
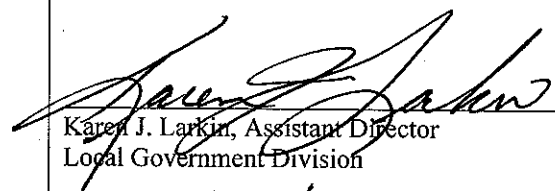


**Amendment**

Contract Number: 08-F6401-025

Amendment Number: A

**Washington State Department of Commerce  
Local Government Division  
Community Development Programs  
Community Development Block Grant (CDBG) Neighborhood Stabilization Program**

<b>1. Contractor</b> City of Yelm 105 Yelm Avenue Yelm, WA 98597		<b>2. Contractor Doing Business As (optional)</b> N/A	
<b>3. Contractor Representative (only if updated)</b> Shelly Badger City Administrator Phone: 360.458.8405 Fax: 360.458.4348 Email: shellyb@ci.yelm.wa.us		<b>4. Commerce Representative (only if updated)</b> Bill Mandeville CDBG/NSP Program Manager Phone: 360.725.3051 Fax: 360.664.3123 bill.mandeville@commerce.wa.gov	
<b>5. Original Contract Amount (and any previous amendments)</b> \$640,505	<b>6. Amendment Amount</b> -0-	<b>7. New Contract Amount</b> \$640,505	
<b>8. Amendment Funding Source</b> Federal: <input checked="" type="checkbox"/> State: <input type="checkbox"/> Other: <input type="checkbox"/> N/A:		<b>9. Amendment Start Date</b> 2/18/09	<b>10. Amendment End Date</b> 03/31/2013
<b>11. Federal Funds (as applicable):</b> 333.14.228	<b>Federal Agency:</b> U.S. Department of Housing and Urban Development (HUD)	<b>CFDA Number:</b> 14.228	
<b>12. Amendment Purpose:</b> The amendment changes Attachment A – Statement of Work and Budget. It creates a new project activity and budget category for Acquisition, a Type B NSP eligible use. It eliminates the project activity for Type A: Homeownership Assistance by transferring the entire amount of its budget authority, \$640,505, to the new project activity for Acquisition. Attached is the amended statement of work. All other terms and conditions of the grant agreement remain in full force and effect.			
COMMERCE, defined as the Department of Commerce, and the Contractor acknowledge and accept the terms of this Contract, As Amended, and its attachments. They executed this Contract Amendment on the date below to start as of the date and year referenced above. The rights and obligations of both parties to this Contract, As Amended, are governed by this Contract Amendment and the following other documents incorporated by reference: Attachment A – Statement of Work and budget, Attachment B – State and Federal Requirements and Assurances, Attachment C – Letter to Incur Costs. A copy of this Contract Amendment shall be attached to and made a part of the original Contract between Commerce and the Contractor. Any reference in the original Contract to the "Contract" shall mean the "Contract As Amended".			
<b>FOR CONTRACTOR</b>		<b>FOR COMMERCE</b>	
 _____ The Honorable Ron Harding Mayor of Yelm		 _____ Karen J. Larkin, Assistant Director Local Government Division	
Date <u>8/10/10</u>		Date <u>8/24/10</u>	
		<b>APPROVED AS TO FORM ONLY</b> Richard McCarten Assistant Attorney General _____ 6/4/04 Date	

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# ATTACHMENT A — STATEMENT OF WORK AND BUDGET

**Contractor: City of Yelm**  
**Contract No. 08-F6401-028**

## Section A: Brief Description

City of Yelm is awarded \$640,505 from the Neighborhood Stabilization Program (NSP), which it will use to provide a grant to the Housing Authority of Thurston County (HATC). The State of Washington designated Yelm as an area with a significantly higher than average rate of home foreclosures and, therefore, in need of this type of emergency financial assistance. HATC will use its NSP funds to acquire and rehabilitate, if necessary, up to three (3) abandoned and/or foreclosed properties. They will then grant the properties to non-profit agencies selected by the City of Yelm. These non-profit agencies will use the properties to provide permanent rental housing to people who earn less than fifty percent (50%) of the area median income. The City of Yelm will assure the continued affordability of the property in accordance with the requirements of 24 CFR 92.252 for rental units and 24 CFR 92.254 for owner-occupied units. Redevelopment of existing housing and/or the provision of new housing will comply with the minimum housing quality standards for Section 8 housing as defined in 24 CFR 982.401.

