Employees

Allowable refundable expenses incurred by employees includes, but is not limited to, meal bills, mileage, parking and tolls.

a. Meals Reimbursements:

1. The original detailed receipts and summary receipts must be provided. A summary receipt showing only the total amount paid is not acceptable. The receipts must show the tender form of payment (cash, check, credit etc.). If the receipt is for more than one guest please specify the items purchased by the employee being reimbursed.

2. The per diem for meals when overnight travel is required is limited to the amount referenced to in section V. (For example, the standard per diem rate for the year 2023 is \$59.00.) This rate cannot be carried over to another day if unspent.

3. The per diem for meals when attending same day work-related functions and meetings that take place during normal County "full day work hours" is limited to the amount referenced to in section V. (For example, the rates for year 2023 are \$13 for Breakfast and \$15 for Lunch). The duration of the same day work-related functions and meetings must be the equivalent of a full work day in order to eligible for breakfast and lunch reimbursements.

4. The County will NOT reimburse purchases of alcoholic beverages.

5. The County will NOT reimburse tips/gratuities greater than 15% of the bill.

Note: Reimbursements for tips/gratuities are limited to meal reimbursements.

b. Travel Reimbursements:

1. Mileage reimbursement rate is limited to \$0.655 per mile as of January 1, 2023.

2. For in-state travel, mileage reimbursement is limited to the following locations:

a. Permanent work site to and from a temporary work site(s).

b. Temporary work site(s) to and from another temporary work site(s).

c. If an employee travels from home to the temporary work related destination site, reimbursement shall be on the basis of total travel costs from home to the temporary work related destination site; or, from the permanent work (office) site to the temporary work related destination site, whichever is less.

3. For out of state travel, mileage and other travel reimbursement to and from a New Jersey airport is limited to the following locations:

a. Permanent work site to and from an airport approved by a Department Head.

b. If an employee travels from home to an airport, reimbursement shall be on the basis of total travel costs from home to the airport; or, from the permanent work (office) site to the NJ airport, whichever is less.

4. A properly completed Mileage Reimbursement Request Log must be attached to the EPEC. Internet mileage printouts, (such as Google Maps) should be attached to the Mileage Reimbursement Request Log. The distance for a trip on the Mileage Reimbursement Request Log must match the internet mileage printouts.

5. Mileage reimbursements are allowed only if a County vehicle was not available for use and an employee's personal vehicle was used. A completed County Vehicle Request form must be attached to the EPEC indicating whether the request was approved or denied. Reimbursements for rental of vehicles for in-state travel are not permitted.

6. Mileage reimbursements for the year 2023 must be submitted before year end. Any mileage reimbursements submitted in year 2024 for travel that occurred in 2023 will not be approved for reimbursement.

7. Reimbursements for purchasing gasoline when refueling a vehicle, are allowed only if a County vehicle was used or if a vehicle rental was required during an out of state trip while conducting County business.

xi. EPECs are not required for the following situations:

1. Payment of annual professional association memberships, dues or certifications.

2. Tuition reimbursements

3. Reimbursements for case related expenses. These are limited to employees of the Office of the Union County Sheriff and/or the Office of the Union County Prosecutor. However, case related reimbursements are subject to the limitations and requirements mentioned in sections III through X.

4. Reimbursements for the purchases of supplies. Supplies should be purchased by paying the vendor directly with a purchase order. If an employee purchases a nominal amount of supplies for County related purposes, the employee must be reimbursed using their Department's Petty Cash Funds. As a reminder, Petty Cash is a method to facilitate small claims and is not an alternative source of funding. The use of Petty Cash Funds is restricted by the Petty Cash Funds rules and procedures.

5. Reimbursement for small meals paid by the Department/Division Head for Department/Division employees who are involved in a special project that takes places outside of the employees' normal working hours. The Department/Division Head must be reimbursed using the Department's Petty Cash Funds. As a reminder, Petty Cash is a method to facilitate small claims and is not an alternative source of funding. The use of Petty Cash Funds are restricted by the Petty Cash Funds rules and procedures.

