

**GREENSBORO/GUILFORD/BURLINGTON/ALAMANCE  
HOUSING CONSORTIUM**

**SUBRECIPIENT AGREEMENT AMENDMENT**

**THIS SUBRECIPIENT AGREEMENT AMENDMENT**, entered into this \_\_\_\_ day of December, 2016 between the City of Greensboro, North Carolina (Greensboro), acting in the capacity as "Lead Entity" (Consortium) of the Greensboro/Guilford/Burlington/Alamance Housing Consortium and the City of High Point (Hereinafter **Subrecipient**), said parties to this Agreement each being a general local governmental unit of the State of North Carolina, and is made pursuant to North Carolina Statutes Chapter 160A Article 20 Part 1 (Joint Exercise of Powers) and Chapter 159 (Local Government Finance).

THE LEAD ENTITY, on behalf of the CONSORTIUM, AND THE **SUBRECIPIENT**, agree that it is desirable and in the interest of their citizens under the HOME Investment Partnerships Program created through Title II, HOME Investment Partnerships Act, of the Cranston-Gonzalez National Affordable Housing Act of 1990, as amended, to establish the terms and conditions for the City of High Point to assume the role of Subrecipient under the CONSORTIUM.

NOW, THEREFORE, the parties hereto do mutually agree as follows:

**I. DEFINITIONS**

The definitions contained in 24 CFR Part 92, Subpart A., paragraph 92.2 is incorporated herein by reference and made a part hereof, and the terms defined in this section have the meaning given them.

- A. "Act" means Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, as amended. (42 U.S.C. 12701 et seq.)
- B. "HUD" means the United States Department of Housing and Urban Development.
- C. "HOME Program" means a procedure established for the use of funds made available from HUD through the Act to carry out multi-year housing strategies through assistance to first time home buyers and existing home owners, property acquisition, rehabilitation and new construction of housing, site improvements, tenant-based rental assistance, demolition, relocation expenses and other reasonable and necessary expenses related to the development of affordable housing
- D. "Housing Strategy" means the Comprehensive Housing Affordability Strategy as set out in 24 CFR Part 91 and encompasses a local government's housing needs, with focus on affordable housing for low-income families.
- E. "Regulation" means 24 CFR Part 92 HOME Investment Partnerships Program Regulations as issued by HUD.

- F. "Program Income" means any revenue generated as the direct result of an expenditure of HOME Program funds made available from the Housing Consortium. These funds are recognized as Federal in source and are subject to any and all requirements under the HOME Program regulations found at 24 CFR Part 92, and any amendments that may be made from time to time.
- G. "LEAD ENTITY" means the City of Greensboro, acting on behalf of the other Housing Consortium members (Guilford County, the City of Burlington, Alamance County), and any other unit of local government that may join the Consortium in the future.
- H. "SUBRECIPIENT" means the City of High Point, who will act on behalf of the Housing Consortium with regard to the administration and oversight of eligible HOME Program affordable housing activities within the city limits of High Point.

## **II. PURPOSE**

This SUBRECIPIENT AGREEMENT AMENDMENT amends the underlying Subrecipient Agreement dated May 16, 2007. To the extent the terms and conditions set out herein are inconsistent with said original agreement, the terms hereof shall control. This SUBRECIPIENT AGREEMENT AMENDMENT is to detail the terms and conditions that the Subrecipient, which effective July 1, 2006 achieved independent status as a Participating Jurisdiction, will, acting in the capacity as a SUBRECIPIENT, report and remit any program income generated from affordable housing activities funded under the HOME Program originally made available by THE CONSORTIUM and undertaken by the City of High Point while a member of the Consortium prior to July 1, 2006 (Exhibit A), and adhere to the ongoing compliance requirements throughout the periods of affordability.

## **III. AGREEMENT**

- A. **TERM.** This amended Subrecipient Agreement shall be effective until the end of the affordability periods for all activities undertaken by the Subrecipient while a member of the Consortium prior to July 1, 2006 (Exhibit A). Subrecipient's responsibility to report and remit any program income generated from affordable housing activities funded under the HOME Program while a member of the Consortium shall survive the termination of this Subrecipient Agreement Amendment.
- B. **EXECUTION BY APPROPRIATE OFFICERS.** This Subrecipient Agreement shall be executed by the appropriate officers of LEAD ENTITY and the SUBRECIPIENT pursuant to authority granted them by their governing bodies.
- C. **LEAD ENTITY.** The Lead Entity shall act in a representative capacity for all members of the Consortium for the purpose of funding provided directly by the Federal government under the Act.

**D. COMPLIANCE WITH REQUIREMENTS OF THE ACT.** The LEAD ENTITY shall assume overall responsibility for ensuring that the Consortium HOME Program is operated in compliance with the requirements of the Act. The LEAD ENTITY shall reserve the right to review and approve all standard contracts and loan agreements; reserves the right to review and approve all policy guidelines; and shall monitor program participants to insure compliance with Federal regulations.