## Section B: Goals / Expected Results / Products

### Goals / Expected Results / Products

Budget Category	Goals / Expected Results / Products
01 – Acquisition	<ul style="list-style-type: none"> <li>▪ City of Yelm will use NSP funds to purchase, rehabilitate and rent up to three (3) abandoned or foreclosed properties to tenants who earn less than fifty percent of the area median income. (Type B NSP Eligible Use Activity)</li> </ul>
21A – General Admin	<ul style="list-style-type: none"> <li>▪ City of Yelm will satisfy all requirements for the proper handling and distribution of NSP funds targeted to this project including, but not limited to, the following:                             <ul style="list-style-type: none"> <li>▪ When encountering blighted properties, it will need to comply with the definitions and requirements of requirements RCW 35.80A.010 – Condemnation of Blighted Property, and RCW 35.80 – Unfit Dwellings, Buildings and Structures.</li> <li>▪ City of Yelm will adopt the Home definitions of affordable rent stipulated in 24 CFR 92.252 (a), (c) and (f), adjusted for the neighborhood Stabilization Program's 50 percent (50%) and 120 percent (120%) target populations.</li> <li>▪ Continued affordability will be ensured through deed restrictions, covenants running with the land, or other mechanisms approved by HUD, in accordance with the requirements of 24 CFR 92.252 for rental units and 24 CFR 92.254 for owner-occupied units.</li> <li>▪ Redevelopment of existing housing and/or the provision of new housing will comply with the minimum housing quality standards for Section 8 housing as defined in 24 CFR 982.401.</li> </ul> </li> <li>▪ City of Yelm agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this contract. City of Yelm further agrees to utilize funds available under this Agreement to supplement rather than supplant funds otherwise available</li> </ul>

# ATTACHMENT A — STATEMENT OF WORK AND BUDGET

Contractor: City of Yelm  
Contract No. 08-F6401-028

Section C: Work Activities, Expectations and Budget			
Budget Category	Project Activities	Schedule	Budget Amount
01 – Acquisition	<ul style="list-style-type: none"> <li>▪ City of Yelm will use NSP funds to purchase, rehabilitate and rent up to three (3) abandoned or foreclosed properties to tenants who earn less than fifty percent of the area median income. (Type B NSP Eligible Use Activity)</li> <li>▪ Any purchase of a foreclosed upon home or residential property must be at a discount from the current, market appraised value of the home or property. Each foreclosed-upon home or residential property must be purchased at a discount of at least one percent (1%) from the current market-appraised value of the home or property.</li> <li>▪ Within 60 days prior to an offer on the property, an appraisal must be conducted that conforms to the requirements of URA at 49 CFR 29.103, "Criteria for Appraisals".</li> <li>▪ Each NSP-assisted homebuyer must receive and complete at least eight (8) hours of homebuyer counseling from a HUD-approved housing counseling agency before obtaining a mortgage and/or real estate loan.</li> <li>▪ City of Yelm must ensure that the homebuyer obtains a mortgage or loan from a lender who agrees to comply with the bank regulators' guidance for non-traditional mortgages.</li> <li>▪ Redevelopment and/or rehabilitation activities of foreclosed, abandoned or vacant property must meet applicable laws, codes and other requirements relating to housing safety, quality and habitability.</li> <li>▪ Redevelopment and/or rehabilitation activities may include improvements to increase the energy efficiency or conservation of such homes or property or provide a renewable energy source for such homes or property.</li> <li>▪ Down-payment assistance may only be used to finance the acquisition by low, moderate or middle income households of housing that they will occupy.</li> <li>▪ Down-payment assistance may be used to pay reasonable closing costs that may be associated with the purchase of the property. In no event should NSP funds be used to pay for closing costs that exceed more than three percent (3%) of the property's gross purchase price.</li> </ul>	2/18/2009 to 3/19/2013 or sooner	\$640,505