In accordance with N.J.S.A. 40A:5-16, the Director of Finance/County Treasurer and/or their designee is authorized to reject any voucher for reimbursement which does not comply with all procedures, satisfactorily support complete evidence of expense, and/or has proper authorization from the County Manager. Vouchers rejected will not be processed unless sufficient evidence is presented to the County Manager and the Director of Finance/County Treasurer.

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- Affidavit from the officers/employees (see page S-15 of the Finance Department Policy and Procedures manual).

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sex room sharing shall always be preferred to save tax dollars. Car pooling must be addressed and accomplished whenever multiple attendees are involved.

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- 3. For out of state travel, mileage and other travel reimbursement to and from a New Jersey airport is limited to the following locations:
 - a. Permanent work site to and from an airport approved by a Department Head.
 - b. If an employee travels from home to an airport, reimbursement shall be on the basis of total travel costs from home to the airport; or, from the permanent work (office) site to the NJ airport, whichever is less.
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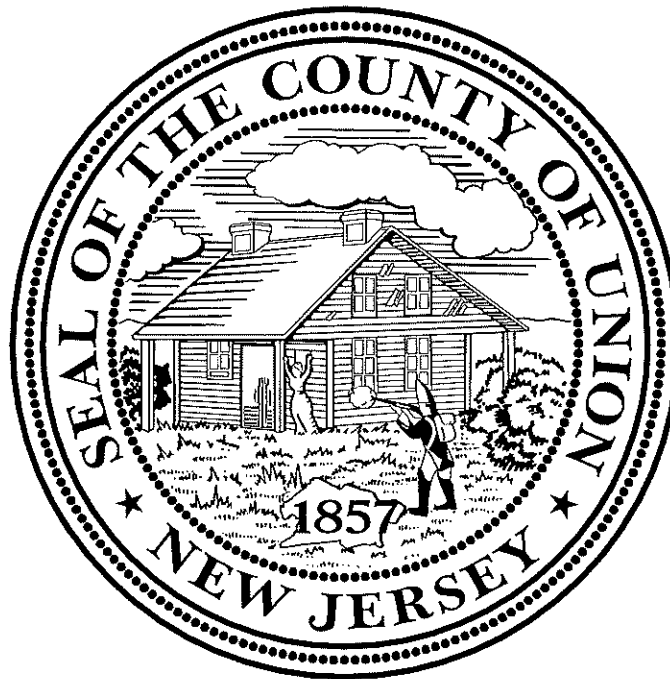
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In accordance with N.J.S.A. 40A:5-16, the Director of Finance/County Treasurer and/or their designee is authorized to reject any voucher for reimbursement which does not comply with all procedures, satisfactorily support complete evidence of expense, and/or has proper authorization from the County Manager. Vouchers rejected will not be processed unless sufficient evidence is presented to the County Manager and the Director of Finance/County Treasurer.

Appendix X

COUNTY OF UNION

Drug and Alcohol Abuse Policy



Union County
We're Connected to You

A service of the
UNION COUNTY BOARD OF
CHOSEN FREEHOLDERS

COUNTY OF UNION

DRUG AND ALCOHOL ABUSE POLICY

I. Introduction

The County of Union is concerned about the effects that alcohol and drug abuse has upon the health and safety of our employees. The purpose of this policy is to insure that all County employees adequately and safely perform their duties free of any alcohol, drugs, and/or any other mood altering substance. A copy of this policy is being distributed to each employee, receipt of which will be acknowledged in writing.

The use, possession, distribution, trade, purchase, manufacture or sale of alcoholic beverages or illegal mood altering drugs while working for the County of Union, or while on the County's property or premises, or being under the influence of alcohol or drugs during working hours, in County vehicles or while on or in County property is strictly prohibited. The prohibition against reporting to work under the influence includes reporting back to work after breaks or lunch. Any County employee engaged in such activity will be subject to serious disciplinary action, up to and including termination.