**E. PROGRAM INCOME.** Per 24 CFR 92.503(a)(1), Program Income must be deposited in the participating jurisdiction's HOME Investment Trust Fund local account unless the participating jurisdiction permits the State recipient or subrecipient to retain the program income for additional HOME projects pursuant to the written agreement required by § 92.504. The LEAD ENTITY hereby agrees to permit the SUBRECIPIENT to retain and reuse any Program Income generated from any HOME funded activities undertaken by the City of High Point as a Subrecipient beginning July 1, 2006.

Per 24 CFR 92.503(a)(3), Program Income derived from consortium activities undertaken by or within a member unit of general local government which thereafter terminates its participation in the consortium continues to be program income of the consortium. Said Program Income shall be deposited in a separate, non-interest bearing account. Said Program Income shall be subject to all the requirements in accordance with 24 CFR Part 92, and shall be reported to the LEAD ENTITY quarterly (Exhibit B).

The SUBRECIPIENT shall be responsible at the termination of this Subrecipient Agreement to remit all unexpended funds held, along with the appropriate records and the accurate accounting of outstanding loans subject to repayment. The SUBRECIPIENT shall forward said remittance and pertinent records within 120 days of notice of termination of the Subrecipient Agreement.

**F. QUARTERLY REPORTS.** The SUBRECIPIENT shall inform the LEAD ENTITY, in writing, of receipt of any income generated by the expenditure of HOME funds by the 10<sup>th</sup> day of every fourth month of the amount of program income received in the prior quarter, unless requesting funds prior to the submission of the quarterly income report in which case the income information should be submitted with the request. IDIS requires entry and drawdown of any Program Income before drawdown of grant funds. Program Income should be reported as indicated in Exhibit B. Additionally, Subrecipient shall complete any other reports required by HUD in a timely manner.

**G. STAFF AND FINANCIAL SUPPORT FOR ADMINISTERING THE HOME PROGRAM.** The SUBRECIPIENT shall be responsible for providing adequate staff and financial support for administering the HOME Program within its jurisdictional boundaries. Further SUBRECIPIENT agrees to:

1. Prepare and maintain all required records, documents and reports, in a format to be provided by the LEAD ENTITY, and make such records, documents and reports available for review by the LEAD ENTITY and HUD, during normal business hours, with proper advance notice. Such access to program records shall not be

unreasonably withheld.

2. Prepare and submit to the LEAD ENTITY all data necessary for any reports required by HUD within 30 days of the request by the LEAD ENTITY.
3. SUBRECIPIENT shall maintain all appropriate and adequate financial records in accordance with generally accepted accounting principles and practices.
4. Comply with the requirements of OMB 2 CFR Part 200.
5. SUBRECIPIENT shall maintain all records for seven years or according to the following schedule, subject to amendments by HUD:
  - For rental housing records, general records must be kept for seven years after project completion, and tenant income, rent, and inspection information must be kept for the most recent seven years, until seven years after the affordability period ends.
  - Homeownership records must be kept for seven years after project completion. For resale/recapture, records must be kept for seven years after the affordability period ends.
  - Tenant Based Rental Assistance (TBRA) records must be kept for seven years after rental assistance ends.
  - Written agreements must be maintained for seven years after the agreement ends.
  - Displacement and acquisition records must be kept for seven years after final payment to displaced persons.

**H. ACCESS TO RECORDS.** SUBRECIPIENT hereby agrees that the Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives, or any of the LEAD ENTITY'S duly authorized representatives shall have access to any books, documents, papers and records of which are directly pertinent to the Subrecipient Agreement for the purpose of making audits, examinations, excerpts, and transcriptions for three years from the final affordability period end date under the Subrecipient Agreement. To ensure performance and compliance, ongoing monitoring and on-site reviews shall be conducted by the LEAD ENTITY or its duly authorized representatives until one year after the final affordability period end date under the Subrecipient Agreement which will include:

- Identifying and tracking program and project results;
- Identifying technical assistance needs of HOME Program participants;
- Ensuring timely expenditure of HOME funds;
- Ensuring proper documentation of expenditures;
- Documenting compliance with HOME Program rules and other federal regulations included therein;
- Preventing fraud and abuse; and
- Identifying innovative tools and techniques that support affordable housing goals.

- I. HOME INVESTMENT TRUST FUND.** The LEAD ENTITY will establish as part of its financial management system a separate HOME Investment Trust Account. The HOME Investment Trust account must be capable of separating appropriations, eligible expenditures, and repayments of HOME funds and program income.
- J. PROCESSING HOME PAYMENT.** LEAD ENTITY shall be responsible for processing HOME cash and Program Income drawdowns from HUD and reporting Program Income receipts to HUD.
- K.** The LEAD ENTITY shall be solely responsible for all reporting and maintenance of the Integrated Disbursement and Information System (IDIS) with regards to any activities undertaken by the SUBRECIPIENT prior to July 1, 2006. The SUBRECIPIENT shall provide any requested information to the LEAD ENTITY to support this responsibility, including all the data necessary to set-up a project or activity in IDIS and to complete the required Project Set-up Report, the Project Completion Report, and Program Income Reports.
- L. INDEMNITY.** The SUBRECIPIENT, to the extent allowed by law, agrees to save, indemnify and hold harmless the LEAD ENTITY from damages arising now or hereafter that are directly or indirectly due to the activities associated with the funds awarded by the consortium, or program income generated from funds awarded by the consortium, and performed by SUBRECIPIENT for which the LEAD ENTITY is not negligent. Likewise, the LEAD ENTITY shall save, indemnify and hold harmless to the extent allowed by law the SUBRECIPIENT from any damages arising now or hereafter that are directly or indirectly due to the activities associated with the consortium performed by the LEAD ENTITY and for which the SUBRECIPIENT is not negligent.

