

RESOLUTION NO. 2024-23

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SEDONA, ARIZONA, AUTHORIZING THE ADOPTION OF THE OWNER OCCUPIED HOUSING REPAIR PROGRAM GUIDELINES DATED SEPTEMBER 2024 IN RELATION TO AN APPLICATION FOR FY 2023 COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS FOR AN OWNER-OCCUPIED HOUSING REPAIR PROGRAM.

WHEREAS, City of Sedona, in partnership with Verde Valley Habitat for Humanity (VVHFH), is desirous of undertaking an owner-occupied housing repair program; and

WHEREAS, this program is anticipated to be funded with Community Development Block Grant (CDBG) funds provided by the State of Arizona; and

WHEREAS, the State CDBG Program requires that every entity requesting CDBG funds for housing repair or rehabilitation adopt specific guidelines for such a program; and

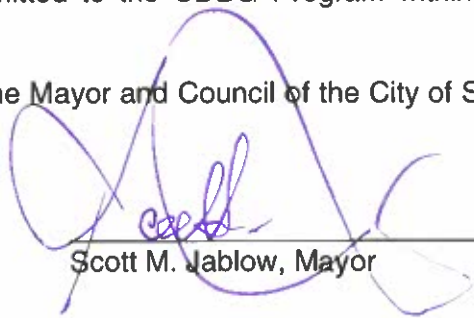
WHEREAS, VVHFH has developed such Owner Occupied Housing Repair Program Guidelines, dated September 2024, which have been pre-approved by Arizona Department of Housing.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Sedona, Arizona, as follows:

Section 1. That the Owner Occupied Housing Repair Program Guidelines, dated September 2024 and attached hereto, are adopted and shall be used to implement the housing repair activities using FY 2023 CDBG funds.

Section 2. That the City of Sedona shall utilize the Owner Occupied Housing Repair Program Guidelines, dated September 2024, without revisions, except such authorized by the chief elected official or a person authorized in writing to approve such revisions via the Program's CD-1 Form; with such revisions submitted to the CDBG Program within a maximum of 10 working days of authorization.

PASSED AND ADOPTED by the Mayor and Council of the City of Sedona, Arizona, this 10th day of September, 2024.



Scott M. Jablow, Mayor

ATTEST:



JoAnne Cook, CMC, City Clerk

APPROVED AS TO FORM:



Kurt W. Christianson, City Attorney

*Verde Valley Habitat for Humanity (VVHFH) and
City of Sedona*



Owner Occupied Housing Repair Program Guidelines

Funded with City of Sedona 2023 CDBG Funds

September 2024



INTRODUCTION.....	1
NEED	1
HOUSING REPAIR PROGRAM AND GOALS.....	1
<u>SECTION I - PROGRAM ELEMENTS.....</u>	3
ELIGIBLE BENEFICIARIES.....	3
ELIGIBLE PROPERTIES.....	3
INELIGIBLE PROPERTIES.....	3
ELIGIBLE ACTIVITIES.....	4
INELIGIBLE ACTIVITIES	4
BASIS OF ASSISTANCE: GRANT OR LOAN.....	4
DETERMINATION OF GRANT AMOUNTS.....	4
FUNDING SOURCE/LEVEL OF ASSISTANCE/MAXIMUM AMOUNT.....	5
<u>SECTION II - APPLICATION PROCESSING.....</u>	6
APPLICATION PROCESS.....	6
ACCEPTANCE OF APPLICATION	6
RANKING SYSTEM.....	7
REAPPLICATION.....	7
GRIEVANCE PROCEDURE.....	7
<u>SECTION III - STANDARDS FOR REPAIR/REPLACEMENT.....</u>	9
<u>SECTION IV - REPAIR PROCESS.....</u>	11
PROPERTY INSPECTION AND BID PROCESS.....	11
CONTRACTOR SELECTION.....	11
TEMPORARY RELOCATION POLICIES AND PROCEDURES	11
PAYMENTS TO CONTRACTORS AND CHANGE ORDERS	12
AGREEMENTS, CONSTRUCTION CONTRACTS AND OTHER DOCUMENTS.....	12
CONTRACTOR PAYMENTS & REIMBURSEMENT.....	12
WARRANTIES & HOMEOWNER EDUCATION.....	12
TRACKING.....	12
<u>SECTION V - MARKETING.....</u>	13
GENERAL PUBLIC	13
MARKETING TO CONTRACTORS	13
<u>SECTION VI - ORGANIZATION & PROGRAM PARTNERS.....</u>	14
ADMINISTRATIVE STRUCTURE.....	14
PROGRAM APPROVAL AND MANAGEMENT.....	14

SECTION VII – DEFINITIONS..... 15

APPENDIX - FORMS AND CHECKLISTS 1

- A. Income Guidelines
- B. Client Application Form (includes Grievance Procedure)
- C. Ranking Sheet
- D. Eligibility Criteria / Zero Income Certification
- E. Income Calculation Form
- F. E-HR.2 (Environmental Review Appendix A)
- G. Homeowner Understanding and Agreement
- H. Protect Your Family from Lead in your Home (Lead Hazard Information)
- I. Homeowner/Contractor Contract (if applicable)
- J. Change Order
- K. Owner Acceptance and Approval for Payment
- L. Homeowner Education
- M. Client File Checklist

Introduction

The importance of housing in the United States was summarized in a report issued by the 93rd Arizona Town Hall in November 2008, as “a fundamental component of American life that affects, and is affected by, almost every aspect of our society... Safe, decent, affordable, and stable housing contributes to physical and emotional health, educational success, wealth, stability, and self-esteem.” Home is more than a roof over one’s head. It is safety, a place of rest and nourishment; it is where we are restored and where we thrive.

The preservation and development of adequate and affordable housing is a fundamental concern of the local municipalities, public officials, and residents.

Need

Verde Valley Habitat for Humanity (VVHFH) and the CITY OF SEDONA recognize that as the area’s senior population grows, as the low-income population in the region remains high, and as housing stock ages, the need for housing repair programs has increased. VVHFH and CITY OF SEDONA promote safe, adequate housing for the city’s most vulnerable populations.

Based on previous housing repair program response, senior, disabled and low-income homeowners experience the greatest housing repair needs. Roughly half of Sedona’s population is over 60, and 29% of the population qualifies as low-to-moderate income. Almost 10% of Sedona’s elderly fall below the poverty level.

Additionally, it is important to recognize that over 50% of the approximately 4,000 owner-occupied homes in the city are more than 20 years old. As such, many of these homes may suffer from deferred maintenance and upkeep and are in need of repair and rehabilitation in order to preserve and extend their useful life.

Assistance with repairs will provide a safer environment for household members, help keep them in their homes, extend the life of the housing stock, as well as address unmet accessibility needs.

Housing Repair Program and Goals

VVHFH and the City of Sedona intend to apply for Community Development Block Grant funds from the Arizona Department of Housing to assist low-to-moderate income owner-occupied households with Repair Services. The program will be available throughout city limits to eligible participants. Neither VVHFH nor City of Sedona discriminates on the basis of race, color, religion, sex, national origin, familial status or disability.

The maximum investment per residence will be \$30,000, including expenses and services. VVHFH and City of Sedona in consultation with NACOG, shall have the authority to exceed the maximum amount of assistance in the event of extreme need.

The management of hazardous materials (lead paint, asbestos, etc.) will comply with current Housing and Urban Development (HUD) standards.

Goals:

- ✓ To benefit very low to moderate income households in the City of Sedona by promoting the opportunity for safe, decent and affordable housing.
- ✓ To assist low-income households with financial stability through the reduction of constant home repair and in some cases by decreasing utility costs.
- ✓ To improve and preserve the quality and functionality of the housing stock and the overall environment in the community.
- ✓ To coordinate with other available resources to maximize funds.

SECTION I - PROGRAM ELEMENTS

Eligible Beneficiaries

- ✓ Eligible applicants must be residents of the City of Sedona whose incomes do not exceed 80% of the area median income in Yavapai County, adjusted for their family size. The household must be income eligible at the time the repair commitment is made to the homeowner. Income will be determined and verified per CDBG Guidelines.
- ✓ Eligible applicants must be legal residents of the United States.
- ✓ Eligible applicants must have owned and lived in their homes for at least 12 months prior to applying for the program.
- ✓ Eligible applicants must have fee simple title to the property.
- ✓ Eligible applicants must reside permanently and full-time in their homes.

Eligible Properties

- ✓ Eligible properties must be located within Sedona city borders, and not on reservation land.
- ✓ The property must be owner-occupied for at least the prior 12 months, and beneficiary must certify that they plan to occupy the property as their principal and only residence for at least five years.
- ✓ The home must be suitable for rehabilitation under the time and monetary constraints of the Program.
- ✓ Homeowner's insurance policy must be in effect throughout the benefit term of five years. The policy must be in an amount consistent with the replacement value of the structure being rehabilitated.

Ineligible Properties

- ✓ Ineligible properties are those that do not meet the aforementioned eligibility requirements.
- ✓ Funds will not be granted for a property with the likelihood of foreclosure (e.g. behind on mortgage payments), pending judgments or bankruptcy, or which is listed or intended for sale.

Eligible Activities

- ✓ Eligible home repairs include but are not limited to:
 - Roofs
 - Heating system
 - Cooling system
 - Plumbing system
 - Water heater
 - Electrical system
 - Bathrooms
 - Accessibility retrofits
 - Flashing
 - Doors and windows (if missing or broken)
 - Exterior steps
 - Foundation
 - Energy Star rated Appliances

Ineligible Activities

- ✓ Luxury items, such as pools, Jacuzzis, and fireplaces (except existing fireplaces which are the home's primary source of heat), are not eligible.
- ✓ Additions to existing structures are not eligible unless overcrowding is determined by HUD standards.

Basis of Assistance: Grant or Loan

- ✓ Eligible program beneficiaries will receive a grant for the entire amount of the construction cost as well as program expenses, which will not exceed \$30,000.

Determination of Grant Amounts

- ✓ Owner-Occupied Housing Repair grant amounts shall be based on the total value of the repair work as specified in the approved repair work order, including any change orders as approved by the VVHFH or Housing Repair Specialist and the Homeowner. The total shall also include project specific program expenses such as professional fees paid to outside consultants, fees for testing services for hazardous materials, and any other project-related costs. The total shall not reflect any of the general administrative costs associated with the management of grant funds or repair services.