II. Definitions

1. The term "employee" means any individual who receives compensation from the County of Union.
2. The term "alcohol or alcoholic beverage" means any liquid that has an alcoholic content of 4% or more by volume. This cutoff level is defined in accordance with the Department of Transportation standards.
3. The term "drug" means any substance (other than alcohol) that produces a physical, mental, emotional, or behavioral change in its user; the sale, possession, manufacture or consumption of which is illegal. This term includes prescription drugs (substances which may only be lawfully obtained by prescription issued by a licensed medical practitioner) where such prescription has not been prescribed for the person possessing or using such drugs.
4. The term "reasonable suspicion" means suspicion based upon objective facts derived from observation of an employee's appearance, behavior, speech, breath odor, or any and all reasonable inferences drawn therefrom in light of the observer's knowledge of the signs of drug abuse or intoxication.

III. Drug and Alcohol Screening

1. All job applicants must successfully undergo drug screening prior to employment with Union County.

- A. Job offer letters will advise all applicants that drug screening tests will be performed as part of the County's medical evaluation and that any job offer is made contingent upon, amongst other things, successfully passing such screening tests.
- B. All job applicants will be required to complete a form by which the applicant consents to and authorizes reasonable and appropriate testing, disclosure of test results and other related important information which may be necessary to carry out the purpose of this policy. Any recipient who refuses to sign this consent/authorization form will not be hired by the County.
- C. Confirmed test results indicating the presence of a drug, (other than a drug duly prescribed by one's physician, taken as prescribed), at or above the cutoff level for impairment according to current Department of Transportation standards will be the cause for rejection of any applicant. The County will not discriminate against applicants because of past history of alcohol or drug abuse. Therefore, individuals who have failed previous pre-employment testing may initiate another employment inquiry after a period of no less than six months, and must present themselves to be drug free.

2. Employees:

- A. All employees who hold a CDL will be subject to the County's CDL Drug & Alcohol Testing Policy which will identify those persons who use illegal drugs on or off the job.

It shall furthermore be a condition of employment for all employees not subject to testing under Department of Transportation requirements (employees not possessing a CDL) to submit to drug and alcohol testing under the following circumstances:

Where there is reasonable suspicion to believe that an employee is under the influence of alcohol or is using illegal drugs.

When an employee is involved in an on the job accident where personal injury or damage to property occurs.

As part of a follow up program for treatment of drug and/or alcohol abuse.

All drug testing of law enforcement applicants and/or existing officers shall be in accordance with the New Jersey Attorney General's Law Enforcement Drug Testing Policy.

- B. It is the responsibility of the County's supervisors to counsel employees whenever they see a change in the performance or behavior that suggests an employee has

an alcohol or drug problem. In the event a supervisor has a reasonable suspicion to believe an employee is under the influence of alcohol or drug use he or she shall complete a form outlining the reasons for the suspicion that will immediately be forwarded to the Director of Personnel. Although it is not the supervisor's job to diagnose personal problems, the supervisor should encourage such employees to seek help and advise them about available resources for getting help. Everyone shares responsibility for maintaining a safe work environment and should encourage anyone who may have an alcohol or drug problem to seek help.

- C. Supervisors are also expected to cooperate with all phases of carrying out drug and/or alcohol testing, including but not limited to transporting employees who are selected for drug and/or alcohol testing or making arrangements for same.
- D. All County employees who are selected for drug and/or alcohol testing will be required to complete and execute a form by which the employee consents to and authorizes reasonable and appropriate testing, disclosure of test results to the County, and reasonably necessary intra-County disclosure of test results and other related information, as may be necessary, to carry out the purpose of this policy. Any employee who refuses to take a drug and/or alcohol test administered through this policy shall be subject to possible termination.

3. Disciplinary Actions:

Confirmed test results revealing the presence of a drug, (other than one duly prescribed by a licensed physician, taken as prescribed or any detection of alcohol at or above the cutoff level for impairment established by the Department of Transportation, will constitute cause for disciplinary action up to and including termination.

Employees who violate the County's policy regarding use, possession, sale, manufacture or distribution of alcohol or illegal drugs during work hours, in County vehicles or while on County property will be subject to disciplinary action up to and including termination.

