

CITY CLERK ORIGINAL

C-7855
11/01/2011

SUBRECIPIENT CONTRACT - NONPROFIT CORPORATIONS

CITY OF GLENDALE, ARIZONA
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
PHYSICAL IMPROVEMENTS
FY 2011-2012

This Subrecipient Contract ("Contract") is executed this 1st day of November, 2011 by and between Arizona Bridge to Independent Living, Inc. (ABIL), an Arizona nonprofit corporation ("Agency"), and the City of Glendale, an Arizona municipal corporation ("City"). The parties hereby agree as follows:

1. Contract Amount:

- 1.1 The Agency will furnish all labor, materials, services, supervision, tools, equipment, licenses, and permits necessary to operate the Glendale Home Accessibility Program ("**Program**") as defined in the Scope of Services attached as **Exhibit A**.
- 1.2 The City will provide financial assistance in an amount not to exceed \$41,701.00. This Contract price constitutes the entire consideration for the City's participation in the performance and completion of all work to be performed under this Contract.

2. Contract Term: Contract will be effective November 1, 2011 and will terminate on May 1, 2013.

3. Method of Payment: Payment will be made in such amounts and increments as may be approved by the City for various phases of work upon submission of a proper request for payment, including supporting documentation. See **Exhibit B** for billing and reporting information. The final request for payment will be submitted to the City within 15 days after expiration or termination of this Contract.

4. Program Income: Any Program Income, as defined in 24 CFR § 570.500(a), received by the Agency prior to grant close-out will be used to offset payment due in an amount directly proportional to the prorated share of Community Development Block Grant ("CDBG") funds used as set forth in 24 CFR § 570.504(c). Under this Contract, "Program Income" refers solely to those funds derived from the Agency provided in the City of Glendale and includes, but is not limited to income received from the clients served for services performed or materials purchased. Documentation supporting the amount of Program Income received will be submitted with monthly billings.

5. The City Certifies:

- 5.1 The services/project described by the Agency to be provided will principally benefit low and moderate-income persons within the community.
- 5.2 That the public purpose is served by the financial participation of the City in the above-referenced service.
- 5.3 That the CDBG funds designated for the Program constitute reasonable and prudent assistance necessary for the completion of the Program.

6. The Agency Certifies:

- 6.1 That it is an Arizona nonprofit corporation.
- 6.2 That it intends to provide the service for which funds are granted under this Contract for at least one year.
- 6.3 That it possesses legal authority to execute this Contract.

- 6.4 That its governing body has duly adopted or passed as an official act, a resolution, motion, or similar action authorizing the person identified as the official representative of the Agency to execute this Contract and to comply with the terms of this Contract.
- 6.5 That the services will be carried out and administered in compliance with all federal laws and regulations as further described in **Exhibit C**.
- 6.6 That the Program assisted under this Contract is designed to give maximum feasible priority to activities that benefit low and moderate-income families as defined in **Exhibit D**.
- 6.7 That if applicable, it will comply with the City's procurement, mediation and right of refusal clauses as described in **Exhibit E**.
- 6.8 That it will comply with all applicable laws.

7. The City Agrees to:

- 7.1 Disburse funds in a timely manner as described in this Contract.
- 7.2 Provide technical assistance to the Agency to comply with applicable federal provisions governing the use of CDBG funds.
- 7.3 Complete all environmental review requirements as described in 24 CFR Part 58.

8. The Agency Agrees to:

- 8.1 Activities. Utilize normal and customary practices and procedures for the delivery of the Agency services/project, and provide a level of service that is consistent with the level of service for similar activities administered by the Agency exclusive of this Contract as defined by the Scope of Services attached in **Exhibit A**.
- 8.2 Record Retention. Retain all records pertinent to expenditures incurred under this Contract for a period of six years from the date of the submission of the City's annual performance and evaluation report in which the specific activity is reported on for the final time. Records for non-expendable property acquired with funds under this Contract will be retained for six years after final disposition of such property. Records for any displaced person must be kept for six years after receipt of final payment. Notwithstanding the above, if there are litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the five year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the six year period, whichever occurs later.
- 8.3 Uniform Administrative Requirements. Comply with the requirements and standards of OMB Circular No. A-122, "Cost Principles for Non-Profit Organizations." Establish and/or maintain accounting systems that meet the requirements for OMB Circular A-110 "Uniform Administrative Requirements for Grants and Contracts with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations." Comply with the audit requirements of the Single Audit Act Amendments of 1996, and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Compliance with these requirements will be subject to monitoring from time to time by the City or by the Department of Housing and Urban Development ("HUD").
- 8.4 Recordkeeping Requirements. Keep records of ethnic and racial statistics of all persons and families benefited by its services including, but not limited to, the number of low and moderate income persons assisted in accordance with federal income limits, the number of elderly and disabled, family size, and the number of female heads of household. The Agency agrees to provide the City with monthly written progress reports of its activities no later than the 15th of each month that follows the month that activities being reported/billed until such time as the Contract expires. The Agency also agrees to submit on the 15th of

July, 2012, a comprehensive report covering the agreed-upon objectives, activities, and expenditures for the fiscal year.

- 8.5 Access to Records. Provide City and HUD and/or their representatives access for purposes of monitoring, auditing, and examining performance to all pertinent books, documents and papers. However, nothing herein will be construed to require access to any privileged or confidential information as set forth in federal or state law.
- 8.6 Community Development Act of 1974. Acknowledges that the funds being provided by the City for said program are received by the City pursuant to the Housing and Community Development Act of 1974, as amended, 24 CFR Part 570 ("Act"), and that expenditures of these funds will be in accordance with the Act and all pertinent regulations issued by agencies of the federal government. The Agency agrees to comply fully with all federal, state and local laws and court orders applicable to its operation whether or not referred to in this Contract.
- 8.7 Independent Contractor. Acknowledges that the performance of obligations hereunder by an independent contractor is rendered in its capacity as an independent contractor and that it is in no way an agent of the City.
- 8.8 Indemnification and Hold Harmless. Indemnify, defend and hold harmless the City, and its officers, agents and employees, hereinafter collectively referred to as City, from all claims and suits, including attorneys' fees and costs of litigation, actions, loss, damage, expense, costs or claims, of any character or any nature arising out of any act, omission or work done in fulfillment of the terms of this Contract or an account of any act, omission, claim or amount arising or recovered under Workmen's Compensation Law, or arising out of the failure of the Agency or those acting under the Agency to conform to any statutes, ordinances, regulations, law or court decree. It is the intent of the parties to this Contract that the City will, in all instances, except for loss or damage resulting from the sole negligence of the City, be indemnified against all liability, loss or damage of any nature whatever for or on account of any injuries to or death of person or damages to or destruction of property belonging to any person arising out of or in any way connected with the performance of this Contract, regardless of whether or not the liability, loss or damage is caused in part by, or alleged to be caused in part by, but not solely, the negligence or fault of the City. It is agreed that the Agency will be responsible for primary loss investigation, defense and judgment costs where this Contract of indemnity applies.
- 8.9 Insurance. Will provide evidence of insurance in accordance with the request for proposals, as shown in **Exhibit F**. The City will be named by the insurer as an additional insured on all required insurance for all operations performed within the scope of this Contract. All certificates of insurance must provide for 30 days' notice to the City of cancellation, nonrenewal or material change.

9. Compliance with Laws:

- 9.1 The Agency will comply with all applicable federal, state and local laws, statutes, ordinances, administrative rules, building codes, regulations and lawful orders of any public authority bearing on the performance of activities pursuant to this Contract. If the Agency discovers that any of the Contract documents are in conflict with any laws, statutes, ordinances, rules, building codes, regulations or lawful orders of a public authority, the Agency will promptly notify the City, in writing, of such conflict, specifying any necessary changes to the Contract documents or work to eliminate the conflict.
- 9.2 The Agency and its subcontractors will abide by all regulations pursuant to the Immigration and Naturalization Reform Act of 1986, specifically as it relates to employment and client services, and such other provisions as may be applicable. Should the Agency perform any

work knowing it to be contrary to the applicable laws, ordinances, rules, building codes and/or regulations, and not give proper notice to the City, it will assume full responsibility, therefore, and will bear all cost incurred due to its negligence. Any dispute not disposed of by mutual contract by the parties hereto will be decided in accordance with the applicable Arizona laws, ordinances, codes of the state and local governments.