Funding Source/Level of Assistance/Maximum Amount

- ✓ Funding for this program will be through the Department of Housing and Urban Development (HUD), Community Development Block Grant (CDBG) program.
- ✓ Other funding sources may be used in conjunction with the CDBG funding and will appear on reports as “match funds”.
- ✓ The VVHFH Owner-Occupied Housing Repair Program can provide the following type and level of assistance:

Owner Occupied Housing Repair: Provides grants up to \$30,000 to repair primarily health and safety hazards. Examples of hazards include broken utility hookups, failing septic systems, open roofs, and inoperable heating and cooling equipment. Other eligible housing repair activities can be undertaken as long as any hazards are top priority.

The VVHFH Executive Director and NACOG Housing Services Manager, in coordination with the City of Sedona, shall have the authority to exceed the maximum amount of assistance on a case-by-case basis. In all cases, documentation will be included in the project file detailing the nature of the extreme need, or unexpected expense, and the amounts required for correction.

SECTION II - APPLICATION PROCESSING

Application Process

VVHFH will be responsible for the initial processing and screening of client applications. Potentially eligible applicants will be required to complete the application process and supply all required application verifications and documentation. The applicant will be responsible for gathering and submitting all information and documentation necessary to complete the application. If the applicant is not able to complete the application or submit the required documentation, it is the responsibility of the applicant to request assistance or withdraw the application, as appropriate. Qualified applicants will be ranked only when the completed application and all documentation are received. If required information and/or documentation are not returned by a reasonable specified deadline (typically 14 calendar days), the applicant will receive a denial-of-service notice with an explanation for the reason of denial.

Documentation will include proof of:

- ✓ Income
- ✓ Homeownership
- ✓ Household size
- ✓ Legal residence (Social Security Card or passport)

Applicants will be assured of the confidentiality of information and will sign a release of information as part of the application and will be informed of their rights to address a grievance.

Applicants requiring assistance due to disability or language barriers will be encouraged to contact VVHFH at 928-852-7661 ext. 8 for assistance.

Acceptance of Application

Marketing will be performed by VVHFH and the City of Sedona as needed. Applications will be accepted by VVHFH on an ongoing basis, as VVHFH currently operates a repair program. VVHFH and City of Sedona staff will mail or make available program applications to eligible beneficiaries. Potential applicants are required to sign a form verifying they have received and read written information explaining the parameters of the Program prior to receiving assistance. If acceptance into the program occurs more than 6 months after receipt of the application documents, the applicant must provide updated information and be recertified.

The program application is accompanied by a brief explanation of the program and a list of materials and supporting documentation that must be submitted to the VVHFH. The applicant may schedule an appointment with the Housing Services Administrator to receive additional guidance if needed.

Incomplete applications will be placed in a pending file and will not be further processed until the applicant provides required information and or documentation.

Ranking System

VVHFH utilizes a ranking system to prioritize the neediest residents if more applications are received than can be helped with the available funding. Applicants are ranked according to the following schedule. An eligibility list is maintained on an ongoing basis.

Applicants will receive points according to the following criteria:

Meet minimum requirements	10 points
Between 30- 50% of AMI	10 points
Between 51- 80% of AMI	5 points
Elderly applicant or household member (>62)	5 points (each)
Disabled family member	5 points (each)
Require ADA upgrades	3 points
Single Head of Household with minor children	3 points per child
Resided in community for more than 10 years	3 points

Reapplication

Applicants who have been deemed ineligible for the program are eligible to reapply at any time they can show that the circumstance(s), which resulted in the ineligible status, have been mitigated.

Grievance Procedure

In the event of a disagreement between any of the parties involved in the Owner-Occupied Housing Repair Program, namely the contractor, homeowner, housing staff, suppliers, or other interested parties, regarding any process of the program including, but not limited to the Procurement, Bid Process, Bid Award, Payment Schedule, Change Orders, Workmanship, and Warranties, a formal grievance procedure must be followed. Steps and periods are described as follows:

A. Informal Complaint

1. An informal complaint can be filed with the City of Sedona, Community Development Director at 928-282-1154.
2. The Community Development Director will review the complaint and attempt to resolve the complaint through negotiation.
3. The complainant will be notified of the proposed resolution within 5 working days of the complaint.
4. If the proposed resolution is not satisfactory to the complainant, a formal complaint may be filed.

B. Formal Complaint

1. Formal complaints shall be made in writing and directed to the City of Sedona Community Development Director or City Manager, who will review the findings.
2. Review of the complaint may include an informal hearing of the parties involved.
3. The City of Sedona Community Development Director or City Manager shall provide a written response to the complainant within 10 working days.
4. The City of Sedona Community Development Director or City Manager's determination is to be considered final.

This process has been created to resolve any complaints resulting from the Sedona Owner-Occupied Housing Repair Program. If assistance is needed in processing a complaint, the City of Sedona, Community Development Director may be contacted at 928-282-1154, and reasonable assistance will be arranged.

SECTION III - STANDARDS FOR REPAIR/REPLACEMENT

All work performed will meet the State of Arizona's Rehabilitation Standards, Arizona Registrar of Contractors Workmanship Standards, ADOH Guidance on New Weatherization Standards for OOHR Housing Rehabilitation (if applicable), and state, local, fire, and building codes.

Contractors must have a valid Arizona Registrar of Contractors License and will be required to obtain all required licenses and building permits. Contractors shall follow all city inspection requirements. When appropriate, repairs will include energy efficiency measures, such as roof replacements, appropriately sized heating and cooling unit replacements, electrical repairs, plumbing repairs, windows, doors, etc. Energy and water conservation features will be included in the work to the greatest extent feasible. All appliances (i.e. refrigerator, stove, dishwasher, washers and dryers) must be compliant with Energy Star standards.

No luxury items will be considered. Additions to family rooms, recreation rooms, etc., will not be allowed. When it is necessary for health and safety, disability accessibility will be provided.

Top Priority Items

These items relate to the general health and safety of the occupants and potential violations of local code. These items will be top priority for the work write-up on each unit (i.e., must be repaired or replaced prior to any other work).

- Hazardous materials.
- Health and safety hazards.
- Stable and weather tight roof.
- Failed septic system.
- Electrical system. Unit must meet the City of Sedona's adopted Electric and Building codes.
- Plumbing (including hot water). Must be in good working order and be safe and sanitary.
- Heating and cooling system. Must be adequate / safe with a reasonable (5-year) useful life.
- Egress in accordance with local health and safety codes.

High Priority Items

The following items are high priority items that shall be included in the work write-up (funds permitting) and shall receive next priority in work to be completed as part of the repair project. Repair or Replacement may take place based on the amount of available resources.

- Structural soundness and integrity (including rotted or deteriorating materials and those impacted by termites or other wood-boring insects).
- Siting of structure and relationship to water penetration that may impact structural integrity.
- Appropriate kitchen facilities including a sink and means of cooling and heating food to healthful standards.
- Windows if health/safety issue

Each repair specialist must determine, on a case-by-case basis, the priority of items not listed above.

SECTION IV - REPAIR PROCESS

Property Inspection and Bid Process

When an applicant has been declared eligible and is ready to be served, the VVHFH or NACOG Housing Repair Specialist will arrange to visit the home, assess the needed repair, and prepare a work plan/scope of work after consultation with the homeowner.

The Housing Repair Specialist will need to prepare bid documents and solicit contractor bids through an advertised and sealed bid process following the AZ Department of Housing handbook guidelines. Only licensed contractors will be solicited; no part of the repair work associated with the CDBG funds shall be completed by the homeowner.

The Housing Repair Specialist will attempt to obtain at least three bids on each project, whenever possible. In the case of an advertised and sealed bid process for construction, bids will be sealed and will be opened publicly at the date and time specified, in accordance with sealed bid process requirements.

Contractor Selection

The Housing Repair Specialist will recommend the lowest responsible and responsive bid to the Homeowner. The lowest bid may be rejected if all or part of the bid is unreasonable or impractical and may result in substandard work. The Homeowner may award a higher bid if the dollar difference between the low bid and the selected contractor is deposited by the Homeowner into the Program account before the start of construction.

The Housing Services Administrator (VVHFH or NACOG) will check the Contractor on the HUD's List of Excluded Parties to assure they are not disbarred from working a federal project and with the Arizona Registrar of Contractors to assure they are currently licensed in the appropriate field. The Contractor will present a copy of his insurance and W-9 prior to beginning work.

Once all required documentation has been reviewed and approved, a work order or agreement will be signed, and the repair specialist will ensure the contractor and homeowner understand the project specifics and what to expect during construction and to close out the file.

The projects are small, and payment is made at completion, so contractor bonds are not required. The Arizona Registrar of Contractors regulations require that currently licensed contractors carry bonds; proof of current license and ability to contract will suffice as proof of bonding.

Temporary Relocation Policies and Procedures

Since these will be small, targeted projects, temporary relocation assistance will not be required. Any project that would require relocation will be referred to another program.

Payments to Contractors and Change Orders

Contractors will be paid at the completion of the project. Contractors may request a change order, but only for problems that have arisen from work included in the bid outline and cost proposal, and only for problems that were unforeseeable at the time of the inspection. The Housing Repair Specialist may approve a change order request with the consent of the Homeowner. The Contractor will not be reimbursed for any work performed that is not included in the scope of work listed in the agreement or provided for by an approved change order.

Agreements, Construction Contracts and Other Documents

Please see Appendix for sample forms, contracts, and other documents. These include the Application, Contract, Lead Based Paint Notification, and Grievance Procedure. A checklist is maintained in each individual file noting all required documents such as those in the Appendix, and additional documentation such as income verification. The checklist will reflect the type of documents included in each file and will note those that do not apply as "N/A".

Contractor Payments & Reimbursement

The Housing Repair Specialist will inspect the job to certify completion of the work, obtain pictures, and the homeowner will sign off that the work has been completed and approved.

The Housing Services Administrator (VVHFH or NACOG) will request that the City of Sedona issue a check for the requested amount and keep a copy of the check. The Housing Services Administrator will submit itemized invoices with the appropriate backup to the City, along with a City of Sedona Request for Payment for reimbursement from the grant. As the pass-through organization, the City of Sedona will pay contractors, NACOG, VVHFH or other vendors for their fees and expenses and receive reimbursement from Arizona Department of Housing.