# ATTACHMENT A — STATEMENT OF WORK AND BUDGET

Contractor: City of Yelm  
Contract No. 08-F6401-028

Section C: Work Activities, Expectations and Budget (continued)			
21A - General Admin	<ul style="list-style-type: none"> <li>▪ City of Yelm will establish and maintain an administrative point of contact and perform the necessary program administration, record keeping and financial management procedures necessary to comply with federal and state CDBG and NSP requirements.</li> <li>▪ City of Yelm will compile, complete, and submit quarterly NSP progress reports along with other necessary CDBG reports, as requested.</li> <li>▪ City of Yelm will execute a contract with CTED, submit payment vouchers and, at the end of the project, a Grantee Closeout Performance Report. City of Yelm will complete applicable civil rights requirements, including an affirmative marketing plan to procure necessary goods and services from minority and women business enterprises (MWBE0). It will verify that consultants are not on the federal "Excluded Parties List System" (EPLS).</li> <li>▪ City of Yelm will conduct an environmental review and prepare environmental review record, and monitor program progress and compliance with applicable federal and state regulations.</li> <li>▪ City of Yelm will enter into a contract with the subrecipients of NSP funds. The contract will stipulate their respective roles and responsibilities. Subrecipient agreements must comply with applicable federal and state regulations. Contract provisions regarding residential construction and rehabilitation must include, but are not limited to, requirements for preparing bid documents, requesting federal and state prevailing wage rates, completing final design and construction plans, conducting a bid opening and selecting a qualified contractor.</li> <li>▪ After the award of any subrecipient agreement, the City of Yelm will routinely and regularly monitor the contractor's progress, collect necessary construction and/or project documents, and resolve any monitoring issues. City of Yelm will provide documentation to CTED demonstrating that it is administering the project in accordance with federal and state requirements. They must document and keep a record for each property acquired using NSP funds, and they must retain these records for at least ten years.</li> </ul>	2/18/2009 to 3/19/2013 or sooner	\$0

# ATTACHMENT A — STATEMENT OF WORK AND BUDGET

Contractor: City of Yelm

Contract No. 08-F6401-028

## Section C: Work Activities, Expectations and Budget (continued)

<p>21A - General Admin (continued)</p>	<ul style="list-style-type: none"> <li>▪ The City of Yelm must treat the collection of receipts from deferred loans and/or the net proceeds from the sale of foreclosed properties as program income for the Neighborhood Stabilization Program. If it does not already have a program designed to distribute program income in accordance to CDBG / NSP guidelines, then it will need to create one.</li> <li>▪ Each property acquired with NSP funds must have a written file or record that includes, but not limited to, the following information:             <ul style="list-style-type: none"> <li>- A copy of the "NSP Voluntary Acquisition of Foreclosed Property" notice to Owner that includes a statement that the property will not be acquired through the jurisdiction's powers of eminent domain and statement acknowledging the Owner's rights to choose not to sell the property.</li> <li>- A copy of the appraisal. A copy of the written purchase offer, along with a statement regarding just compensation of the property.</li> <li>- A copy of the purchase contract and a financial statement detailing the settlement costs.</li> <li>- A copy of the recorded deed. A copy of the recorded instruments used to assure the continued affordability of the property.</li> <li>▪ A copy of any appeal or complaint concerning a payment, together with a copy of all pertinent determinations.</li> </ul> </li> </ul>	
<p><b>TOTAL: \$640,505</b></p>		

# ATTACHMENT A — STATEMENT OF WORK AND BUDGET

Contractor: City of Yelm  
Contract No. 08-F6401-028

## Section D: Project Schedule

MILESTONE #	MILESTONES	DUE DATE
Milestone # 1	CTED and City of Yelm execute a grant contract and funds become available for disbursement	September 1, 2009 or sooner
Milestone # 2	If the City of Yelm solicits proposals and executes grant contracts with participating non-profit organizations, then it will forward copies of the executed contracts to CTED.	October 19, 2009 or sooner
Milestone # 3	Acquire the foreclosed properties that City of Yelm intends to rehabilitate and sell/rent to eligible buyers/tenants. Provide CTED an inventory of the acquired properties with information regarding the street addresses and purchase prices for each property.	September 18, 2010 or sooner
Milestone # 4	City of Yelm will create a fully operational program to underwrite down-payment assistance to eligible buyers. They will provide CTED a complete description of the operation of the program along with a pro-forma analysis of loan activities.	September 18, 2010 or sooner
Milestone # 5	City of Yelm will provide CTED a financial report that itemizes the disbursement of NSP funds, an inventory of properties assisted which includes street addresses, purchase amounts and the financial assistance provided, along with the final steps necessary to close NSP.	December 31, 2012 or sooner
Milestone # 6	City of Yelm will prepare and submit final reports, invoices, and financial statements to CTED.	March 19, 2013 or sooner