- 9.3 The Agency will comply with and require all subcontractors paid with funds provided by this Contract to comply with all of the applicable provisions of the Housing and Community Development Act of 1974, as amended, 24 CFR Part 570, and the Special Conditions for activities assisted pursuant to Title I of the Community Development Act of 1974.
- 9.4 The Agency will comply with § 84.16 Resource Conservation and Recovery Act ("RCRA") (Pub. L. 94-580, 42 U.S.C. § 6962), that any state agency or agency of a political subdivision of a state which is using appropriated Federal funds must comply with Section 6962. Section 6962 requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by the Environmental Protection Agency ("EPA") (40 CFR parts 247 through 254). Accordingly, state and local institutions of higher education, hospitals, commercial organizations and international organizations when operating domestically, and non-profit organizations that receive direct Federal awards or other Federal funds will give preference in their procurement programs funded with Federal funds to the purchase of recycled products pursuant to the EPA guidelines.
10. **Availability of Funds:** It is expressly understood by the parties hereto that this Contract has been negotiated and executed in anticipation of receipt of funds by the City from HUD pursuant to the CDBG Program and that therefore, the terms, conditions and sums payable under this Contract are subject to any changes or limitations which may be required by the terms of said grant contract.
11. **Reversion of Assets:** The Agency will forfeit to the City, upon expiration or termination of this Contract, any CDBG funds remaining and any accounts receivable attributable to the use of CDBG funds, including Program Income.
12. **Physical Improvements:** Any physical improvements over \$1,000 must be secured by a promissory note, lien document, special warranty deed and deed of trust as specified in the Loan Documents attached as **Exhibit G**.
13. **Acknowledgment:** The Agency will acknowledge the contribution of the City's CDBG Program in all published literature, brochures, programs, fliers, etc., during the term of the Contract.
14. **Certifications:** The Agency agrees to sign the following Certifications which are attached as **Exhibit H**:
 - 14.1 Policy of Nondiscrimination on the Basis of Disability.
 - 14.2 Anti-Lobbying, Section 319 of Public Law 101-121.
 - 14.3 Contracting with Small and Minority Firms, Women's Business Enterprises and Labor Surplus Area Firms.
 - 14.4 Drug-Free Workplace Act of 1988.
15. **Non-Discrimination:** The Agency will not discriminate against any applicant for employment or service, or any employee of the Agency on the basis of race, color, religion, sex, national origin, age or disability. The Agency will take affirmative steps to ensure that employees, applicants for employment and applicants for service are treated without regard to race, color, religion, sex, national origin, age or disability. The Agency will post in a conspicuous place available to employees and the public, notices setting forth the provisions of this non-discrimination clause. The Agency will, in all

solicitations or advertisements, state that all qualified applicants will receive consideration for employment or service without regard to race, color, religion, sex, national origin, age or disability.

16. Immigration Law Compliance:

- 16.1 The Agency, and on behalf any sub-contractor, warrants, to the extent applicable under A.R.S. § 41-4401, compliance with all federal immigration laws and regulations that relate to their employees as well as compliance with A.R.S. § 23-214(A) which requires registration and participation with the E-Verify Program.
- 16.2 Any breach of warranty under this section is considered a material breach of this Contract and is subject to penalties up to and including termination of this Contract.
- 16.3 The City retains the legal right to inspect the papers of any Agency or sub-contractor employee who performs work under this Contract to ensure that the Agency or any sub-contractor is compliant with the warranty under this section.
- 16.4 The City may conduct random inspections, and upon request of the City, the Agency will provide copies of papers and records of the Agency demonstrating continued compliance with the warranty under this section. The Agency agrees to keep papers and records available for inspection by the City during normal business hours and will cooperate with the City in exercise of its statutory duties and not deny access to its business premises or applicable papers or records for the purposes of enforcement of this section.
- 16.5 The Agency agrees to incorporate into any subcontracts under this Contract the same obligations imposed upon the Agency and expressly accrue those obligations directly to the benefit of the City. The Agency also agrees to require any sub-contractor to incorporate into each of its own subcontracts under this Contract the same obligations above and expressly accrue those obligations to the benefit of the City.
- 16.6 The Agency's warranty and obligations under this section to the City is continuing throughout the term of this Contract or until such time as the City determines, in its sole discretion, that Arizona law has been modified in that compliance with this section is no longer a requirement.
- 16.7 The "E-Verify Program" above means the employment verification program administered by the United States Department of Homeland Security, the Social Security Administration, or any successor program.

17. Prohibitions: The Agency certifies under A.R.S. §§ 35-391 *et seq.* and 35-393 *et seq.*, that it does not have, and during the term of this Contract will not have, "scrutinized" business operations, as defined in the preceding statutory sections, in the countries of Sudan or Iran.

18. Termination:

- 18.1 In accordance with 24 CFR § 85.43, the City may suspend or terminate this Contract if the Agency violates any term or condition of this Contract or if the Agency fails to maintain a good faith effort to carry out the purpose of this Contract.
- 18.2 Since the Agency's performance in furtherance of this Contract is also the consideration offered under this Contract, the Agency's failure to comply with each and every term and condition hereunder may result in immediate termination of this Contract and a refund of the weekly (or monthly, in the City's sole discretion) pro-rated amount of the previously tendered CDBG or other grant funds.
- 18.3 Notwithstanding this section, the City's decision to waive or defer compliance with any term or condition of the Agency's required performance under this Contract does not act, nor will it be deemed or interpreted as, a waiver or deferment of the City's right to terminate and

to receive its refund based upon the Agency's non-compliance with other terms or conditions of this Contract or subsequent non-compliance with the same terms and conditions.

- 18.4 The City or the Agency may terminate this Contract for convenience. Both parties will agree upon the termination conditions. The party initiating the termination will notify the other party in writing stating the reasons for such termination. The terminating party will give 30 days' prior notice.
- 18.5 This Contract is subject to the provisions of A.R.S. § 38-511 and may canceled without penalty or further obligation, by the City if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the City 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 consultant to any other party of the Contract with respect to the subject matter of the Contract.

19. General Provisions:

- 19.1 It is hereby agreed that subsequent to the execution of this Contract, the Community Revitalization Division of the City of Glendale will represent the City in the administration of this Contract. All notices required or permitted to be given under this Contract may be personally delivered or mailed by certified mail, return receipt requested, postage prepaid, to the following addresses:

TO THE CITY: City of Glendale
Community Revitalization Division
Attention: Gilbert Lopez
5850 West Glendale Avenue
Glendale, Arizona 85301

WITH A COPY TO: City of Glendale
Attention: City Attorney
5850 West Glendale Avenue
Glendale, Arizona 85301

TO THE AGENCY: Arizona Bridge to Independent Living, Inc.
Attention: Darrel Christenson
5025 East Washington Street
Phoenix, Arizona 85034

- 19.2 Both parties acknowledge that no member of the governing body of the City or any employee of the City who exercises any functions or responsibilities in connection with the carrying out of the Program to which this Contract pertains has any personal interest direct or indirect in this Contract.
- 19.3 This Contract supersedes any and all other contracts, either oral or in writing, between the parties hereto and contains all the covenants and contracts between the parties with respect to such employment in any manner whatsoever. Each party to this Contract acknowledges that no representations, inducements, promises or contracts, orally or otherwise, have been made by any party, or anyone acting on behalf of any party, which are not embodied herein, and that no other contract or amendment hereto will be effective unless executed in writing and signed by both the City and the Agency.
- 19.4 This Contract will be governed by and construed in accordance with the laws of the State of Arizona and all applicable federal laws and regulations.
- 19.5 The invalidity in whole or in part of any provision of this Contract will not void or affect the validity of any other provision of this Contract.

20. **Contract Documents:** The Contract comprises the entire agreement between the parties consists of the following exhibits:

- Exhibit A: Scope of Services
- Exhibit B: Billing and Reporting Information
- Exhibit C: Federal Laws and Regulations
- Exhibit D: Income Limits
- Exhibit E: Additional Requirements
- Exhibit F: Insurance Certificate
- Exhibit G: Loan Documents
- Exhibit H: Certifications

(Signatures appear on following page.)