Warranties & Homeowner Education

The contractor will provide a warranty on all labor, materials, and equipment incorporated into the project consistent with Arizona Statutes in effect at the time of completion. Such warranties will be in the form of manufacturer's documents, installation manuals, and any other instructions for the maintenance and upkeep of installed items. The Housing Repair Specialist will review these documents with the Homeowner and be available to answer any questions arising from the warranty process.

Tracking

The Housing Services Administrator is responsible for reporting procedures and for the maintenance of all case files. The Housing Services Administrator is also responsible for all performance reports to Arizona Department of Housing and for the maintenance of a current log of all properties that have participated in the Owner-Occupied Housing Repair Program. The Housing Services Administrator is responsible for the contact and counseling of families regarding violations of conditions of the Program.

SECTION V - MARKETING

General Public

VVHFH currently has a home repair service and receives calls asking for assistance on an ongoing basis. The program is promoted from time to time through various mediums such as websites, newsletters, postings, or other appropriate means. Other local agencies that serve elderly, disabled and low-income clients know of our programs and make referrals.

Marketing to Contractors

The Sedona Owner-Occupied Housing Repair Program follows the procedures for procurement and contracting as established in the Procurement and Contracting handbook distributed by the Arizona Department of Housing, CDBG Program. This handbook can be found on the Arizona Department of Housing website at azhousing.gov and is available for review and reference by any interested persons.

Every effort is made to obtain a minimum of three bids for each project. Minority, small business, and women owned firms (using MBE, WBE, etc.) are encouraged to bid on all projects.

SECTION VI - ORGANIZATION & PROGRAM PARTNERS

Administrative Structure

The Executive Director of Verde Valley Habitat for Humanity will be the Program Administrator for projects in the City of Sedona and the Housing Services Administrator will provide a supportive role.

VVHFH Staff are responsible for marketing the Program, application intake, initial processing of applications, and coordination. Housing Repair Specialist Services, which may be a contracted service, are responsible for inspections, work write-ups, cost estimates, procurement, bid procedures, recommendation for bid awards, preparation of contracts (if applicable), interim inspections, final inspections, approvals for payment, submission of invoices for payment, and providing information necessary for reporting purposes. For simple items, the same person may serve in both roles. VVHFH will be responsible for certain required administrative functions such as signing the application, grant agreement, and close-out forms, and for the processing of invoices and tracking reimbursement. Administrative duties may be shared with NACOG depending on staff availability.

Program Approval and Management

The City of Sedona City Council are responsible for approving Program parameters and amendments. The City of Sedona City Council are also responsible for approving the submittal of a CDBG application for funding the Owner-Occupied Housing Repair Program, which was done through a resolution in September 2024. The City of Sedona is responsible for overall grant administration of the Program, but may contract for assistance if needed.

SECTION VII – DEFINITIONS

- 1) **Income:** All wages, financial assistance, SS, VA, DES, spousal support, child support, unemployment, and any other income from any source for occupants of a household that are over age 18. Food stamps will not be considered as income. Income will be verified with the most recent tax returns, the last two paycheck stubs (four, if paid on a weekly basis) and/or a copy of bank statements covering the previous three months. If the applicant is retired or receives disability income, he/she will provide DES, SS or SSI verification forms. All court-ordered spousal and/or child support payments will be verified through the court.
- 2) **Family/Household:** All persons occupying the house including extended family, i.e. elderly parents, single or minor/dependent children with children, and any non-related persons occupying the home on an ongoing basis. In any event, the income of all household members over 18 years of age will be included.
- 3) **Homeownership:** means ownership in fee simple title or a 99-year leasehold interest in a one- to four-unit dwelling or in a condominium unit, ownership or membership in a cooperative or equivalent form of ownership approved by HUD.
- 4) **Project Completion:** means that all necessary grant requirements and construction work have been performed and the project complies with the requirements; and the final payment has been disbursed for the project.
- 5) **Single parent/head of household:** means an individual who is unmarried or legally separated from a spouse; and a) has one or more minor children for whom the individual has custody or joint custody; or b) is pregnant.

APPENDIX - FORMS AND CHECKLISTS

- A. Income Guidelines**
- B. Client Application Form (includes Grievance Procedure)**
- C. Ranking Sheet**
- D. Eligibility Criteria / Zero Income Certification**
- E. Income Calculation Form**
- F. E-HR.2 (Environmental Review Appendix A)**
- G. Homeowner Understanding and Agreement**
- H. Protect Your Family from Lead in your Home (Lead Hazard Information)**
- I. Homeowner/Contractor Contract (if applicable)**
- J. Change Order**
- K. Owner Acceptance and Approval for Payment**
- L. Homeowner Education**
- M. Client File Checklist**

U.S. DEPARTMENT OF HUD
STATE:ARIZONA

----- 2024 ADJUSTED HOME INCOME LIMITS -----

PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
Flagstaff, AZ MSA								
30% LIMITS	21000	24000	27000	29950	32350	34750	37150	39550
VERY LOW INCOME	35000	40000	45000	49950	53950	57950	61950	65950
60% LIMITS	42000	48000	54000	59940	64740	69540	74340	79140
LOW INCOME	55950	63950	71950	79900	86300	92700	99100	105500
Lake Havasu City-Kingman, AZ MSA								
30% LIMITS	14850	17000	19100	21200	22900	24600	26300	28000
VERY LOW INCOME	24750	28250	31800	35300	38150	40950	43800	46600
60% LIMITS	29700	33900	38160	42360	45780	49140	52560	55920
LOW INCOME	39550	45200	50850	56500	61050	65550	70100	74600
Phoenix-Mesa-Scottsdale, AZ MSA								
30% LIMITS	21600	24700	27800	30850	33350	35800	38300	40750
VERY LOW INCOME	36000	41100	46300	51400	55550	59650	63750	67850
60% LIMITS	43200	49320	55560	61680	66660	71580	76500	81420
LOW INCOME	57600	65800	74050	82250	88850	95450	102000	108600
Prescott Valley-Prescott, AZ MSA								
30% LIMITS	17450	19950	22450	24900	26900	28900	30900	32900
VERY LOW INCOME	29050	33200	37350	41500	44850	48150	51500	54800
60% LIMITS	34860	39840	44820	49800	53820	57780	61800	65760
LOW INCOME	46500	53150	59800	66400	71750	77050	82350	87650
Sierra Vista-Douglas, AZ MSA								
30% LIMITS	14850	17000	19100	21200	22900	24600	26300	28000
VERY LOW INCOME	24750	28300	31850	35350	38200	41050	43850	46700
60% LIMITS	29700	33960	38220	42420	45840	49260	52620	56040
LOW INCOME	39600	45250	50900	56550	61100	65600	70150	74650
Tucson, AZ MSA								
30% LIMITS	18800	21450	24150	26800	28950	31100	33250	35400
VERY LOW INCOME	31250	35750	40200	44650	48200	51800	55350	58950
60% LIMITS	37500	42900	48240	53580	57840	62160	66420	70740
LOW INCOME	50000	57150	64300	71400	77150	82850	88550	94250
Yuma, AZ MSA								
30% LIMITS	14000	16000	18000	19950	21550	23150	24750	26350
VERY LOW INCOME	23300	26600	29950	33250	35950	38600	41250	43900
60% LIMITS	27960	31920	35940	39900	43140	46320	49500	52680
LOW INCOME	37250	42600	47900	53200	57500	61750	66000	70250

U. S. DEPARTMENT OF HUD
STATE: ARIZONA

----- 2024 ADJUSTED HOME INCOME LIMITS -----

PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
Apache County, AZ								
30% LIMITS	13550	15450	17400	19300	20850	22400	23950	25500
VERY LOW INCOME	22550	25750	29000	32200	34800	37400	39950	42550
60% LIMITS	27060	30900	34800	38640	41760	44880	47940	51060
LOW INCOME	36050	41200	46350	51500	55650	59750	63900	68000
Gila County, AZ								
30% LIMITS	14700	16800	18900	21000	22700	24400	26050	27750
VERY LOW INCOME	24500	28000	31500	35000	37800	40600	43400	46200
60% LIMITS	29400	33600	37800	42000	45360	48720	52080	55440
LOW INCOME	39200	44800	50400	56000	60500	65000	69450	73950
Graham County, AZ								
30% LIMITS	15850	18100	20350	22600	24450	26250	28050	29850
VERY LOW INCOME	26400	30200	33950	37700	40750	43750	46750	49800
60% LIMITS	31680	36240	40740	45240	48900	52500	56100	59760
LOW INCOME	42250	48250	54300	60300	65150	69950	74800	79600
Greenlee County, AZ								
30% LIMITS	17450	19950	22450	24900	26900	28900	30900	32900
VERY LOW INCOME	29050	33200	37350	41500	44850	48150	51500	54800
60% LIMITS	34860	39840	44820	49800	53820	57780	61800	65760
LOW INCOME	46500	53150	59800	66400	71750	77050	82350	87650
La Paz County, AZ								
30% LIMITS	14350	16400	18450	20500	22150	23800	25450	27100
VERY LOW INCOME	23900	27300	30700	34150	36900	39650	42350	45100
60% LIMITS	28680	32760	36840	40980	44280	47580	50820	54120
LOW INCOME	38250	43750	49200	54650	59050	63400	67800	72150
Navajo County, AZ								
30% LIMITS	13550	15450	17400	19300	20850	22400	23950	25500
VERY LOW INCOME	22550	25750	29000	32200	34800	37400	39950	42550
60% LIMITS	27060	30900	34800	38640	41760	44880	47940	51060
LOW INCOME	36050	41200	46350	51500	55650	59750	63900	68000
Santa Cruz County, AZ								
30% LIMITS	13550	15450	17400	19300	20850	22400	23950	25500
VERY LOW INCOME	22550	25750	29000	32200	34800	37400	39950	42550
60% LIMITS	27060	30900	34800	38640	41760	44880	47940	51060
LOW INCOME	36050	41200	46350	51500	55650	59750	63900	68000

SEDONA HOME REPAIR PROGRAM
Northern Arizona Council of Governments (NACOG)
119 E. Aspen Ave., Flagstaff, AZ 86001
(928) 444-8894; homerepairs@nacog.org

APPLICATION

IMPORTANT! Please carefully read and complete this application. Incomplete or unclear information delays the processing of your application. Call (928) 444-8894 if you have any questions. All information on this application will remain confidential and will only be utilized as necessary to meet the requirements of the program and deliver services. Please return the completed application to the address or email listed above.