The goal of this policy is to balance the respect of the individual with the need of the County to maintain a safe, productive, and an alcohol/drug free environment. The intent of this policy is to offer a helping hand to those who need it, while sending a clear signal that improper consumption of alcohol or the illegal use of drugs is not compatible with employment by the County of Union. The County recognizes the health implications of alcohol and drug abuse and considers it to be a treatable illness. As with other illnesses, the County's objective is to assist in the employee's rehabilitation. The County designed this policy to encourage its employees to seek help for their abuses.

Prior to a positive test for alcohol or drugs, an employee may voluntarily admit to the County that he or she has an abuse problem without fear of discipline or

termination. Upon admission of a substance abuse problem, as long as the employee immediately enrolls themselves in a rehabilitation program through the County's Employee Assistance Program (EAP), the County will not take any disciplinary action against the employee if he/she successfully completes such rehabilitation program and any follow up treatment prescribed. Upon return to work after completing rehabilitation, the employee must agree to submit to follow up testing at the County's discretion. Employees who test positive in subsequent testing or who enter rehabilitation on more than one occasion may be subject to disciplinary action up to and including possible termination.

4. Rehabilitation and Follow-Up Testing:

An employee who tests positive for drugs and/or alcohol may, in the sole discretion of the County, be given one opportunity to accept a referral to an approved rehabilitation program via the County's (EAP) Employee Assistance Program. The employee will be permitted to return to work only following satisfactory completion of the rehabilitation program, compliance with any recommendations from the program, and consent to periodic testing thereafter and passing of such tests if part of an individualized assessment. An unpaid leave of absence will be granted for rehabilitation and treatment consistent with applicable law. The County of Union is not responsible for the cost of the rehabilitation program. Such rehabilitation and treatment shall be the sole responsibility of the employee. The County's decision to allow an employee the opportunity for rehabilitation under these circumstances is separate and apart from any discipline that may be imposed (short of termination) for violation of this policy. Any employee who tests positive a second time will be subject to termination.

5. Medication or Prescribed Drugs:

If an employee takes an over the counter medication or prescription drug, they must first consult with their medical professional to determine whether this medication will have any adverse effect on the employee's personal safety or job performance. If the effects of the medication could pose a danger to the employee's safety, or the safety of a co-worker or citizen, the employee must inform his/her supervisor. Every effort will be made to adjust the worker's duty until full, effective, and safe work activities can be resumed. If alternate duties are not available, the County may request the employee take sick leave. Failure or refusal by an employee to properly inform their supervisor may result in discipline, up to and including termination.

IV. Responsibility

The County Manager or designee will be responsible for the selection of a qualified laboratory to perform the appropriate drug and/or alcohol screening tests. The County Manager or designee will also be responsible to conduct

physical examinations, or drug and/or alcohol screening tests where appropriate. The County Manager or designated alternate shall be responsible for the overall implementation of the County's Alcohol and Drug Abuse Policy.

V. General Methods and Procedures for Drug Screening

1. Urinalysis will be the primary method for drug screening of applicants and full-time employees.
2. Established quality control and chain of custody procedures will be maintained throughout the entire testing process.
3. All urine samples obtained from applicants and full time employees will be delivered to a certified laboratory for analysis.
4. No adverse action will be taken against an applicant or full time employee until the laboratory preliminary analysis and subsequent confirmation have been reported to the County.
5. Laboratory Method-The certified laboratory is a SAMHSA approved laboratory that is required by the DOT {Department of Transportation} and is the sole facility for both the initial screening and confirmation analysis of urine. Testing will be done by a certified laboratory chosen by the County. Florescence polarization immunoassay (Adx) and enzyme multiplier immunoassay (EMIT) are currently used as initial drug screening procedures. Gas Chromatography/Mass Spectrometry (GC/MS) is used to confirm all positive results of initial screening procedures. As new procedures are developed and prove to be more reliable and efficient, as alternatives they may be adopted as procedures for this policy.
6. Preliminary Acquisition Procedures - Prior to the submission of a urine sample, the applicant/employee will be asked to fill out a medical questionnaire, describing all medications, both prescribed by a physician and/or available over the counter (nonprescription) which he/she ingested during the past 96 hours.
7. Specimen Acquisition Procedure:
 - A. The County's physician or other designee (Official Monitor) will be responsible for ensuring that all related forms such as waivers, laboratory forms, and medical questionnaires have been thoroughly and accurately completed by the applicant/employee. Prior to the submission of the

sample, both the Official Monitor and applicant will inspect the specimen bottle packet for indication of pre-void tampering.