EXHIBIT "A"

EXHIBIT A
SCOPE OF SERVICES

1. The Scope of Services and the type of records that must be maintained are two elements of a Subrecipient Contract that vary most from activity to activity, and from grantee to grantee.
2. Agencies are required to prepare a Scope of Services, which is incorporated into the Subrecipient Contract with the City of Glendale. Each of the three sections of the Scope of Services (Description, Schedule, and Budget) must provide sufficient detail to permit effective monitoring of Agency's activities.
 - 2.1 Description: The description section details the activities to be carried out by the Agency. It should define the "who, what, where, and how" of the Program. It should specifically describe and quantify the services or products to be provided with City of Glendale funds. Where appropriate, it should specify how the Program will serve the intended beneficiaries.
 - 2.2 Schedule: A schedule is a required part of every Subrecipient Contract. It plays an essential role in the grant management system. The schedule should provide projected milestones and deadlines for accomplishment of tasks, or the delivery of services. These projected milestones and deadlines are a basis for measuring progress during the term of the Subrecipient Contract. For instance, the schedule for a public service activity may specify delivery of a certain number of staff-hours per quarter, or delivery of services to a certain number of persons per quarter. Other programs are likely to be more complex, requiring multiple tasks such as: establishing an office, developing program guidelines, taking applications, providing services to the client, outreach activities, and follow up. The schedule should include time frames for completing each task or activity.
 - 2.3 Budget:
 - a. The budget should provide a detailed presentation of projected revenues and expenses. The preparation of a detailed budget will help ensure that a project is adequately planned, in that, it will identify all expenses that are necessary to carry out the activities described in the program description, and quantify the resources required to cover these expenses.
 - b. The budget permits periodic comparisons of the projected use of funds with actual expenditures, as indicated on the monthly accomplishment reports submitted by the grantee. This comparison enables the City to seek corrective action where significant variations between the budget and actual expenditures are reported.

###

Scope of Work FY 2011-2012

A. Program Activities

Arizona Bridge to Independent Living, Inc. ("Agency") will be responsible for administering **Glendale Home Accessibility Program** ("Program") in a manner satisfactory to the City of Glendale ("City"), and consistent with any standards required by Community Development Block Grant Program ("CDBG") Physical Improvements ("PI") as a condition of providing these funds. The Program will include the following eligible activities:

Specify the Program Activity

Activity #1 The Agency will provide assistance to 8 low-to-moderate income City residents with significant disabilities and seniors, to complete modifications in their homes, providing improved accessibility, safety & independent living in their home environment. The Agency will remove architectural barriers and facilitate structural home modifications such as: building ramps, installing grab bars, widened doorways, raised toilets, accessible bathing facilities and removing barriers to increase safety and independence in the community. In-home assessments & technical consultations are provided to determine necessary modifications.

B. National Objectives

Eligible Activity:

All activities funded with CDBG funds must meet one of the CDBG Program's National Objectives:

- NATIONAL OBJECTIVE #1 - Benefit low- and moderate-income persons
- NATIONAL OBJECTIVE #2 - Aid in the prevention or elimination of slums or blight
- NATIONAL OBJECTIVE #3 - Meet community development needs having a particular urgency (as defined in 24 CFR 570.208)

The Agency certifies that the activity carried out under this Agreement will meet National Objective 1.

The Agency will facilitate the removal of architectural barriers and provide home modifications to 8 low-to-moderate-income Glendale residents with significant disabilities and seniors to improve home accessibility, safety and independent living in their home environment.

C. Levels of Accomplishment – Goals and Performance Measures

The levels of accomplishment may include such measures as units rehabbed, persons assisted, or meals served, and should also include time frames for performance.

The City will monitor the performance of the Agency against goals and performance standards, as stated above. Substandard performance, as determined by the City, will constitute non-compliance with this Contract. If action to correct such substandard performance is not taken by the Agency within a reasonable period of time, after being notified by the City, Contract suspension or termination procedures will be initiated.

The Agency will complete home modifications for 8 households for City residents with disabilities.

Time of Performance

The Agency services shall begin on the 1st day of July, 2011, and end on the 30th day of December, 2012.

The Agency agrees to provide the following levels of program services:

Program/Activity

Units of Services

Glendale Home Modification Program Coordinator - 12% FTE:

Conduct intakes

3.0 Hours/ Mo.

Home Assessments

6.0 Hours/ Mo.

Solicit Bids & Coord. Wrk

9.0 Hours/ Mo.

Evaluations

1.0 Hours/ Mo.-8 Households

12% FTE Glendale Home Modification Program Coord

3% FTE Program Manager

3% FTE Bookkeeper

4% FTE Program Aide

D. Staff Contact Information

Darrel Christenson, VP/ Director of Community Integration

5025 East Washington Street, Suite 200

Phoenix, Arizona 85034-2005

(602) 296-0530

darrelc@abil.org

E. Define how you will determine client eligibility and how you will determine that you are serving Glendale residents

- Client eligibility will be documented by:

Residents will be required to sign a form verifying their income and provide tax returns, bank statements and/ or Social Security award letters, and provide any other documentation required by the City. Since nearly 70% of persons with disabilities are unemployed, HUD recognizes the group in its "limited clientele" category.

- Glendale residency will be documented by:

All of the households receiving Glendale Home Accessibility Program (GHAP) services will be City seniors or residents with disabilities and receive Glendale water bills. Valid photograph ID (Drivers license, passport, State citizenship) are also validated and recorded. Agency staff also requires that all consumers sign its Consumer Application/Intake form when being opened for services.

Project Activity	1 st QTR			2 nd QTR			3 rd QTR			4 th QTR		
	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
(ea box=1 month beginning July 2011)												
Contract Execution	X											
Outreach to Contractors		X										
Update Procedures		X										
Contractors Selected			X									
Environmental Review	X	X	X	X	X	X	X	X	X	X	X	X
Applicant Referrals Accepted	X	X	X	X	X	X	X	X	X	X	X	X
Client Intakes	X	X	X	X	X	X	X	X	X	X	X	X
Home Modification Completed	X	X	X	X	X	X	X	X	X	X	X	X

F. Budget

Physical Improvements Total Project Budget			
Line Item	CDBG PI Allocation	Other Cash Resources	Total Project Budget
	\$41,701	\$8,222	\$49,923
Personnel Costs:	0	0	0
Salaries	\$9,532	\$4,697	\$14,229
Fringe Benefits (Ins, Retire, etc.)	\$2,478	\$1,221	\$3,699
Office Space (Program Only)	0	0	0
Other Costs:	\$2,100	0	\$2,100
Utilities	0	0	0
Communications	\$1,700	0	\$1,700
Reproductions/Printing	\$150	0	\$150
Supplies and Materials	\$200	0	\$200
Travel/Mileage	\$650	0	\$650
Audit	\$250	0	\$250
Building Maintenance	0	0	0
Equipment Lease	0	0	0
Equipment Repair & Maintenance	0	0	0
Client Assistance	0	0	0
Insurance	\$600	0	\$600
Conferences and Meetings	0	0	0
Construction Costs	0	0	0
Indirect Costs (Labor & Materials)	\$23,041	\$2,304	\$25,345
Other (Maint. & Landscaping)	\$1,000	0	0
Total Other Costs	0	0	0
TOTAL PROJECT EXPENSES	\$41,701	\$8,222	\$49,923

BUDGET & BILLING INFORMATION

Community Development Block Grant (CDBG) funds will reimburse for the following costs (actual costs reimbursed under the contract will be those costs directly attributable to this program): (e.g. Physical Improvements):

Glendale CDBG funds will be used to reimburse cost to cover:

1. The majority of the cost of labor and materials for the 8 home modifications
2. 12% FTE for the Home Modification Coordinator – **DETAILED TIMESHEETS REQUIRED**
3. 3% Program Manager – VP/ Director of Community Integration – **DETAILED TIMESHEETS REQUIRED**
4. 3% Bookkeeper – **DETAILED TIMESHEETS REQUIRED**
5. 4% Program Aide – **DETAILED TIMESHEETS REQUIRED**
6. Other (audit, rent, utilities, maintenance & landscaping, insurance, phone and program supplies)

EXHIBIT "B"