Date: _____

Name of Applicant Homeowner or if applicable, Name of Representative with Power of Attorney:

Street Address, City, State, Zip: _____

Mailing Address (if different): _____

Primary Phone: _____ Primary Email: _____

Alternate Contact Name (optional): _____

Alternate Phone: _____ Alternate Email: _____

THE FOLLOWING QUESTIONS WILL HELP US DETERMINE APPLICANT ELIGIBILITY:

- Are you a resident of the City of Sedona and a legal resident of the U.S.? Yes No
- Have you occupied the home full-time, year round, for at least 12 months? Yes No
- Do you certify that you plan to occupy property as your principal and only residence for at least five years? Yes No
- Are all property taxes paid up to date? Yes No
- Is the home currently insured/insurable? Yes No
- Do you as homeowner have Fee Simple title to the property? Yes No

1. HOUSEHOLD COMPOSITION & INCOME

A. For each type of income that your household receives, give the source of the income and the amount of income received from that source during the past 12 months. Sources of income include but are not limited to wages, cash, unemployment, alimony payments, welfare assistance, social security pension, annuity, trust fund, royalty payments, property rental, property sale, military allotments, and interest of over \$50 per month from savings, stocks, bonds, and certificates of deposit.

HOUSEHOLD MEMBER*	SOURCE OF INCOME	AMOUNT OF MONTHLY INCOME	BIRTHDATE	SEX
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				

*Is the Head of Household a Single Parent? Yes No

Race and ethnicity information is required by the funding agency and is used for statistical purposes only.

B. Race of Head of Household (Please check one and only one):

SINGLE RACE CATEGORIES:

- White
- Black/African American
- Asian
- American Indian/Alaskan Native
- Native Hawaiian/Other Pac Islander

MULTI-RACE CATEGORIES:

- American Indian/Alaskan Native & White
- Asian & White
- Black/African American & White
- American Indian/Alaskan Native & Black/African American
- Other Multi-Racial

C. Is the Head of Household of Hispanic Ethnicity? Yes No

D. Is anyone in the household disabled? Yes No
 # of Disabled Residents in Home: _____

2. CONDITION OF HOME / REPAIR(S) NEEDED

A. This federal grant requires City of Cottonwood, the Verde Valley Habitat for Humanity (VVHFH), and NACOG to prioritize issues that affect a home's code compliance, beginning with health and safety. What health or safety related repairs are needed on your home? **Please circle the items below that are a health/safety concern for the people in the home:**

Electrical hazards	Plumbing	Sewer
Roofing	Foundation	Furnace
Floors	Doors or windows	Vermin or rodent infestation
Water leaks	Porches/steps	Disabled accessibility

B. Additional comments regarding condition of home and/or repairs needed:

***Note: A final determination of the severity of need for a repair will be made by a City of Sedona, VVHFH, or NACOG representative. These estimates help us understand the relative needs of the home.*

C. Year the home was built: _____

3. CERTIFICATIONS

PRIVACY ACT NOTICE STATEMENT: This information is being collected to determine your eligibility for assistance through the US Department of Housing and Urban Development CDBG program. It may be released to appropriate Federal, State, and local agencies (or their agents) when relevant, to civil, criminal or regulatory investigators and prosecutors.

PRINCIPAL RESIDENCE: I/we certify that I/we own the property listed at the address in this application and that the property is occupied as my/our principal residence. I/we have lived at this address for _____ years.

PLAN TO OCCUPY: I/we certify that I/we plan to occupy the property as my/our principal and only residence for at least five years.

WARNING: By signing this form, you are indicating that you have read and understand the above Privacy Act Notice and the "City of Sedona Home Repair Program Eligibility Information" document, and certify that the information provided in this application is true, accurate and complete.

Signature (Head of Household) Date

Signature of person assisting with this form (if applicable)

Name/Phone # of person assisting with this form Date

% AMI

Household Size

Sedona Home Repair Program CLIENT RANKING SHEET

APPLICANT NAME:

APPLICATION DATE: Click for Date

MINIMUM APPLICANT/PROPERTY/INCOME REQUIREMENTS

- 1. Is the owner a resident of the City of Cottonwood and a legal resident of the U.S.? Yes No
- 2. Has homeowner occupied the home full-time, year round, for at least 12 months? Yes No
- 3. Has homeowner certified their plan to occupy property as principal and only residence for at least five years? Yes No
- 4. Is total household income including assets 80% of AMI or below? Yes No
- 5. Is the home currently insured/insurable? Yes No
- 6. Does the homeowner have Fee Simple title to the property? Yes No

1. **MEETS MINIMUM REQUIREMENTS = 10 Points TOTAL POINTS FOR MINIMUM**

2. **PERCENTAGE OF INCOME OF HOUSEHOLD**

- A) Very Low Income (50% of AMI or below) = 10 Points
- B) Low Income (51-80% of AMI) = 5 Points

TOTAL POINTS FOR HOUSEHOLD INCOME

3. **ELDERLY APPLICANT OR HOUSEHOLD MEMBER (>= 62)**

Age 62 or Older (Five times # of seniors in household) 5 X =

TOTAL POINTS ELDERLY HOUSEHOLD

4. **DISABLED FAMILY MEMBER**

Disabled (Five times # of disabled in household) 5 X =

TOTAL POINTS HOUSEHOLD DISABILITIES

5. **REQUIRES ADA UPGRADES = 3 Points**

TOTAL POINTS FOR ADA REPAIRS

6. **SINGLE HEAD OF HOUSEHOLD WITH MINOR CHILDREN**

Children (Three times # of children in household) 3 X =

TOTAL POINTS FAMILY COMPOSITION

7. **RESIDED IN COMMUNITY MORE THAN 10 YEARS = 3 Points**

Ranked By:

Date Ranked: Click for Date

TOTAL SCORE



**SEDONA
HOME REPAIR PROGRAM
COMPLIANCE WITH HRG REQUIREMENTS**

REQUIREMENT	HOW VERIFIED	DATE/INITIALS
Resident of Sedona	Phone/utility bill/voter ID/Other (specify)	
Home located in Sedona	Map	
Own home and land	Recorded Deed/Title	
Legal resident of United States	Social Security cards for all adults	
Income eligible	Review of documents/VVHFH	
Insurance eligible	Review of documents/VVHFH	
Property not encumbered by Excessive liens	Review of City and County records/VVHFH	

**SEDONA HOME REPAIR PROGRAM
ZERO INCOME CERTIFICATION**

Applicant: _____

Date: _____ Address: _____

Circle Y (Yes) or N (No) for each statement. Do you receive any of the following?

- | | | |
|---|---|---|
| Y | N | 1. Employment Income |
| Y | N | 2. Any income from any source such as, but not limited to, Mary Kay, Shaklee Amway, or any other self-employment venture. |
| Y | N | 3. Income from social security, public assistance, unemployment compensation, or any other agency. |
| Y | N | 4. Regular recurring gifts from any person or agency. |
| Y | N | 5. Income from any source. |

Explain any Y (Yes) answers. (A copy of your most current SIGNED Federal Income Tax Form must be attached).

Please indicate the period of time you expect to receive no income:

I hereby certify under penalty of perjury that the information provided above is accurate and complete to the best of my knowledge. I consent to release such information in order to comply with government regulations regarding allocation of Section 42 housing. I understand that providing false or misleading information under oath may subject me to criminal penalties. I fully understand what information is being requested and the ramifications of my not providing complete and truthful responses.

Executed on _____, 20____, at

(City) _____ Arizona.

Signature (zero-income household member)

Housing Rehab Income Eligibility Calculation Worksheet

To be eligible for CDBG or HOME, households must be at or below 80% of the Area Median Income (and meet other eligibility requirements, as outlined in the Notice). Grantees may use this sample worksheet to determine whether an applicant household meets the income eligibility threshold. A copy of this worksheet should be kept in the applicant/beneficiary file.

Household Member Number	Household Member Name	Age of Household Member
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		

	Total Household Members (Household size)	
	80% of Area Median Income (AMI) for Household Size	

Household Member Number/Name	Sources of Household Income	Gross Documented Current Income Amount	Frequency of Income	Number of Payments per Year	Annual Gross Income (gross income amount X # of payments per year)
	Earned Income (for ADULT household members only)				\$ -
	Earned Income (for ADULT household members only)				\$ -
	Earned Income (for ADULT household members only)	\$ -			\$ -
	Self-employment/business income	\$ -			\$ -
	Self-employment/business income	\$ -			\$ -
	Interest & Dividend Income	\$ -			\$ -
	Interest & Dividend Income	\$ -			\$ -
	Pension/Retirement Income				\$ -
	Pension/Retirement Income				\$ -
	Unemployment & Disability Income				\$ -
	Unemployment & Disability Income	\$ -			\$ -
	TANF/Public Assistance	\$ -			\$ -
	TANF/Public Assistance	\$ -			\$ -
	Alimony, Child Support and Foster Care Income	\$ -			\$ -
	Alimony, Child Support and Foster Care Income	\$ -			\$ -
	Armed Forces Income	\$ -			\$ -
	Armed Forces Income	\$ -			\$ -
	Imputed Income from Assets (Total assets x .02 if assets total over \$5,000)	\$ -			\$ -
	Other (specify):				\$ -
	Total Annual Gross Income from all Sources				\$ -
	80% of Area Median Income for Household Size				
	Household's Income as Percentage of Area Median Income (100% AMI for HH size)				#DIV/0!
	<i>Is the household at or below 80% Area Median Income?</i>				

Date of Income Calculations:		Signature of Staff Completing Form:	
------------------------------	--	-------------------------------------	--

Before an activity is approved, this **Appendix A** review must be successfully completed and kept in file for each residential structure proposed for acquisition/rehabilitation/disposition. This Appendix A may be used only in conjunction with a currently valid **RER** (Rehabilitation Environmental Review) form for the target area. Completion of the Appendix A does not require the submission of an additional RROF/C [Request for Release of Funds/Certification] ADOH E-12 (HUD 7015.15) if the Responsible Entity has received Authority to Use Grant Funds – ADOH E-13 (HUD 7015.16) for the project.