- B. Generally, the applicant/employee will submit the urine sample in the presence of the Official Monitor. On those rare occasions when the applicant is not able to provide a sample in the presence of the Official Monitor, the County may choose to permit the applicant to provide a sample without the witness, so long as applicant makes deposit of sample where there is a room that does not contain access to water or other additives.
- C. The Official Monitor will always be of the same sex as the applicant/employee being tested.
- D. Urine samples will be processed in accordance with chain of custody procedures. Throughout the urine acquisition process, the sample will only be identified by use of the individuals Social Security Number (SSN#). No form forwarded to the laboratory will contain the applicant's/employee's name.
- E. The applicant/employee will complete the information requested on any related County or laboratory forms and will put their initials, and date on the specimen bottle label. After the Official Monitor has inspected the information for accuracy, the applicant/employee will unseal the specimen bottle packet, affix label to bottle, and void approximately fifty (50) ml. of urine into the specimen bottle. The applicant/employee will secure the cap of the specimen bottle and will seal the sample by wrapping evidence tape around the bottle, vertically up one side, across the cap, and down the other side. The applicant/employee will then put his/her initials, and date on the evidence tape and surrender the specimen to the Official Monitor.
- F. After ascertaining that all forms have been completed accurately and after serving as witness to the void, the Official Monitor shall take possession of the sample. The sample shall be placed in a controlled access refrigerator storage area until it is delivered to a certified laboratory. This delivery shall occur within one laboratory working day from acquisition.

8. Drug Screening Results:

The certified laboratory will forward to the County Manager or designee a written report of the results of the drug test, whether positive or negative, as soon after completion of analysis as possible. The laboratory will report as positive only those samples, which have been confirmed to be positive for the presence of illegal drugs. The County will orally notify all results as soon after notification from the laboratory as possible. The County will

provide a copy of the laboratory report to the applicant/employee (only) if he/she requests it.

VI. General Methods and Procedures for Alcohol Testing

1. The breathalyzer will be the initial method for the screening of employees for alcohol content, to be administered by a qualified Health Official of the testing facility on behalf of the County of Union.
2. Blood alcohol testing will be the primary method for verifying alcohol content in the hospital's emergency room.
3. Established quality control and chain of custody procedures will be maintained throughout the entire process, from sample acquisition to delivery at the laboratory.
4. All blood samples obtained from employees will be delivered to the County designated physician or laboratory for analysis.
5. No adverse action will be taken against an employee until the County designated physician/laboratory preliminary analysis and subsequent confirmation have been reported to the County.
6. The following methods and procedures apply when an employee submits to alcohol testing through blood samples for the purpose of determining alcohol content in the blood. Employees will be required to submit a blood sample after having been given a breathalyzer test, based upon a supervisor's reasonable suspicion that the employee has consumed alcohol while on duty, or is in any way impaired while on duty due to alcohol consumption, and has received a positive result from the breathalyzer test.
 - A. Alcohol screening through blood testing will be conducted when an employee has received a positive test result from a breathalyzer. Any employee who has reasonable suspicion to believe that a fellow employee has consumed alcohol while on duty, or is in any way impaired from alcohol consumption, must immediately report such concern to his/her immediate supervisor. Any employee who produces a confirmed positive test result for alcohol consumption may be subject to disciplinary action. The employee may be granted, upon request, and at the sole discretion of the County, an unpaid medical leave of absence for rehabilitation and treatment. (See III. 4 Rehabilitation and Follow-Up Testing).