EXHIBIT B
BILLING AND REPORTING INFORMATION

1. This section is very important to the expeditious processing of your Agency's request for reimbursement. Please carefully follow the summary of reimbursement requirements listed below.
2. Monthly Billings:
 - 2.1 A letter requesting reimbursement of expenditures must be prepared on the Agency's letterhead. This letter must be reviewed and signed by the Agency's executive director (or authorized signatory). Reimbursement requests must be submitted on a **MONTHLY** basis, as stated in Exhibit A, Scope of Services. (Note: Grants Administration may approve exceptions for "Quarterly billings" on a case-by-case basis.)
 - 2.2 The Project/Program Budget spreadsheet summarizing monthly and year-to-date expenses must be prepared and submitted with each request for reimbursement. This report should also account for other resources utilized under this activity.
 - 2.3 Copies of all supporting documents must be submitted with the reimbursement request. The Agency will work closely with the program/project liaison to establish the specific documentation requirements for this contract. Examples of supporting documentation include copies of timesheets, pay stubs, mileage reports, invoices, statements, receipts, etc.
 - 2.4 The City's reimbursement process takes approximately two to three weeks to complete. (The first reimbursement request can take a little longer to process.) If the reimbursement procedures noted above are not followed correctly, the program/project liaison may return the reimbursement request to the Agency for revisions, or hold the request until all reimbursement requirements have been met. This will delay the reimbursement process.
3. Monthly Report on Accomplishments and Demographics:
 - 3.1 A monthly demographic report on Glendale residents served, including accomplishments and units of service delivered, must be submitted by the 15th of the following month. Failure to file this demographic report timely could also delay the reimbursement process.
 - 3.2 Specific formats to be used for reimbursement requests/performance reports are attached. These formats must be used by the agency unless otherwise authorized.
4. Activity Final Completion Report:
 - 4.1 Public Service Activities: Report On "Performance Measures" for Actual Activity "Outcomes." The report on "Performance Measures for Actual Activity Outcomes," is due by July 31, 2012. This report is to identify the "actual outcomes" produced by your activity over the past program year. "Actual Outcomes" will be measured by and against the "proposed outcomes and performance measures" that were established by your agency at the beginning of the program year.
 - 4.2 Physical Improvement Activities: Report On "Performance Measures" for Actual Activity "Outcomes." The report on "Performance Measures for Actual Activity Outcomes," is due 30 days after completion of the physical improvement activity. This report is to identify the "actual outcomes" produced by your activity after completion of the physical improvement activity. "Actual Outcomes" will be measured by and against the "proposed outcomes and performance measures" that were established by your agency at the beginning of the program year.

###

AGENCY LETTERHEAD (Required)

Sample

DATE

Gilbert Lopez
City of Glendale
Neighborhood Revitalization Division
5850 West Glendale Avenue
Glendale, Arizona 85301

Re: Community Development Block Grant, Physical Improvements

Dear Mr. Lopez:

Enclosed is the project billing for the month of _____, 20____. The amount of reimbursement expenses being requested is \$_____. Also, attached is the supporting documentation in accordance with our contract requirements.

If you have any questions, please call me at _____.

Sincerely,

Jane Doe (Authorized Signatory)
Executive Director

Enclosure

EXHIBIT "C"

EXHIBIT C
FEDERAL LAWS AND REGULATIONS

1. Applicability of Uniform Administrative Requirements.

- 1.1 Agencies that are governmental entities (including public agencies) will comply with the requirements and standards of OMB Circular A-87, "Cost Principles for State, Local and Indian tribal Governments;" OMB Circular A-133, "Audits of States, Local Governments, and Nonprofit Organizations" (implemented at 24 CFR Part 44); and with the following Sections of 24 CFR Part 85, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments":
- a. Section 85.3, "Definitions."
 - b. Section 85.6, "Additions and exceptions."
 - c. Section 85.12, "Special grant or subgrant conditions for 'high-risk' grantees."
 - d. Section 85.20, "Standards for financial management systems," except paragraph (a).
 - e. Section 85.21, "Payment," except as modified by Section 570.513.
 - f. Section 85.22, "Allowable costs."
 - g. Section 85.26, "Non-Federal audit."
 - h. Section 85.32, "Equipment," except in all cases in which the equipment is sold, the proceeds will be Program Income.
 - i. Section 85.33, "Supplies."
 - j. Section 85.34, "Copyrights."
 - k. Section 85.35, "Subawards to debarred and suspended parties."
 - l. Section 85.36, "Procurement," except paragraph (a).
 - m. Section 85.37, "Subgrants."
 - n. Section 85.40, "Monitoring and reporting program performance," except paragraphs (b) through (d), and paragraph (f).
 - o. Section 85.41, "Financial reporting," except paragraphs (a), (b), and (e).
 - p. Section 85.42, "Retention and access requirements for records," except that the period will be four years.
 - q. Section 85.43, "Enforcement."
 - r. Section 85.44, "Termination for convenience."
 - s. Section 85.51, "Later disallowances and adjustments."
 - t. Section 85.52, "Collection of amounts due."
- 1.2 Agencies, except Agencies that are governmental entities, will comply with the requirements and standards of OMB Circular No. A-122, "Cost Principles for Nonprofit Organizations," or OMB Circular No. A-21, "Cost Principles for Educational Institutions," as applicable, and OMB Circular No. A-133, "Audits of States, Local Governments, and Nonprofit Organizations" (as set forth in 24 CFR part 45). Audits will be conducted annually. Such Agencies will also comply with the following provisions of the Uniform Administrative requirements of OMB Circular No. A-110 (implemented at 24 CFR part 84, "Uniform

Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals and Other Nonprofit Organizations”) or the related CDBG provision, as specified in this paragraph:

- a. Subpart A -- “General”;
- b. Subpart B -- “Pre-Award Requirements,” except for § 84.12, “Forms for Applying for Federal Assistance”;
- c. Subpart C -- “Post-Award Requirements,” except for:
 - (1) Section 84.22, “Payment.” Grantees will follow the standards of § 85.20(b)(7) and 85.21 in making payments to Agencies;
 - (a) Section 84.23, “Cost sharing and matching”;
 - (b) Section 84.24, “Program income.” In lieu of § 84.24, CDBG Agencies will follow § 570.504;
 - (c) Section 84.25, “Revision of budget and program plans”;
 - (d) Section 84.32, “Real property.” In lieu of § 84.32, CDBG Agencies will follow § 570.505;
 - (e) Section 84.34(g), “Equipment.” In lieu of the disposition provisions of § 84.34(g), the following applies:
 - (i) In all cases in which equipment is sold, the proceeds will be Program Income (prorated to reflect the extent to which CDBG funds were used to acquire the Program Income (prorated to reflect the extent to which CDBG funds were used to acquire the equipment); and
 - (ii) Equipment not needed by the Agency for CDBG activities will be transferred to the recipient for the CDBG program or will be retained after activities will be transferred to the recipient for the CDBG program or will be retained after compensating the recipient.
 - (f) Section 84.51(b), (c), (d), (e), (f), (g), and (h), “Monitoring and reporting program performance”;
 - (g) Section 84.52, “Financial reporting”;
 - (h) Section 84.53(b), “Retention and access requirements for records.” Section 84.53(b) applies with the following exceptions:
 - (i) The retention period referenced in § 84.53(b) pertaining to individual CDBG activities will be four years; and
 - (ii) The retention period starts from the date of submission of the annual performance and evaluation report, as prescribed in 24 CFR § 91.520, in which the specific annual performance and evaluation report, as prescribed in 24 CFR § 91.520, in which the specific activity is reported on for the final time rather than from the 24 CFR § 91.520, in which the specific activity is reported on for the final time rather than from the date of submission of the final expenditure report for the award; expenditure report for the award.

(i) Section 84.61, "Termination." In lieu of the provisions of § 84.61 CDBG Agencies will comply with § 570.503(b)(7).

d. Subpart D -- "After-the-Award Requirements," except for § 84.71, "Closeout procedures."