Building and Unit Address:

Part III HISTORIC PRESERVATION (NHPA, Section 106)

1. Does this undertaking involve only those activities permitted without further consultation under a currently valid **programmatic agreement** among the responsible entity, the State Historic Preservation Officer (**SHPO**) or Tribal Historic Preservation Officer (**THPO**) and/or the Advisory Council on Historic Preservation?
 Yes No
 If "Yes", note date of programmatic agreement _____, document implementation of the terms of the agreement and **STOP** here; the Section 106 Historic Preservation review is complete. If "No", **PROCEED**.
2. Does the project involve only acquisition and/or rehabilitation of a 1-4 unit residential structure that is **less than 50 years old**?
 Yes No
 If "Yes", record date of building construction _____, age: _____ years and **STOP** here. The Section 106 Historic Preservation review part is complete. If "No", **PROCEED**.
3. If the building is 50 or more years old, does the project involve rehabilitation of the interior only?
 Yes No
 If "Yes" document the scope of work to prove interior only rehabilitation and **STOP** here. The Section 106 Historic Preservation review part is complete. If "No", **PROCEED**.
4. If the proposed rehabilitation involves physical work with potential to affect any historic structure, **determine** -in consultation with the appropriate **SHPO/THPO**- whether the building is **listed or eligible** for inclusion in the National Register of Historic Places (**NR**). ("If the structure is located in a National Register Historic District, the area of effects includes not only the subject property, but the Historic District as a whole.)
 Is the building listed in or eligible for listing in the NR? Yes No
 If "No", attach SHPO/THPO concurrence or other evidence of conclusion and **STOP** here. This part is complete pursuant to 36 CFR §800.4(d). If "Yes", **Proceed**.
5. Determine whether **historic properties are affected** per §800.4(d). Has SHPO/THPO concurred with your fully documented determination of "no historic properties affected", or failed to object within 30 days of receipt of such determination, allowing sufficient time for mail delivery?
 Yes. Enclose documentation and **STOP** here. Section 106 review is complete.
 No. **Proceed**.
6. **Determine whether the project will have adverse effects** on historic properties according to § 800.5, in consultation with the SHPO/THPO and consulting parties [see §800.2(c)].
 Will this project have an adverse effect(s) on historic properties? Yes No
 If "No", attach SHPO/THPO concurrence and **STOP** here. This part is complete per 36 CFR §800.5(d)(1).
 If "Yes", **PROCEED**.
7. Resolve Adverse Effects per §800.6 -in consultation with the SHPO/THPO, the Advisory Council on Historic Preservation (ACHP) if participating, and any consulting parties. The loan or grant may not be approved until adverse effects are resolved according to §800.6 or ACHP comment is considered by the Responsible Entity.

NOTES: 1. A determination/consultation of eligibility for the NR may be sent to SHPO/THPO concurrently with the determination/consultation of effect/no effect and with the determination/consultation of adverse/no adverse effects.

2. The **Chief Executive Officer of the jurisdiction cannot delegate to another person** the decision to approve a project in opposition to Advisory Council comment.
3. Keep copies of this form, all SHPO/THPO and ACHP correspondence in the ERR as evidence of compliance with Section 106 of the National Historic Preservation Act.

Part IV AIRPORT CLEAR ZONES (24CFR51D)

1. Does this proposal involve the purchase or sale of property? Yes No
If "No", **STOP** here. This project complies with 24 CFR Subpart D §51.300. If "Yes", PROCEED.
2. Is the subject property located in the Clear Zone (CZ), Approach Protection Zone, or in the Runway Clear Zone (RCZ) of a commercial civil airport or military airfield? Yes No

Source Documentation:

If "No", **STOP** here; this project complies with 24 CFR Subpart D §51.300. If "Yes", PROCEED.

Provide an airport **disclosure statement** advising the buyer that the property is in a RCZ or CZ, what the implications of such a location are and that there is a possibility that the property may, at a later date, be acquired by the airport operator. Obtain the buyer's signature acknowledging receipt of this information and attach it to this Appendix A. (This disclosure requirement does not apply to Accident Potential Zones). AND PROCEED.

3. Does the rehabilitation significantly prolong the physical or economic life of the building? Yes No. If "No" the activity complies with HUD policy at 24 CFR Subpart D §51.303. If "Yes" the activity is *not* in compliance with HUD policy at 24 CFR Subpart D §51.303; **deny HUD assistance for this activity.**

Part V EXPLOSIVE & FLAMMABLE OPERATIONS (24CFR51C)

1. Will this proposed acquisition/rehabilitation project result in increased residential density or cause a vacant building to become physically or legally habitable? Yes No
If the answer to both parts of the question is "No", **STOP** here; this proposal complies with 24 CFR §51.201.
If the answer to any part of the question is "Yes", PROCEED.
2. Is this proposed project within 1 mile of any visible, explosive-or-flammable-substance container (a stationary, aboveground tank with a capacity of more than 100 gallons)? Yes No (See 24 CFR 51C, Appendices I and II).

Field inspection by: _____ Date _____

If "No", **STOP** here. This part is complete. If "Yes", PROCEED.

3. Note Tank volume: _____ gallons, or diked area around tank: _____ square feet.
Record distance from the project to the flammable/explosives container: _____ feet.
4. According to HUD Guidebook, "Siting of HUD-Assisted Projects Near Hazardous Facilities" (HUD-1060-CPD), the **Acceptable Separation Distance (ASD)** thermal radiation (Appendix F) is: _____ feet and the ASD for blast overpressure (Appendix G) is: _____ feet. The greater ASD is: _____ feet. Is the project located beyond the ASD according to Appendices F and G? Yes No If "Yes", **STOP**; the project complies with 24 CFR 51C. If "No", **deny HUD assistance**, or **APPROVE ONLY** if the following shielding/mitigation measures; designed in compliance with 24 CFR §51.205 are carried out:

Part VI TOXIC/HAZARDOUS/RADIOACTIVE MATERIALS POLICY [24 CFR 58.5(i)(2)]

1. Field Observations of the property (exterior/interior):
2. Are there visible dumps, landfills, industrial sites or other locations containing or releasing toxic/hazardous/ radioactive/ materials, chemicals or hazardous wastes on or near the subject site?
 Yes No If "No" PROCEED. If "Yes", DESCRIBE: _____ and PROCEED.
3. Does this project site contain an underground storage tank (which is not a residential fuel tank)?
 Yes No If "No" PROCEED. If "Yes", DESCRIBE: _____ and PROCEED.

4. Search Federal, State or local environmental toxic sites records (e.g. www.epa.gov/enviro/emef) Do these sources reveal nearby on or nearby sites that may pose threats to the subject site occupants health or safety? Yes No If "No"; cite databases: _____ and PROCEED. If "Yes"; cite databases: _____ ; DESCRIBE _____ and PROCEED.
5. **Determination:** Are the neighborhood and property free of hazardous materials, contamination, toxic chemicals, gases and radioactive substances which could affect the health or safety of occupants? Yes, according to toxic site database research and field observations. No, the following toxic or hazardous conditions must be mitigated during implementation: _____ (Prescribe mitigation measures now, and attach mitigation compliance, disclosure & clearance documents as appropriate, after project implementation. No, hazardous exposure or risk will not be mitigated; **Deny HUD Assistance for this activity.**

Part VII FLOOD INSURANCE/FLOOD DISASTER PROTECTION ACT [24CFR58.6(a)]

(The Flood Disaster Protection Act mandates the purchase of **flood insurance** for buildings located in SFHA's as a condition of approval for federal financial assistance. Flood insurance protection is mandatory for acquisition, construction, reconstruction, repair and improvement activities. Responsible Entities approving such Federally assisted activities located in SHFA's must ensure that flood insurance is maintained for the statutorily-prescribed period and dollar amount. In the case of grants, flood insurance must be maintained for the life of the building. In the case of loans, flood insurance must be maintained for the term of the loan. A copy of the flood insurance Policy Declaration must be maintained in the ERR. The amount of flood insurance coverage must be at least equal to the total project cost (less the estimated land cost) or to the maximum limit of coverage made available by the NFIP).

1. Does the project involve the acquisition or rehabilitation of structures, buildings or mobile homes?
 No; flood insurance is not required. STOP; compliance is established.
 Yes; PROCEED.
2. Is the structure or part of the structure located in a FEMA designated Special Flood Hazard Area?
 No; cite Source Document (FEMA/FIRM floodplain zone designation, panel number, date): _____ STOP; compliance is established.
 Yes; cite Source Document (FEMA/FIRM floodplain zone designation, panel number, date): _____, PROCEED.
3. Is the community participating in the National Insurance Program (or has less than one year passed since FEMA notification of Special Flood Hazards)?
 Yes. Flood Insurance under the National Flood Insurance Program must be obtained and maintained for the economic life of the activity to cover the total activity cost. A copy of the flood insurance Policy Declaration must be kept in the Environmental Review Record.
 No, **HUD assistance may not be provided for this property in the Special Flood Hazard Area.**

PART VIII LEAD BASED PAINT

(Applicable to Housing Rehab Projects starting with those funded from FY 2002 funds)

1. Was the construction of the subject building completed on or after January 1, 1978? Yes No
 If "Yes", record the year of construction (_____) and **STOP** here; this part is completed. If "No", PROCEED.
2. Is this property a Single Room Occupancy Dwelling Unit, a residential property designated exclusively for persons with disabilities or the elderly; where a child under six years old is not expected to reside?
 Yes No If "Yes", **STOP** here; this part is completed. If "No", PROCEED.
3. Has this property been inspected in accordance with §35.1320(a) and found not to have lead based paint?
 Yes No If "Yes", attach a copy of the inspection report as **pages** _____ and **STOP** here, this part is now completed. If "No", PROCEED.
4. Has all LBP been removed, interim controlled or abated and LBP clearance for the property achieved?
 Yes No If "Yes", attach a copy of the clearance report as **pages** _____ and **STOP** here; this part is now completed. If "No", PROCEED.

5. Is this rehabilitation which will not disturb a painted surface, or is the disturbance limited to 20 square feet exterior painted surfaces or 2 square feet painted surfaces in any one interior room? [See §35.1350(d)]

Yes No If "Yes", **STOP** here; this part is completed. If "No", **PROCEED** to a. thru c. below, which applies to the level of Federal rehabilitation assistance applicable to this project.