This section shall not be construed as 1) waiving the responsibility of the SUBRECIPIENT from payment of any penalties assessed by HUD related to the SUBRECIPIENT'S administration of their HOME Program project and activities; 2) waiving any defenses or limitation which the SUBRECIPIENT may have against any claim or cause of action by any person not a party to this agreement; and 3) hold harmless a SUBRECIPIENT for liability that may result from its failure to provide proper accounting or otherwise comply with State and Federal law and regulations.

Further, the SUBRECIPIENT shall immediately reimburse the LEAD ENTITY in full for any and all legal expenses for which the LEAD ENTITY shall become responsible in its role as LEAD ENTITY due to acts or omissions by the SUBRECIPIENT.

- M. AFFIRMATIVELY FURTHERING FAIR HOUSING.** The SUBRECIPIENT shall certify and ensure that it will take all reasonable and necessary actions that affirmatively further fair housing in compliance with 24 CFR Part 5.
- N. AMENDMENTS.** All amendments to this Subrecipient Agreement must be in writing and signed by duly, authorized representatives of the LEAD ENTITY and the SUBRECIPIENT.

- O. SEVERABILITY.** Invalidation of any one or more of the provisions of this Subrecipient Agreement shall in no way affect any of the other provisions thereof, which shall remain in full force and effect.

The City of Greensboro, acting in its capacity as LEAD ENTITY of the CONSORTIUM, and the City of High Point, acting in its capacity as SUBRECIPIENT, have signed this Subrecipient Agreement and the respective governing boards have duly approved this Subrecipient Agreement. Pursuant to such approval and the proper officials having signed this Subrecipient Agreement, the parties hereto agree to be bound by the provisions herein set forth. The terms and provisions of this Subrecipient Agreement are authorized by applicable laws and regulations.

**ATTEST:**

**CITY OF GREENSBORO, NORTH CAROLINA**

\_\_\_\_\_  
City Clerk

By: \_\_\_\_\_  
ASSISTANT CITY MANAGER

Approved as to form and legality:

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
Finance Director

RECOMMENDED BY:

\_\_\_\_\_  
Department Head

\_\_\_\_\_  
Date

**ATTEST:**

**CITY OF HIGH POINT, NORTH CAROLINA**

\_\_\_\_\_  
City Clerk

By: \_\_\_\_\_  
CITY MANAGER

Approved as to form and legality:

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
Finance Director

RECOMMENDED BY:

\_\_\_\_\_  
Department Head

\_\_\_\_\_  
Date



**City of High Point/Greensboro HOME Consortium**  
**Pre-July 1, 2006 Projects Earning Program Income as of 3/31/2017**

**EXHIBIT A**

<b>Address</b>	<b>IDIS Activity ID #</b>	<b>Total HOME Assistance</b>
212 W. Willis	559	\$2,354.00
1118 Denny	638	\$2,500.00
1517 E. Commerce	642	\$6,300.00
406 Cedar	663	\$32,635.00
521 Warbler	699	\$2,500.00
203 Thomas	705	\$2,500.00
606 Ashburn	710	\$2,500.00
1611 Beaucrest	732	\$2,500.00
220 Woodbury	733	\$2,500.00
819 Nance	737	\$2,353.00
903 Fairview	822	\$1,409.00
904 E. Lexington	825	\$2,134.00
198 N. Hall	826	\$2,500.00
217 Friendly	929	\$4,590.00
502 Meredith	930	\$4,177.00
1634 N. Hamilton	931	\$3,971.16
600 Oakview	1215	\$2,747.00
466 Wadsworth	1218	\$5,000.00
1205 N. Hamilton	1219	\$1,318.19
814 Park	1227	\$6,500.00
470 Wadsworth	1229	\$5,000.00
805 Joines	1231	\$5,000.00
1705 Beaucrest	1314	\$5,000.00
808 Park	1315	\$7,500.00
2604 Woodruff	1320	\$5,000.00

CITY OF HIGH POINT CONSORTIUM PROGRAM INCOME QUARTERLY REPORT

Quarter: \_\_\_\_\_

Date Range: \_\_\_\_\_ through \_\_\_\_\_

The City of High Point will report and remit any program income generated from affordable housing activities funded under the HOME Program originally made available by the Consortium and undertaken by the City of High Point while a member of the Consortium prior to July 1, 2006.

**Please submit backup documentation that totals the amount to be receipted.**

Total Program Income to Receipt \$ \_\_\_\_\_

Signature of Authorized Representative: \_\_\_\_\_

Date: \_\_\_\_\_