2. Equal Opportunity.

- 2.1 The Agency agrees to comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and the HUD regulations under 24 CFR Part 1, which provides that no person in the United States will, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity receiving Federal financial assistance by way of grant, loan, or contract and will immediately take any measures necessary to effectuate this Contract. If any real property or structure thereof is provided or improved with the aid of Federal financial assistance extended to the Agency, this assurance will obligate the Agency, or in the case of any transfer of such property or structure is used for a purpose of which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits.
- 2.2 The Agency agrees to comply with Title VIII of the Civil Rights Act of 1968 (P.L. 90-284), as amended by the Fair Housing Amendments Act of 1988 (P.L. 100-430), and will administer all programs and activities relating to housing and community development in a manner to affirmatively further fair housing within Constitutional limitations throughout the United States.
- 2.3 The Agency agrees to comply with Section 109 of the Housing and Community Development Act of 1974 and 1977, as amended, and in conformance with all requirements imposed pursuant to the regulations of the Department of HUD (24 CFR Part 570.602) issued pursuant to that Section; and in accordance with Equal Opportunity obligations of that Section, no person in the United States will, on the grounds of race, color, national origin, or sex, be excluded from participation in, be denied the benefits of, be subjected to discrimination under, any program or activity funded in whole or in part with the Community Development funds. Section 109 of the Act further provides that any prohibition against discrimination on the basis of age, under the Age Discrimination Act of 1975 (24 CFR Part 146), or with respect to an otherwise qualified handicapped person, as provided in Section 504 of the Rehabilitation Act of 1973 (24 CFR Part 8), will also apply to any program or activity funded in whole or in part with funds made available pursuant to the Act.
- 2.4 The Agency agrees to comply with Executive Order 11063 on equal opportunity in housing and related facilities owned or operated by the Federal Government or provided with Federal financial assistance.
- 2.5 The Agency agrees to comply with Executive Order 11246, as amended, requiring nondiscrimination and affirmative action to ensure nondiscrimination in employment by government contractors and subcontractors and under federally assisted construction contractors.
- 2.6 The Agency agrees to comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), as amended, the HUD regulations issued pursuant thereto (24 CFR Part 135) as follows:
- a. The work to be performed under this Contract is on a project assisted under a program providing direct Federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3

of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u); Section 3 requires that to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns that are located in or owned in substantial part by persons residing in the area of the project.

- b. The parties to this Contract will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued there under prior to the execution of this Contract. The parties to this Contract certify and agree that they are under no contractual or other disability that would prevent them from complying with these requirements.
 - c. The contractor will send to each labor organization or representative or workers, with which he has a collective bargaining agreement or other contract or understanding, if any, a notice advertising the said labor organization or workers' representative of his commitments under this Section 3 clause and will post copies of the notice in conspicuous places available to employees and applicants for employment or training.
 - d. The contractor will include this Section 3 clause to every subcontract for work in connection with the project and will, at the direction of the applicant or Community of Federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR Part 135. The contractor will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.
 - e. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued there under prior to the execution of this Contract, will be a condition of the Federal financial assistance provided to the project.
3. **Subcontracting.** All work or services covered by this Contract, which is subcontracted by the Agency, will be specified by written contract and subject to all provisions of this Contract. All subcontracts must be approved by the City prior to execution.
4. **Interest of Certain Federal Officials.** No member of or delegate to the Congress of the United States shall be admitted to any share or part of this Contract or to any benefit to arise from the same.
5. **Interest of Members, Officers or Employees of the Agency, Members of Local Governing Body, or Other Public Officials.** No member, officer, or employee of the Agency or its designees or agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the program during his tenure or for 1 year thereafter, will have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the program assisted under this Contract.
6. **Hatch Act.** The Agency agrees to comply with all provisions of the Hatch Act and that no part of the program will involve political activities, nor will personnel employed in the administration of the program be engaged in activities in contravention of Title V, Chapter 15, of the United States Code.

7. **Labor Standards Provisions.** The Agency agrees to comply with 24 CFR § 570.603, "Labor Standards" published by HUD for Community Development Block Grants.
8. **Compliance with Environmental Requirements.** The Agency agrees to comply with any conditions resulting from the City's compliance with the provisions of the National Environmental Policy Act of 1969 and the other provisions of law specified at 24 CFR § 58.5 insofar as the provisions of such Act apply to activities set forth in the Statement of Work.
9. **Compliance with Flood Disaster Protection Act.**
 - 9.1 This Contract is subject to the requirements of the Flood Disaster Protection Act of 1973 (P.L. 93-234). No portion of the assistance provided under this Contract is approved for acquisition or construction purposes as defined under Section 3(a) of said Act, for use in any area identified by the Secretary as having special flood hazards, which is located in a community not then in compliance with the requirements for participation in the national flood insurance program pursuant to Section 201(d) of said Act; and the use of any assistance provided under this Contract for such acquisition or construction in such identified areas in communities then participating in the national flood insurance program will be subject to the mandatory purchase of flood insurance requirements of Section 102(a) of said Act.
 - 9.2 Any contract or agreement for the sale, lease, or other transfer of land acquired, cleared, or improved with assistance provided under this Contract shall contain, if such land is located in an area identified by the Secretary as having special flood hazards and in which the sale of flood insurance has been made available under the National Flood Insurance Act of 1968, as amended, 42 U.S.C. 4001 et seq., provisions obligating the transferee and its successors or assigns to obtain and maintain, during the ownership of such land, such flood insurance required with respect to financial assistance for acquisition or construction purposes under Section 102(2) of Flood Disaster Protection Act of 1973. Such provisions will be required notwithstanding the fact that the construction of such land is not itself funded with assistance under this Contract.
10. **Compliance with Air and Water Acts.**
 - 10.1 This Contract is subject to the requirements of the Clean Air Act, as amended, 42 U.S.C. 1857 et seq.; the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.; and the regulations of the Environmental Protection Agency with respect thereto, at 40 CFR Part 15, as amended from time to time.
 - 10.2 In compliance with said regulations, the City will cause or require to be inserted in full in all contracts and subcontracts with respect to any nonexempt transaction thereunder funded with assistance provided under this Contract, the following requirements:
 - a. A stipulation by the contractor or subcontractor that any facility to be utilized in the performance of any nonexempt contract or subcontract is not listed on the list of Violating Facilities issued by the Environmental Protection Agency (EPA) pursuant to 40 CFR § 15.20.
 - b. Agreement by the contractor to comply with all the requirements of Section 114 of the Clear Air Act, as amended (42 U.S.C. 1857c-8), and Section 308 of the Federal Water Pollution Control Act, as amended, (33 U.S.C. 1318) relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.

- c. A stipulation that as a condition for the award of the contract, prompt notice will be given of any notification received from the director, Office of Federal Activities EPA, indicating that a facility utilized or to be utilized for the contract is under consideration to be listed on the EPA list of Violating Facilities.
 - d. Agreement by the contractor that he will include or cause to be included the criteria and requirements in paragraphs (a) through (d) of this section in every nonexempt subcontract and requiring the contractor to take such action as the Government may direct as means of enforcing such provisions.
 - e. In no event will any amount of the assistance provided under this Contract be utilized with respect to a facility that has given rise to a conviction under Section 113(c)(1) of the Clean Air Act or Section 309(c) of the Federal Water Pollution Control Act.
- 11. Historic Preservation.** This Contract is subject to the requirements of P.L. 89-665, the Archaeological and Historic Preservation Act of 1974 (P.L. 93-291), Executive Order 11593, and the procedures prescribed by the Advisory Council on Historic Preservation in 36 CFR Part 800. The City must take into account the effect of a project on any district, site, building, structure, or object listed in or found by the Secretary of the Interior, pursuant to 35 CFR Part 800, to be eligible for inclusion in the National Register of Historic Places, maintained by the National Park Service of the U. S. Department of the Interior, and must make every effort to eliminate or minimize any adverse effect on a historic property.
- 12. Historic Barriers.** This Contract is subject to the requirements of the Architectural Barriers Act of 1968 (42 U.S.C. 4151) and its regulations. Every building or facility (other than a privately owned residential structure) designed, constructed, or altered with CDBG funds must comply with requirements of the "American Standards Specifications for Making Buildings and Facilities Accessible to, and Usable by, the Physically Handicapped."
- 13. Lead-Based Paint.** This Contract is subject to the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821 et seq.), and Lead-Based Paint Regulations (24 CFR Part 35 and 24 CFR § 570.608 and/or 92.335), and related amendments thereto. The use of lead-based paint is prohibited whenever federal funds are used directly or indirectly for the construction, rehabilitation, or modernization of residential structures. All federally assisted residential structures and related property constructed prior to 1978, Homebuyer Programs, Tenant-Based Rental Assistance, and Special-Needs Housing (acquisition), will comply with existing and new Lead-Based Paint Hazard Reduction Requirements, effective September 15, 2000. As the Grantor or Participating Jurisdiction, the City of Glendale shall be consulted regarding the Agency/Grantee's compliance status.
- 14. Property Disposition.** Real or personal property purchased in whole or in part with CDBG funds shall not be disposed through sale, use, or location without the written permission of the City. The proceeds from the disposition of real property will be considered Program Income and subject to 24 CFR § 570.504(c).
- 15. Lobbying.** Block Grant funds shall not be used for publicity or propaganda purposes designed to support or defeat legislation proposed by federal, state, or local governments.
- 16. Acquisition/Relocation.** This Contract is subject to providing a certification that it will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, implementing regulations at 49 CFR Part 24, and 24 CFR Part 511.14, which govern the acquisition of real property for the project and provision of relocation assistance to persons displaced as a direct result of acquisition, rehabilitation, or demolition for the project.