- a. Are the average Federal funds for the hard costs of rehabilitation per unit limited to \$5,000 or less?
 Yes No If "Yes", conduct paint testing per Sec. 35.930(a)(1) and implement safe work practices per § 35.930(a)(2) OR presume LBP and implement safe work practices. Either way, conduct a clearance examination, per §35.930(b)(3) after rehabilitation. Attach a copy of the paint test (if applicable) as pages _____ and clearance examination reports as pages _____, after completion.
- b. Are the average Federal funds for the hard costs of rehabilitation per unit more than \$5000 but not exceeding \$25,000?
 Yes No If "Yes", conduct paint testing per Sec. 35.930(c)(1) and a risk assessment per Sec. 35.930(c)(2); perform interim controls per Sec. 35.1330 (see Sec. 35.930(c)(3)) OR presume LBP and/or hazards present and use standard treatments per Sec. 35.120(a). Either way, conduct a clearance examination per Sec. 35.930(b)(3) after rehabilitation. Attach a copy of the paint test as pages _____ and risk assessment (if applicable) as pages _____, and clearance examination reports as pages _____, after completion.
- c. Are the average Federal funds for the hard costs of rehabilitation per unit more than \$25,000?
 Yes No If "Yes", conduct paint test and perform a risk assessment per §35.930(d)(2), or presume LBP. Abate all LBP hazards identified by the paint test or risk assessment conducted and any LBP hazards created as a result of the rehabilitation work, in accordance with §35.1325, except that interim controls are acceptable on exterior surfaces that are not disturbed by rehabilitation. Either way, conduct a clearance examination per Sec. 35.930(b)(3) after rehabilitation. Attach a copy of the paint test as pages _____ and risk assessment (if applicable) as pages _____ and clearance examination reports as pages _____, after completion.

Prepared by *(insert name and title)*

Signature

Date

Certifying Officer for Responsible Entity *(insert name and title)*

Signature

Date

* **Notes:** If Federal rehabilitation assistance under the HOME program is also used, recipient shall require property owner to incorporate ongoing LBP maintenance activities into regular building operations, per Sec. 35.1355(a) (see Sec. 35.935). Also, there are notification requirements for all rehabilitation activities: Lead Hazard Information Pamphlet, disclosure of known LBP hazards, and notices of lead hazard evaluation/reduction activity (see Sec. 35.910).

SEDONA HOME REPAIR PROGRAM
Verde Valley Habitat for Humanity
737 S Main St, Cottonwood, AZ 86326
(928) 852-7661; tania.simms@vvhabitat.org

HOMEOWNER UNDERSTANDING AND AGREEMENT

[TO BE REVIEWED AND SIGNED BY APPLICANT AT THE INITIAL MEETING BEFORE ANY EVALUATIONS, WORK WRITE-UPS, LEAD BASED TESTING, OR CONTRACTOR BIDS ARE UNDERTAKEN.]

NAME:

ADDRESS:

DATE:

Your application for the Sedona Home Repair Program has been determined eligible. Before we proceed with any work, it is required that you read and understand the following conditions, and that you sign indicating you will accept these conditions.

Lead-Based Paint Testing

- Depending on the project scope of work and if your home was built before 1978, it must be tested for the presence of lead-based paint and the possible safety hazards that might be present. If lead based paint is found, your home may require additional work to correct the hazards.
- If lead based paint is found in your home and work cannot be done, you will be required to present full disclosure that there is lead based paint in your home at any future real estate transactions involving the home.
- The cost of the testing is covered under the grant.

Bidding Process, Contractor Procurement, Bid Awards, Contracts, Payments, Final Inspections

- After your home is evaluated, the Home Repair Specialist will prepare bid specifications describing the work to be performed.
- Three bids will need to be obtained. The Home Repair Specialist will assist with getting three price quotes and/or recruiting contractors on your behalf. These contractors will submit bids for the work to be done. The lowest responsive bid will be recommended to the homeowner.
- Work agreements are strictly between the Homeowner and the Contractor. Neither City of Sedona nor VVHFH has a legal responsibility for the timeliness or the quality of the work.
- The Contractor will not be paid for any work done outside of the contract. Any agreements for a necessary change will be documented by a Change Order, signed by the Contractor, the Homeowner, and the City of Sedona.

- When the work is completed and evaluated by the Homeowner and a Home Repair Representative, the City of Sedona will make payment directly to the business or Contractor.
- Per the terms of the agreement, the Contractor gives the Homeowner a two-year warranty on labor and materials. Manufacturer warranties may be for a lesser or greater period of time.

Workmanship

I agree to seek, follow through and attempt to fully resolve all construction quality of workmanship disputes through the Registrar of Contractors process and apply and follow through with the contractor's recovery fund for restitution before seeking arbitration.

Arbitration

I agree, covenant and consent, that any and all controversies arising out of or in any way relating to the housing repair program, shall be settled solely by arbitration in accordance with the applicable rules of the American Arbitration Association then in effect and any judgment upon the award rendered by the arbitrators may be entered in and be enforceable by any court of competent jurisdiction. It is also provided further that all parties to this agreement hereby covenant and agree that they and each of them shall submit to and be bound by the decision of a three-person arbitration panel appointed by the applicable national panel of arbitrators, in accordance with the American Arbitration Association rules for appointment of such panels. In accordance with the rules and provisions of the American Arbitration Association, all parties hereto specifically agree that all arbitration proceedings arising there under shall be held in Yavapai County, Arizona.

I have read, understand, and accept the conditions listed above, as well as other grant conditions that may not have been highlighted above. I will proceed with the Sedona Home Repair Program and will sign other documents as they become pertinent to the process.

Homeowner

Date

Homeowner

Date

City of Sedona/VVHFH Home Repair Specialist

Date

Sedona Home Repair Program

Confirmation of Receipt of Lead Pamphlet

I have received a copy of the pamphlet, *Protect Your Family From Lead in Your Home*, informing me of the potential risk of the lead hazard exposure from renovation activity to be performed in my dwelling unit. No rehabilitation work has been started as of this date.

Printed name of Recipient

Date

Signature of Recipient

**SEDONA HOME REPAIR PROGRAM
Homeowner and Contractor Contract**

This contract is between [contractor; phone number] (referred to in this contract as CONTRACTOR), warranting itself to be licensed and qualified to perform the work specified herein, and [homeowner; phone number] (referred to in this contract as OWNER).

WHEREAS, Verde Valley Habitat for Humanity (VVHFH) is in receipt of a Community Development Block Grant (CDBG) from the Arizona Department of Housing, through the City of Sedona, to provide Housing Repair services;

WHEREAS, Northern Arizona Council of Governments (NACOG) is assisting the City of Sedona and VVHFH with the operation of the home repair program;

WHEREAS, the OWNER qualifies under the CDBG program and the City of Sedona/VVHFH program guidelines and is desirous of Housing Repair services;

NOW, THEREFORE; IN CONSIDERATION OF THEIR MUTUAL PROMISES, THE PARTIES AGREE AS FOLLOWS:

PART I. Specific Terms

1. EFFECTIVE DATE. This Contract shall have no force or effect unless and until executed by CONTRACTOR and OWNER. The date on which the agreement is fully executed shall be referred to as the Effective Date. CONTRACTOR shall not be compensated under this Contract for work commenced or materials delivered to the Property before the Effective Date. When the agreement is fully executed, CONTRACTOR is bound by this Contract.

2. THE CONTRACT. This Contract consists only of this Part I (Specific Terms), Part II (General Conditions), and the following exhibits:

- | | | |
|------------------------|--------------------------|----------------------|
| A. Scope of Work | ___ not applicable | <u>XX</u> applicable |
| B. Notice to Proceed | ___ not applicable | <u>XX</u> applicable |
| C. Engineered Drawings | <u>XX</u> not applicable | ___ applicable |
| D. Bid Specifications | ___ not applicable | <u>XX</u> applicable |

3. TIME FOR COMMENCEMENT AND COMPLETION. CONTRACTOR agrees to commence, or cause to be commenced, the actual work described in the Scope of Work within 15 consecutive calendar days after the Effective Date. CONTRACTOR agrees to complete, free of liens or rights of liens of contractors, mechanics, suppliers or laborers, all work listed above within 30 consecutive calendar days after the Effective Date of this Contract, subject to extensions approved by City of Sedona/VVHFH or NACOG (if applicable) in writing for the period of any excusable delays (including strikes, acts of God or other reasons beyond the control of OWNER or CONTRACTOR). CONTRACTOR agrees that time is of the essence in this Contract.

4. CONTRACT PRICE. CONTRACTOR agrees to accomplish work as described in the Contract Document for a total price of _____ Dollars (\$ _____), excluding Change Orders.

5. PAYMENTS. Upon submission of an invoice or Application for Payment, and upon approval by CITY OF SEDONA/VVHFH (or designee) and the OWNER of the completed work, CITY OF SEDONA shall pay the CONTRACTOR in full the approved cost of the work performed. All payments to the CONTRACTOR shall be made within thirty (30) days of the submission of an Application for Payment, provided said Application for Payment is approved by CITY OF SEDONA/VVHFH (or designee) and the OWNER. CITY OF SEDONA shall not withhold payment to the CONTRACTOR except for non-compliance with the terms of this Contract, and neither the OWNER, VVHFH, the CITY OF SEDONA, nor NACOG (if applicable) shall request the CONTRACTOR to perform work outside the scope of this Contract as a condition of receiving payment. For interim draws/payments, the contractor will submit a schedule of values that reflects expected payment, percentages and dates.

6. WARRANTY. CONTRACTOR warrants that all improvements, hardware and fixtures of whatever kind or nature to be installed or constructed on the Property by CONTRACTOR or CONTRACTOR'S subcontractors will be of good quality, suitable for their purpose and free from defects in workmanship or materials, or other deficiencies. This is a full warranty extending to OWNER and subsequent owners of the Property; provided, however, that the warranty set forth in this paragraph shall apply only to deficiencies and defects about which OWNER or subsequent owner(s) shall have notified CONTRACTOR at the address stated above within one year as required by the Arizona State Registrar of Contractors.

7. LIQUIDATED DAMAGES. If CONTRACTOR fails to complete the work within the time specified in Paragraph 3 of this Contract, or within the time to which such completion may have been extended by CITY OF SEDONA/VVHFH Repair Services in writing, CONTRACTOR must pay to OWNER the sum of Fifty dollars (\$50) for each and every calendar day that the time consumed in completing the work exceeds the time allowed therefore; which said sum, in view of the difficulty of accurately ascertaining the loss which OWNER will suffer by reason of delay in the completion of the work hereunder is hereby fixed and agreed as the liquidated damages that OWNER will suffer by reason of such delay, and not as a penalty. CITY OF SEDONA will deduct and retain out of the monies which may become due hereunder the amount of any such liquidated damages; and in case the amount which may become due hereunder shall be less than the amount of liquidated damages suffered by OWNER, CONTRACTOR shall be liable to pay the difference upon demand by CITY OF SEDONA.