- B. Any employee who refuses to provide a blood sample upon a lawful request made upon individualized reasonable suspicion may also be terminated.
- C. The County designated physician/laboratory will be the sole facility for the blood alcohol testing.
- D. Before an employee is ordered to submit a blood alcohol test, the County will have prepared a confidential report which documents the basis for reasonable suspicion. The individual whose approval is necessary to order the blood alcohol test shall base their decision on the contents of this confidential report.
- E. Prior to submission of the blood sample, the employee must complete a medical questionnaire which clearly describes all medicines, both prescribed by a physician and/or available over the counter (nonprescription) which he/she has ingested during the past 96 hours.

7. Specimen Acquisition Procedures:

- A. At the time that the blood sample is provided, the employee will have the option to submit two (2) samples. Both samples will be acquired according to the procedures outlined herein. One sample will be forwarded to the County designated physician/laboratory for testing; the remaining sample will be stored in a frozen state within the County according to Police Department procedures regarding chain of custody and evidence storage. The sample will be made accessible to the employee or his/her attorney.
- B. The County will be responsible for acquiring blood samples from employees and shall designate an individual to serve as Official Monitor. The employee may also choose to name another witness to be in attendance to sample acquisition.
- C. The Official Monitor shall be responsible for insuring that all related forms have been thoroughly and accurately completed by the employee.
- D. Generally, the employee will submit the blood sample in the presence of the Official Monitor.
- E. Blood samples will be processed in accordance with accepted chain of custody procedures, and the confidentiality of the employee's identity will be maintained in accordance with HIPPA Regulation. Throughout the blood acquisition process, the sample(s) will be identified by use of only the employee's initials and date.

- F. The employee will complete the information requested on any related County or laboratory forms and will put their initials, and date on the specimen bottle label. After the Official Monitor has inspected the information for accuracy, the employee will unseal the specimen bottle packet and affix the label to the bottle. The employee will secure the cap of the specimen bottle and will seal the sample by wrapping evidence tape around the bottle, vertically up one side, across the cap, and down the other side. The employee will then put their initials and date on the evidence tape and surrender the evidence specimen to the Official Monitor.
- G. After ascertaining that all forms have been completed accurately, the Official Monitor shall take possession of the sample. The sample will then be placed in a controlled accessed refrigerator storage area until it is delivered to the County designated physician/laboratory. This shall occur within one laboratory working day of acquisition.

8. Alcohol Testing Result:

The County designated physician/laboratory will notify the County Manager or designee of the results of the analysis immediately upon completion. The laboratory will report as positive only the samples which have been confirmed to be positive for the presence of alcohol. The laboratory will follow up immediately with notification by written reports. The County will notify the employee of the results of the analysis as soon as possible after notification by the laboratory. The County will provide a copy of the laboratory report to the employee only if he/she requests it.

VII. Refusal to Test

Any employee who refuses to comply with a request for alcohol and/or drug testing shall be considered as having produced a positive test result and will be discharged. Any applicant who refuses a pre-employment drug test will not be hired by the County. Any employee/applicant who provides false information in connection with a test, or who attempts to falsify test results through tampering, contamination, adulteration, or substitution, shall be terminated. If the laboratory detects that a substance has been added to the sample to interfere with the normal testing process, the employee/applicant will be deemed to have refused to test and the same sanctions will apply.

VIII. Right to Inspect

Pursuant to its independent authority as an employer, the County reserves its right to inspect, investigate, and search for alcohol or

alcoholic beverages and drugs at any time, with or without prior notice, on or in any and all County property and County owned vehicles. County property includes offices, work locations, desks, parking lots and any vehicle engaged in County operation. Searches of County premises, including personal effects when entering County premises and employee vehicles parked at County premises, may be conducted pursuant to a lawful investigation. Employees have no expectation of privacy regarding illegal drug activities. Refusal to cooperate with any inspection, investigation, or search that is authorized by a County representative shall result in disciplinary action up to and including termination. The County may take into custody any alcohol found on County premises and use it as evidence in disciplinary proceedings. Illegal drugs will be confiscated and turned over to law enforcement officials as appropriate.

Resolution No. 2018-993

Adopted: November 28, 2018