17. **Section 504.** The Agency agrees to comply with any federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination against the handicapped in any federally assisted program.
18. **Federal Fire Prevention and Control Act of 1992.** The Fire Administration Authorization Act of 1992 added a new Section 31 to the Federal Fire Prevention and Control Act of 1974. This Section requires that approved smoke detectors be installed in all houses assisted under the Community Development Block Grant Program. To comply with this requirement and locally adopted codes Agency shall install smoke detectors in all sleeping areas and any hallway connecting these sleeping areas.

###

EXHIBIT "D"

EXHIBIT D
INCOME LIMITS

(See attached)



COMMUNITY REVITALIZATION DIVISION 2011 PROGRAM INCOME LIMITS

EFFECTIVE: 6/01/2011

Household Size	Median Income (\$)	30% of Median Income (\$)	50% of Median Income (\$)	60% of Median Income (\$)	80% of Median Income (\$)
1 Person	45,900	13,800	22,950	27,540	36,700
2 Persons	52,400	15,750	26,200	31,440	41,950
3 Persons	59,000	17,700	29,500	35,400	47,200
4 Persons	65,500	19,650	32,750	39,300	52,400
5 Persons	70,800	21,250	35,400	42,480	56,600
6 Persons	76,000	22,800	38,000	45,600	60,800
7 Persons	81,300	24,400	40,650	48,780	65,000
8 Persons	86,500	25,950	43,250	51,900	69,200
9 Persons	91,600	27,500	45,800	55,000	73,300
10 Persons	96,700	29,000	48,350	58,000	77,400

(Household Income Limits/Annual Gross Wages)
(*Revised per HUD 6/14/2011*)



EXHIBIT "E"

EXHIBIT E
ADDITIONAL REQUIREMENTS

See attached requirements:

1. Procurement
2. Disputes/Grievance Procedure
3. Right to Refuse Service

PROCUREMENT

1. The Agency agrees to comply with federal procurement requirements and the City's procurement code for all expenditures of funds. Below is an overview of the procurement requirements.
 - 1.1 Purchases over \$50,000 must be publicly bid.
 - 1.2 Purchases between \$10,001 and \$50,000 must follow competitive purchasing procedures based on written quotations.
 - 1.3 Purchases of \$5,000 to \$10,000, whenever practical, must be based on oral quotations, with file documentation of vendors contacted and quotations received.
 - 1.4 Purchases under \$5,000 do not require formal procurement.
 - 1.5 Expenditures for employee salaries or items such as client subsidies would not generally be subject to procurement requirements. (Such items do not generally constitute purchases.)
2. The Agency agrees to adopt a written procurement policy that, at a minimum, complies with the above procurement requirements, and to follow accounting procedures that will assure compliance with federal and city procurement codes.
3. The Agency further agrees to retain sufficient supporting documentation to demonstrate compliance with these requirements. Examples include, but are not limited, to the following:
 - 3.1 Copies of bid documents;
 - 3.2 Written quotations; and
 - 3.3 Evidence of oral quotations.

###

DISPUTES/GRIEVANCE PROCEDURE

1. The Agency agrees to negotiate and resolve any disputes in the delivery of activities stated herein and will inform the City in writing of such negotiations and resolutions.
2. In the event the issue is not resolved, the City will confer with all parties to understand the issue, if appropriate, offer guidance, and try and reach an amicable solution.
3. In the event the issue is not resolved, and with both parties agreeing, the City Mediation Program will be available to assist in resolving the dispute.

###

RIGHT TO REFUSE SERVICE

The City reserves the right to refuse, terminate, or suspend service or accounts to an individual, company, or agency, if the City believes that conduct or actions violate applicable law, is harmful to the interests of the City of Glendale and its affiliates, or meets the criteria covered under City's Right to Refuse Assistance Policy. Legal counsel will be consulted before such action is undertaken, unless an emergency exists.

###

EXHIBIT "F"

**EXHIBIT F
INSURANCE CERTIFICATE**

The Certificate of Insurance will contain the following information:

Item One:

- A. Commercial General Liability coverage with limits not less than \$1 million per occurrence, \$100,000 for property damage liability, and \$2 million aggregate.
- B. Unless a sole proprietorship, Agency shall carry Arizona Statutory Workers Compensation and Employers' Liability coverage.

Item Two: City of Glendale will be named Certificate Holder.

Item Three: City of Glendale will be named as "additional insured."

Item Four: The Certificate of Insurance will provide a 30-day notice to the City of Glendale for cancellation, non-renewal, or material change and must be an "occurrence," not a "claims made" policy.

Item Five: General Requirement for the Insuring Company:

- A. The insurance company underwriting the policy will have a Best Rating of B++ or better. Please request that your insurance provider supply some form of verification of the best rating of B++ or better.
- B. The insurance company underwriting the policy will **be licensed in the State of Arizona**.
- C. If the Certificate of Insurance contains a section page which notes: "Important, if the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s)." Insurance Certificates containing this clause will not be accepted without an **"endorsement" stating, "the City of Glendale is included as an 'additional insured' on the policy."**

###



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
04/29/2011

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Willis of Arizona, Inc. 26 Century Blvd. P. O. Box 305191 Nashville, TN 37230-5191	CONTACT NAME:		
	PHONE (A/C, NO, EXT):	877-945-7378	FAX (A/C, NO): 888-467-2378
	E-MAIL ADDRESS:	certificates@willis.com	
	INSURER(S) AFFORDING COVERAGE	NAIC #	
	INSURER A:	Philadelphia Indemnity Insurance Company	18058-005
INSURED Arizona Bridge To Independent Living 5025 E. Washington St., Suite 200 Phoenix, AZ 85034	INSURER B:		
	INSURER C:		
	INSURER D:		
	INSURER E:		
	INSURER F:		

COVERAGES

CERTIFICATE NUMBER: 15907609

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR I TR	TYPE OF INSURANCE	ADD'L INSRD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS		
A	GENERAL LIABILITY			PHPK708545	4/15/2011	4/15/2012	EACH OCCURRENCE	\$ 1,000,000	
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100,000	
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						MED EXP (Any one person)	\$ 5,000	
	GEN'L AGGREGATE LIMIT APPLIES PER:							PERSONAL & ADV INJURY	\$ 1,000,000
	<input checked="" type="checkbox"/> POLICY	<input type="checkbox"/> PRO-JECT	<input type="checkbox"/> LOC				GENERAL AGGREGATE	\$ 3,000,000	
	AUTOMOBILE LIABILITY						PRODUCTS - COMP/OP AGG	\$ 3,000,000	
	ANY AUTO						COMBINED SINGLE LIMIT (Ea accident)	\$	
	ALL OWNED AUTOS	<input type="checkbox"/>	SCHEDULED AUTOS				BODILY INJURY (Per person)	\$	
	HIRED AUTOS	<input type="checkbox"/>	NON-OWNED AUTOS				BODILY INJURY (Per accident)	\$	
	UMBRELLA LIAB	<input type="checkbox"/>	OCCUR				PROPERTY DAMAGE (Per accident)	\$	
	EXCESS LIAB	<input type="checkbox"/>	CLAIMS-MADE					\$	
	DED		RETENTION \$				EACH OCCURRENCE	\$	
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY						AGGREGATE	\$	
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<input type="checkbox"/>	N/A				WC STATUTORY LIMITS	OTHER	
							E.L. EACH ACCIDENT	\$	
							E.L. DISEASE - EA EMPLOYEE	\$	
							E.L. DISEASE - POLICY LIMIT	\$	

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach Acord 101, Additional Remarks Schedule, if more space is required)

It is agreed that City of Glendale is included as an Additional Insured as respects to General Liability as required by written contract.

CERTIFICATE HOLDER**CANCELLATION**

City of Glendale Attn: Community Revitalization Division 6829 North 58th Drive., Suite #104 Glendale, AZ 85301	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE

Coll:3344604 Tpl:1256902 Cert:15907609 ©1988-2010 ACORD CORPORATION. All rights reserved.