8. PARTIES TO CONTRACT. CONTRACTOR and OWNER agree that they are the sole parties to this Contract and are solely responsible for its performance. The parties agree that the U.S. Department of Housing and Urban Development, the Arizona Department of Housing, CITY OF SEDONA assumes no liability or responsibility whatsoever for the performance of any term of this Contract.

CONTRACTOR and OWNER agree to seek, follow through and attempt to fully resolve all construction quality of workmanship disputes through the Registrar of Contractors process and apply and follow through with the contractor's recovery fund for restitution before seeking arbitration.

_____	_____
CONTRACTOR	DATE
_____	_____
HOMEOWNER(S)	DATE
_____	_____
HOMEOWNER(S)	DATE

PART II. General Conditions

1. INSURANCE. During the continuance of the work under this Contract, the CONTRACTOR and all subcontractors shall:

A. Maintain workers' compensation and employer's liability insurance in amounts sufficient to protect themselves, VVHFH Repair Services, CITY OF SEDONA, NACOG (if applicable) and OWNER from any liability or damage for injury (including death) to any of their employees, including any liability policy shall include coverage for earthquake, landslide, workmanship, during the Contract time and until acceptance of work by OWNER and CITY OF SEDONA.

B. Maintain public liability insurance amounts sufficient to protect themselves, OWNER, VVHFH Repair Services, CITY OF SEDONA, and NACOG (if applicable) against all risks of damage or injury (including death) to property or persons wherever located, resulting from any action or operation under this Contract or in connection with the work.

2. ASSIGNMENT. CONTRACTOR agrees not to assign the Contract without written consent by OWNER and CITY OF SEDONA/VVHFH or NACOG (if applicable).

3. CHANGE ORDERS. CONTRACTOR shall not make any changes in the Scope of Work or the Specifications without written authorization of OWNER and City of Sedona/VVHFH or NACOG (if applicable).

4. PERMITS AND CODES. CONTRACTOR agrees to secure all necessary permits required for the performance of this Contract in compliance with applicable local requirements, including local building and housing codes, where applicable, whether or not specified in the Scope of Work or Specifications. Prior to construction required permit(s) and the Scope of Work shall be posted and available at the job site.

5. HOLD HARMLESS. CONTRACTOR agrees to defend, indemnify, and hold OWNER, CITY OF SEDONA, VVHFH, and NACOG harmless from any liability or claim for damages because of bodily injury, death, property damage, sickness, disease or loss and expense arising from CONTRACTOR'S performance of this Contract. CONTRACTOR further agrees to protect, defend, and indemnify OWNER, CITY OF SEDONA from any claim by laborers, subcontractors or materialmen for unpaid work or labor performed or materials supplied in connection with this Contract.

6. CONDITION OF PREMISES. CONTRACTOR agrees to keep the premises broom clean and orderly and to remove all debris as needed during the course of the work, in order to maintain work conditions which do not cause health or safety hazards.

7. LEAD-BASED PAINT. CONTRACTOR agrees to not use lead-based paint in CONTRACTOR'S performance of this Contract, including the performance of any subcontractor. "Lead-based paint" means any paint containing more than six one hundredths of one percent lead by weight (calculated as lead metal) in the total nonvolatile content of the paint or the equivalent measure of lead in the dried film of paint already applied.

8. TERMINATION. CONTRACTOR agrees that OWNER shall have the right to declare CONTRACTOR in default if CONTRACTOR fails to furnish materials or perform work in accordance with the provisions of this Contract. In such event OWNER shall be responsible for providing written notice to CONTRACTOR

by registered mail of such default. If CONTRACTOR fails to remedy such default within 15 days of such notice, OWNER shall have the right to select one or more substitute contractors from the list of bidders that participated in the bid process of the program. If the expense of finishing the work exceeds the balance not yet paid to CONTRACTOR on this Contract, CONTRACTOR shall pay the difference to CITY OF SEDONA/VVHFH.

9. INSPECTION. CITY OF SEDONA/VVHFH and its designees, including NACOG (if applicable), shall have the right to inspect all the work performed under this Contract. By such inspection, CITY OF SEDONA/VVHFH and NACOG assume no responsibility for defective material or work under this Contract or for any breach of this Contract by CONTRACTOR.

10. EQUAL OPPORTUNITY. CONTRACTOR agrees to abide by all Federal, State, City, or County regulations relative to Equal Opportunity to all persons, without discrimination as to race, color, creed, religious, national origin, sex, marital status, age, status as with regard to public assistance or disability as per Section 504 of the ADA.

During the performance of this Contract, CONTRACTOR agrees as follows:

a. CONTRACTOR will not discriminate against any employee or applicant for employment because of race, color, religious, sex, or national origin. CONTRACTOR will take affirmative action to assure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religious, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship, and the provisions of Section 504 of the ADA.

b. CONTRACTOR will, in all solicitations or advertisements for employees placed by or on behalf of CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to their race, color, religious, sex, disability, or national origin.

11. GOOD FAITH EFFORT. CONTRACTOR agrees to provide for the fair utilization of minority/women/disadvantaged owned business enterprises in the performance of work on this project and, where a contract is awarded, engage in a "good faith effort" to ensure that minority/women/disadvantaged-owned business enterprises have the maximum opportunity to participate in the performance of work under this Contract.

12. DISPUTES. Disputes because of, but not limited to, drawings, workmanship or the Contract documents will be resolved between OWNER, CITY OF SEDONA/VVHFH Repair Services, NACOG (if applicable), CONTRACTOR, and the Arizona State Registrar's Office or any other lawful remedies available to each party.

13. CONTRACTOR'S RECORDS. CONTRACTOR agrees to keep and maintain all records arising from or relating to this construction Contract, including, but not limited to, receipts from material suppliers and subcontracts, for a period of five years after the date of close out of the grant or resolution of all audit findings of that grant, whichever occurs last. CONTRACTOR further agrees to allow the Arizona Department of Housing, HUD, and/or the Office of the Inspector General or their designated representatives to have access to all such records for review, monitoring, and audit, during normal working hours.

14. CONTRACTOR'S DOCUMENTS. CONTRACTOR shall keep at the worksite a copy of the Contract documents and shall at all times allow them available for inspection by CITY OF SEDONA/VVHFH staff or designees, including NACOG. All documents in this packet, contracts, plans, and specifications, are intended to be complete and complementary and to prescribe a complete work. If any omissions are made of information necessary to carry out the full intent and meaning of the Contract documents, CONTRACTOR shall immediately call the matter to the attention of CITY OF SEDONA/VVHFH or NACOG (if applicable) for furnishing detailed instructions.

15. NON-RESPONSIBILITY OF THE OWNER. Indebtedness incurred for any cause in connection with this work must be paid by CONTRACTOR; and OWNER, CITY OF SEDONA/VVHFH, and NACOG are hereby relieved at all times from any indebtedness or claims other than payments under contract.

16. PROPERTY RIGHTS IN MATERIAL. Nothing in the Contract shall be construed as vesting in CONTRACTOR any right of property in the materials used after they have been attached or affixed to the work or the soil and accepted. All such materials shall become the property of OWNER upon being so attached or affixed and accepted.

17. ACCIDENT PREVENTION. Machinery, equipment, and other hazards shall be guarded or eliminated in accordance with the safety provisions of the Manual of Accident Prevention in Construction published by the Association of General Contractors of America, and the requirements of the Occupational Safety and Health Administration.

18. CONFLICT OF INTEREST. Pursuant to ARS 38-511, the provisions of which are incorporated herein by reference, all parties are hereby put on notice that this Contract is subject to cancellation by CITY OF SEDONA/VVHFH if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Contract on behalf of CITY OF SEDONA/VVHFH is, at any time while the Contract or any extension of the Contract is in effect, an employee or agent of any other party to the Contract in any capacity or a consultant to any other party of the Contract with respect to the subject matter of the Contract.

19. MISCELLANEOUS PROVISIONS.

A. If any action at law or in equity is necessary to enforce or interpret the terms of this Contract, the prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled.

B. In any case one or more of the provisions contained in this Contract shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions thereof and this Contract shall not be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

20. CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief that:

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

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

C. The undersigned shall require that the language of this Certification be included in the award documents for all subawards at all ties (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This Certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this Certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required Certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

21. DRUG FREE WORKPLACE

CONTRACTOR shall maintain a Drug Free Workplace for all employees. OWNER shall maintain a Drug Free Workplace for CONTRACTOR.

22. IMMIGRATION COMPLIANCE WARRANTY

As required by A.R.S. § 41-4401, CONTRACTOR hereby warrants its compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A). CONTRACTOR further warrants that after hiring an employee, CONTRACTOR verifies the employment eligibility of the employee through the E-Verify program. If CONTRACTOR uses any subcontractors in performance of the Work, subcontractors shall warrant their compliance with all federal immigration laws and regulations that relate to its employees and A.R.S. § 23-214(A), and subcontractors shall further warrant that after hiring an employee, such subcontractor verifies the employment eligibility of the employee through the E-Verify program. A breach of this warranty shall be deemed a material breach of the Contract that is subject to penalties up to and including termination of the Contract. If state law is amended, the parties may modify this paragraph consistent with state law.

23. ISRAEL BOYCOTT CERTIFICATION

Contractor hereby certifies that it is not currently engaged in, and will not for the duration of this Contract engage in, a boycott of Israel as defined by A.R.S. § 35-393.01. Violation of this certification by Contractor may result in action by City of Sedona up to and including termination of this Contract.

Sedona Home Repair Program

**City of Sedona
102 Roadrunner
Sedona, AZ 86336**

**Verde Valley Habitat for Humanity
737 S Main St
Cottonwood, AZ 86326**

CHANGE ORDER # _____

Grant Contract #: _____

Project: _____

Address: _____

Contractor: _____

Contract Dated: _____

The following change(s) are authorized to the above-identified contract:

Description:

Additional Cost: \$ _____

Initial Contract Amount \$ _____

Plus Previously Approved Change Orders _____

Plus Change Order Requested _____

Total New Contract Amount \$ _____

Contractor

Date

City of Sedona / VVHFH Repair Services

Date

Homeowner

Date

SEDONA HOME REPAIR PROGRAM

Homeowner and Contractor Contract

OWNER ACCEPTANCE & APPROVAL FOR FINAL PAYMENT

City of Sedona/VVHFH Home Repair Services certifies the repair work on the home of:

Homeowner name:

Property address:

has been completed by the Contractor and inspected by the Homeowner.