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing Insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ADDITIONAL INSURED – OWNERS, LESSEES OR
CONTRACTORS – SCHEDULED PERSON OR
ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):	Location(s) Of Covered Operations
City of Glendale	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;
in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.



SCF Premier Insurance Company

Certificate of Insurance**Certificate Mailed To:****Name of Insured:**

CITY OF GLENDALE COMMUNITY
REVITALIZATIO
6829 N 58TH DR STE 104
GLENDALE AZ 85301

Arizona Bridge to Independent
Living Inc
5025 E Washington St Ste 200
Phoenix AZ 85034

Date Issued: 04/25/2011
Certificate Number: 17
Policy Number: P10345
Origin Date: 03/01/2009
Expiration Date: 03/01/2012
Liability Limits: 1000/1000/1000
(000 Omitted)

Proof of Coverage

Home modifications CDBG;GHAP@ Various AZ Locations

Job Number:**Location:**

This Certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policy listed hereon. This is to certify a workers' compensation policy has been issued to the insured listed hereon and is in force for the period referenced.

Certificate Issued To:

City of Glendale Community Revitalizatio
6829 N 58th Dr Ste 104
Glendale AZ 85301

Authorized Representative

EXHIBIT "G"

EXHIBIT G
DEED OF TRUST AND PROMISSORY NOTE

(See attached)

When recorded, mail to:
CITY OF GLENDALE
Neighborhood Revitalization
5850 W. Glendale Avenue, Suite 107
Glendale, AZ 85301

**COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
PHYSICAL IMPROVEMENTS PROJECTS
DEED OF TRUST AND ASSIGNMENT OF RENTS**

DATE:

TRUSTOR: _____
ADDRESS: _____

BENEFICIARY: **City of Glendale**
ADDRESS: **5850 West Glendale Avenue Suite 107**
Glendale, Arizona 85301

TRUSTEE: _____
ADDRESS: _____

DEED OF TRUST AND ASSIGNMENT OF RENTS

THIS DEED OF TRUST AND ASSIGNMENT OF RENTS is made this ____ day of _____, 20__, among the Trustor(s), _____ (“Borrower or Trustor”), and the City of Glendale, a municipal corporation (“Beneficiary”), whose address is 5850 West Glendale Avenue, Suite 107, Glendale, Arizona 85301.

Borrower, in consideration of the indebtedness herein recited and the Deed of Trust and Assignment of Rents (“Deed of Trust”) created herein, irrevocably grants and conveys to Trustee _____ (“Trustee”), in trust with power of sale, the following described address located in the City of Glendale, Maricopa County, State of Arizona which has the address of _____, Glendale, Arizona _____ (“Property Address”).

SEE EXHIBIT “A” ATTACHED HERETO FOR LEGAL DESCRIPTION

Said Deed of Trust is second and subsequent in lien to a First Deed of Trust recording concurrently herewith in favor of the first lien holder, _____, an Arizona _____ in the amount of _____

TOGETHER with all the improvements now and hereafter erected on the property, and all easements, rights, appurtenances and rents (subject however to the rights and authorities given herein to the Beneficiary to collect and apply such rents), all of which shall be deemed to be and remain part of the property covered by this Deed of Trust; and all of the foregoing, together with said property (or the leasehold estate if this Deed of Trust is on a leasehold) are hereinafter referred to as the “Property”;

TO SECURE to the Beneficiary the repayment of the indebtedness evidenced by Borrower’s promissory note, dated ____, _____, _____ and extensions and renewals thereof (herein “Note”), in the principal sum of _____ (\$ _____), with zero interest thereon, if any, the full balance payable to Beneficiary as provided hereinafter, if not sooner paid, which shall become immediately due and payable if all or any part of the Property or any interest in it is sold, refinanced, conveyed or transferred (or if a beneficial interest in Borrower is sold, rented, refinanced, conveyed or transferred and Borrower is not a natural person), (each of which is called a “Transfer”) without the prior written consent of Beneficiary; the payment of all other sums, with default interest thereon, if any, advanced in accordance herewith to protect the security of this Deed of Trust; and the performance of the covenants and agreements of Borrower herein contained.

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property, and that the Borrower’s subject property is unencumbered except for encumbrances of record. Borrower covenants that Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to encumbrances of record.

UNIFORM COVENANTS

Borrower and Beneficiary covenant and agree as follows:

1. **Payment of Principal and Interest.** Borrower shall promptly pay when due the principal and interest indebtedness evidenced by the Note. If payment of the indebtedness is required due to a Sale of the Property where the purchase price is equal to or less than the Acquisition Cost of the Property, assuming an open and competitive sale, then repayment shall be made in the following order and amount:

- A. Outstanding principal and interest balance of the primary lender's loan;
- B. Borrower's net down-payment investment and normal cost of sale (3% minus closing costs/fees);
- C. Accrued simple interest on the principal amount of the Beneficiary's loan at the interest rate and the terms contained in the Promissory Note;
- D. The principal amount of the Beneficiary's loan; and
- E. Any remainder to Borrower.

2. **Funds for Taxes and Insurance.** To protect the security of the Deed of Trust, Borrower agrees to pay, at least ten (10) days before delinquency, all taxes and assessments affecting said property; when due, all encumbrances, charges and liens, with interest, on said property or any part thereof, which appear to be prior or superior hereto; and all costs, fees and expenses of this Deed of Trust.

Should Borrower fail to make any payment or to do any act as herein provided, then Beneficiary, without obligation to do so and without notice to or demand upon Borrower and without releasing Borrower from any obligation hereof, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof, Beneficiary or Trustee being authorized to enter upon said property for such purposes; appear in and defend any action or proceeding purporting to affect the security hereof or the rights powers or Beneficiary or Trustee; pay, purchase, contest or compromise any encumbrances, charge or lien which in the judgment of either appears to be prior or superior hereto; and, in exercising any such powers, pay necessary expenses, employ counsel and pay his/her reasonable fees.

3. **Application of Permits.** Unless applicable law provides otherwise, all payments received by Beneficiary under section 1 and 2 shall be applied; first, to any prepayment charges due under the Note; second, to amounts payable under section 2; third, to interest due; fourth, to principal due; and last, to any late charges due under the Note.

4. **Prior Mortgages and Deeds of Trust; Charges, Liens.** Borrower shall perform all of Borrower's obligations under any mortgage, deed of trust or other security agreement with a lien which has priority over this Deed of Trust, including Borrower's covenants to make payments when due. Borrower shall pay or cause to be paid all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Deed of Trust, and leasehold payments or ground rents, if any.

5. **Hazard Insurance.** Borrower shall keep the improvement(s) now existing or hereinafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage", and such other hazards as Beneficiary may require and in such amounts and for such periods as Beneficiary may require.

The insurance carrier providing the insurance shall be chosen by the Borrower subject to approval by Beneficiary; provided, that such approval will not be unreasonably withheld. All insurance policies and renewals thereof shall be in a form acceptable to Beneficiary and shall include a standard mortgage clause in favor of and inform acceptable to Beneficiary. Beneficiary has the right to hold the policies and renewals thereof, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Deed of Trust.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Beneficiary. Beneficiary may make proof of loss if not made promptly by Borrower.

If Property is abandoned by Borrower, or if Borrower fails to respond to Beneficiary within thirty (30) days from the date notice is mailed by Beneficiary to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Beneficiary is authorized to collect and apply the insurance proceeds at Beneficiary's option either to restoration or repair of the Property or to the sums secured by this Deed of Trust.

6. **Preservation and Maintenance of Property, Condominium, Cooperatives, Planned Unit Developments.** Borrower will keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall maintain property including the principle house, garage and out buildings as well as lawn/landscape maintenance, and shall comply with the provisions of any lease if this Deed of Trust is on a leasehold. If this Deed of Trust is on a unit in a condominium or a planned unit development, Borrower shall perform all of Borrower's obligations under the declaration or covenants, conditions and restrictions, creating or governing the condominium, planned unit development the by-laws and regulations of the condominium or planned unit development, and constituent documents.

7. **Protection of Beneficiary Security.** If Borrower fails to perform the covenants and agreements contained in this Deed of Trust, or if any action of proceeding is commenced which materially affects Beneficiary's interest in the Property, then Beneficiary, at Beneficiary's option, upon notice to Borrower, may make such appearances, disburse such sums including reasonable attorney's fees, and take such action as is necessary to protect Beneficiary's interest. If the Beneficiary required mortgage insurance as a condition of making the loan secured by this

Deed of Trust, Borrower shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Borrower's and Beneficiary's written agreement or applicable law.