HOMEOWNER AGREEMENT

I certify that the Contractor has performed work and supplied materials for the construction of improvements to the property owned by me/us and located at the address above under the terms and conditions of the contract and is entitled to payment. I/we agree to the disbursement of the final funds for the work.

I/we accept the work that has been performed on the home. This Certification shall not be construed as an acceptance if defective work was done or improper materials were used and is not intended as a waiver of the warranties or any other remedies I/we would be entitled to under the above contract and laws of the State of Arizona. I/we also certify that copies of warranties / operation manuals were received by me/us.

Please reimburse for:		
Attached are	Contractor's Billing	\$

Client received:

_____ Operating Instructions

_____ Homeowner Education Handout

Homeowner Signature: _____ Date: _____

Repair Specialist: _____ Date: _____

CHOOSING WHICH DEBTS TO PAY FIRST

Despite the best laid plans, all of us, at some point may be at risk of experiencing financial problems. If you own a home, financial problems could be even more devastating. As a homeowner, you run the risk of falling behind on the monthly mortgage payments, becoming delinquent, and could be faced with losing your home through foreclosure.

Therefore, the following information was prepared to help you deal with a financial crisis and can help you to potentially avoid additional financial difficulties and the threat of foreclosure. In all cases, you will need to act quickly and objectively in order to successfully survive a major financial crisis. Therefore, one of the first steps is to determine if the financial problem is temporary or a long-term financial problem. Once you have made that determination, you need to be prepared to prioritize your debt payments. It is important to note, however, that each individual and/or family is different. Therefore, the order of priority of payment will depend on your particular needs and characteristics.

Use the information below to help you gain a better understanding of debt priorities:

A. PRIORITIZING DEBTS DURING A CRISIS

It is important to understand that it is not a good idea to incur more (new) debt to pay off old or existing debts. It is important to remember that the creditors to pay first are not necessarily the ones who place the most pressure on you. That is to say, the receipt of phone calls, letters etc., does not necessarily mean that these debts are a high priority. Nevertheless, always open and read all of your mail! Special attention should be given to those creditors who can take quick action against your home, utilities, car, and other needed commodities for your family.

1. **Family necessities first** - The family's needs may include food, health expenses, and other primary needs, according to the type of family. The most important thing to remember is to reduce these expenses as much as possible.
2. **Housing-related bills** - The mortgage should be paid as soon as possible. Home insurance and maintenance fees for condominiums should be a high priority payment. Any payment associated with the home shall be considered a high priority, otherwise you may risk losing it. The loss of a house not only means the loss of shelter, but also the potential loss of investment and/or equity. Therefore, making the monthly mortgage payment should be one of the priorities every month.
3. **Essential utility service** - The utilities are essential to daily life, so they are considered a priority. Ask for information regarding any special discount programs, budget payment helper programs, or energy assistance programs. Reduce your bills by avoiding late charges; changing the type of service that is received; reducing the usage of utilities, and eliminating luxuries that are not vital, such as cable TV service, caller identification, etc.
4. **Car loans** - If the car is needed to get to work, it is a priority to pay the monthly loan or lease payment. If you have more than one car, serious consideration should be given to eliminating one or more of the payments by selling the vehicle. Try to conserve on gasoline and unnecessary maintenance. You may want to consider buying a used car or a less expensive model. Auto insurance should always be maintained; otherwise the creditor may buy, at your expense, a more expensive type of insurance and/or you may face legal action.

5. Child support debts - Child support may be considered as a primary need, since it is assigned for food, health care, and clothing. In some states, child support debts are criminal actions, punishable by prison sentences.
6. Income tax debts - An income tax return must be filed even if the tax debt cannot be paid on time. Many states provide the opportunity to set up payment plans for income tax debts.
7. Loans without collateral and loans with household goods as collateral - Some loans, such as credit card debt, health care debts, and open accounts with merchants are a low priority because there is no collateral necessary. If the creditor requires a household good to be used as collateral and the loan defaults, generally the household good is not worth being seized because of its low market value. However, the household good may be seized by means of a court process, but because of the expense to do so, the creditor rarely will exercise this option.
8. Student loans are medium priority - Even though the government provides a number of good options for consumers who cannot afford to pay back the student loans, the lender has special rights to collect on these loans. Therefore, these types of loans are considered a medium priority. The government (or loan provider) can seize up to 10% of the wage of the debtor without a court order and can charge up to 43% in collection fees. NOTE: Defaults on student loans may prevent you from buying a home.

IN ALL CASES, IF YOU EXPERIENCE A FINANCIAL PROBLEM, BE SURE TO FOLLOW THE FOLLOWING TIPS:

- **Don't wait until it is too late to seek help.** When faced with difficulties, it is easier to put something off than to deal with it. However, seeking help early on, when the problem is still small, will always provide for easier, more manageable solutions.
- **Call the lender/creditor.** Don't be afraid to let your creditor know about your situation. They cannot read your mind, and will always respond better to a consumer who reaches out to them, than to consumers who avoid them.
- **Be prepared to work with the lender/creditor.** Working closely with creditors can oftentimes result in revised payment arrangements or possible restructuring of the debt.
- **Don't make promises that you cannot keep.** Be realistic!
- **Be honest and don't give up.** Being truthful and persistent with your creditors will help to ensure a good relationship and a positive resolution.

HOME MAINTENANCE CHECKLIST

Page 1 of 2

ROUTINE

- Monitor heating, cooling, and all mechanical systems
- Fix leaky faucets
- Repair any safety hazards immediately
- Unclog slow running drains
- Repair broken windows, doors, and locks
- Close fireplace damper when not in use

MONTHLY

- Inspect and test smoke detectors, fire alarms, and carbon monoxide detectors
- Inspect and replace filters as necessary (air conditioner, furnace, pool, etc.)
- Test safety reverse on garage door opener(s)
- Test all Ground Fault Circuit Interrupter (GFCI) outlets
- Walk around the house exterior to check general condition
- Inspect sump pump operation

SPRING

- Replace smoke and fire alarm batteries (at least twice per year)
- Cut back any trees or shrubs touching the exterior of the house
- Re-establish landscaping and soil grading
- Inspect and touch up exterior paint
- Inspect foundation for water penetration, settling, and cracks
- Inspect or treat exterior wood for splintering, decay, and insect damage
- Inspect window insulation and remove storm windows
- Clean exterior of windows
- Install window screens, repairing as needed
- Clean gutters and inspect down-spouts
- Inspect roof for damage, warping, aging, moss, and cracking
- Clean/vacuum grill and inside compressor unit of central air conditioner
- Check and test the pressure relief valve on the water heater
- Inspect and clean the water softener
- Inspect and trip electrical circuit breakers
- Perform seasonal pest control

SUMMER

- Inspect exposed plumbing areas for dampness
- Fix loose or cracked caulking
- Inspect appliance hoses and ventilation according to owners' manuals
- Power wash, repair, refinish, and seal decks, reset any protruding nails
- Clean and lubricate sliding-glass-door tracks and window tracks
- Lubricate door hinges and locks
- Oil garage door(s)
- Patch driveway and other concrete or treat asphalt
- Clean/vacuum grill and inside compressor unit of central air conditioner
- Perform seasonal pest control

FALL

- Replace smoke and fire alarm batteries (at least twice per year)
- Inspect and clean fireplace and chimney
- Inspect and/or service heating system
- Clean and adjust humidifier on furnace
- Clean/vacuum heating ducts, grills, and registers
- Clean upper-story windows
- Inspect window screens and insulation, and install storm windows
- Inspect weather stripping around doors and replace as needed
- Cut back any trees or shrubs touching the roof or exterior
- Clean gutters and inspect down-spouts
- Trim, cover, or bring in outdoor plants as needed
- Winterize all outdoor water faucets
- Check and test the pressure relief valve on the hot water heater
- Clean/vacuum grill and inside compressor unit of central air conditioner
- Inspect and clean water softener
- Inspect and trip electrical circuit breakers
- Perform seasonal pest control

WINTER

- Recharge fire extinguishers
- Wax and buff wood floors
- Professionally clean curtains and drapes
- Inspect and touch up interior paint
- Inspect exposed plumbing areas for dampness
- Check carbon monoxide detectors
- Perform seasonal pest control

SEDONA HOME REPAIR PROGRAM

File Checklist Section 1

ENVIRONMENTAL REVIEW

- _____ Appendix A (**Date:** _____ *** prior to contractor contract**)
- _____ THPO/SHPO letters (if applicable)
- _____ Lead based paint results / compliance (if applicable)
- _____ Notification of approval / non-approval

CLIENT CONTACT

- _____ Client Correspondence (general)
- _____ Contact Log (Admin)

HOMEOWNER APPLICATION / ELIGIBILITY DOCUMENTS

- _____ Application (**Date received:** _____; **Updates:** _____, _____)
- _____ Authorization to obtain information/Privacy Act notice
- _____ Income documentation* / authorization to verify income
- _____ Household size (Social Security Cards, ID)
- _____ Ranking Sheet
- _____ Income Calculation Worksheet (**Date:** _____ **Updates:** _____)
- _____ (*** income verified within 6 mo. of contractor contract**)

PROPERTY DOCUMENTATION / CLIENT SET UP

- _____ Map
- _____ Deed / Ownership Documents
- _____ Homeowner's insurance coverage
- _____ County Assessor tax report
- _____ Mortgage statement or Deed of Release

SEDONA HOME REPAIR PROGRAM

File Checklist Section 2

INITIAL HOME INSPECTION

- _____ Photos (before)
- _____ Approval Notification (Homeowner Understanding and Agreement/
Grievance Procedure)
- _____ Receipt of Pamphlet regarding Lead Based Paint
- _____ Initial inspection

CONTRACTOR BID PROCESS

- _____ Cost estimate / Work write-ups (for allowable repairs)
- _____ Bid specifications
- _____ Construction procurement documentation
- _____ Copies of all bids
- _____ Contractor SAM.gov search
- _____ Arizona ROC verification
- _____ Contractor insurance certificate

CONSTRUCTION CONTRACT

- _____ Copies of permits (if applicable)
- _____ Contractor Contract (if applicable)
- _____ Change orders
- _____ Copies of warranties provided to Homeowner
- _____ Approved invoices, contractor payment requests, backup
documentation, copies of checks
- _____ Final inspection and owner acceptance of work and signature
- _____ Photos (after)