Any amounts disbursed by Beneficiary pursuant to this Paragraph, with interest thereon, at the original Note rate, will become additional indebtedness of Borrower secured by this Deed of Trust. Unless Borrower and Beneficiary agree to other terms of payment, such amounts will be payable upon notice from Beneficiary to Borrower requesting payment thereof. Nothing contained in this Paragraph will require Beneficiary to incur any expense or take any action hereunder.

8. **Inspection.** Beneficiary may make or cause to be made reasonable entries upon and inspections of the Property, provided that Beneficiary will give the Borrower notice prior to any such inspection specifying reasonable cause therefore related to Beneficiary's interest in the Property.

9. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Beneficiary subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Deed of Trust.

10. **Borrower Not Released; Forbearance by Beneficiary Not a Waiver.** Extension of the time for payment or modification of payment of the sums secured by this Deed of Trust granted by Beneficiary to any successor-in-interest of Borrower shall not operate to release, in any manner, the liability of the original Borrower and Borrower's successors in interest. Beneficiary shall not be required to commence proceedings against such successor or to extend time or payment or otherwise modify payment of the sums secured by this Deed of Trust by reason of any demand made by the original Borrower and Borrower's successors in interest. Any forbearance by Beneficiary in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver or preclude the exercise of any such right or remedy.

11. **Successors and Assigns Bound, Joint and Several Liability; Co-signers.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective Successors and Assigns, hereof. All covenants and agreements of Borrower shall be joint and several. Any Borrower who co-signed this Deed of Trust, but does not execute the Note:

- A. Is co-signing this Deed of Trust only to grant and convey that Borrower's interest in the Property to Trustee under the terms of this Deed of Trust;
- B. Is not personally liable to the Note or under this Deed of Trust; and

- C. Agrees that the Beneficiary and any other Borrower hereunder may agree to extend, modify, forbear or make any other accommodations with regard to the terms of this Deed of Trust or the Note, without that Borrower's consent and without releasing that Borrower or Modifying this Deed of Trust as to that Borrower's interest in the Property.

12. **Notice.** Except for any notice required under applicable law to be given in another manner, any notice to Borrower provided for in this Deed of Trust shall be given by delivering it or by mailing such notice by certified mail, addressed to Borrower at the Property address or such other address as Borrower may designate by notice to Beneficiary as provided herein, and

- A. Any notice to Beneficiary will be given by certified mail, return receipt requested, to Beneficiary address stated herein or to such other address as Beneficiary may designate by notice to Borrower as provided herein.
- B. Any Notice provided for in this Deed of Trust shall be deemed to have been given to Borrower or Beneficiary when given in the manner designated herein.

13. **Governing Law, Severability.** The state and local laws applicable to this Deed of Trust shall be the laws of the jurisdiction in which the Property is located. The foregoing sentence shall not limit the applicability of Federal law to this Deed of Trust. In the event that any provision or clause of this Deed of Trust or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Deed of Trust or the Note which can be given effect without the conflicting provision, and to this end the provisions of this Deed of Trust and the Note are declared to be severable. As used herein, "costs", "expenses" and "attorneys' fees" include all sums to the extent not prohibited by applicable law of limited herein.

14. **Borrower's Copy.** Borrower shall be furnished a conformed copy of the Note and This Deed of Trust at the time of execution or after recordation hereof.

15. **Transfer of the Property or a Beneficial Interest in Borrower.** If all or any part of the Property or any interest in it is sold, rented, refinanced, conveyed or transferred (or if a beneficial interest in Borrower is sold, rented, refinance, conveyed or transferred and Borrower is not a natural person), the full loan balance, as hereafter defined, in the Property shall be shared between the Borrower and the Beneficiary on the following basis:

NON-UNIFORM COVENANTS

Borrower and Beneficiary further covenant and agree as follows:

16. **Acceleration, Remedies.** Upon Borrower's breach of any covenant or agreement of Borrower in this Deed of Trust, including the covenants to pay when due any sums secured by this Deed of Trust, and those contained in paragraph 17 hereof, the Beneficiary, prior to acceleration, shall give notice to Borrower as provided in Paragraph 12 hereof specifying:

- A. The breach;
- B. The action required to cure such breach;
- C. A date, not less than ten (10) days from the date the notice is mailed to Borrower, by which such breach must be cured; and
- D. That failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Deed of Trust and sale of the Property.

The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the nonexistence of a default or any other defense of Borrower to acceleration of sale. If the breach is not cured on or before the date specified in the notice, Beneficiary, at Beneficiary's option, may declare all of the sums secured by this Deed of Trust to be immediately due and payable without further demand and may invoke the power of sale and any other remedies permitted by applicable law. Beneficiary shall be entitled to collect all reasonable costs and expenses incurred in pursuing the remedies provided in this Paragraph 17, including, but not limited to, reasonable attorney's fees.

If Beneficiary invokes power of sale, Beneficiary shall execute or cause Trustee to execute a written notice of the occurrence of an event of default and of Beneficiary's election to cause the Property to be sold and shall cause such notice to be recorded in each county in which the Property or some part thereof is located. Beneficiary or Trustee shall mail copies of such notice in the manner prescribed by applicable law. Trustee shall give public notice of sale to the persons and in the manner prescribed by applicable law. After the lapse of such time as may be required by applicable law, Trustee without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in such order as Trustee may determine. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Beneficiary or Beneficiary's designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property so sold without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima

facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order:

- A. To all reasonable costs and expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees and costs of title evidence;
- B. To all sums secured by this Deed of Trust; and
- C. The excess, if any, to the person or persons legally entitled thereto.

17. Borrower's Right to Reinstate. Notwithstanding Beneficiary's acceleration of the sums secured by this Deed of Trust due to Borrower's breach, Borrower shall have the right to have any proceedings begun by Beneficiary to enforce this Deed of Trust discontinued at any time prior to five (5) days before sale of the Property pursuant to the power of sale contained in this Deed of Trust or at any time prior to entry of a judgment enforcing this Deed of Trust if:

- A. Borrower pays Beneficiary all sums, which would be then due under this Deed of Trust, and the Note, had no acceleration occurred;
- B. Borrower cures all breaches of any other covenants or agreements of Borrower contained in the Deed of Trust;
- C. Borrower pays all reasonable expenses incurred by Beneficiary and Trustee in enforcing the covenants and agreements of Borrower contained in this Deed of Trust, and in enforcing Beneficiary's and Trustee's remedies as provided in Paragraph 18 hereof, including, but not limited to, reasonable attorney's fees; and
- D. Borrower takes such action as Beneficiary may reasonably require to assured that the lien of this Deed of Trust, Beneficiary's interest in the Property and Borrower's obligation to pay the sums secured by this Deed of Trust shall continue unimpaired.

Upon such payment and cure by Borrower, this Deed of Trust and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

18. Assignment of Rents; Appointment of Receiver; Beneficiary in Possession. As additional security hereunder, Borrower hereby assigns to Beneficiary the rents of the Property, provided that Borrower shall, prior to any default by Borrower in payment of any indebtedness secured hereby or in performance of any agreement hereunder, have the right to collect and retain such rents as they become due and payable.

Upon any such default, the Beneficiary, in person, by agent or by judicially appointed receiver, shall be entitled to enter upon, take possession of and manage the Property and to

collect the rents of the property including those past due. All rents collected by Beneficiary or the receiver shall be applied first to payment of the cost of management of the Property and collection of rents, including, but not limited to, receiver's fees, premiums on receiver's bonds and reasonable attorneys' fees, and then to the sums secured by this Deed of Trust, Beneficiary and the receiver shall be liable to account only for those rents actually received. The entering upon and taking possession of said property and the collection of such rents and the application thereof as aforesaid shall not cure or waive any default or notice of default hereunder or invalidate any act done pursuant to such notice.

19. Reconveyance. Upon payment of all sums secured by this Deed of Trust, Beneficiary shall request Trustee to reconvey the Property and will surrender this Deed of Trust and all Notes evidencing indebtedness secured by this Deed of Trust to Trustee. Trustee shall reconvey the Property without warranty and without charge to the person or persons legally entitled thereto. Such person or persons shall pay all costs of recordation, if any.

20. Substitute Trustee. The Beneficiary, or any successor in ownership of any indebtedness secured hereby, may from time to time appoint a successor trustee to any Trustee appointed hereunder by an instrument executed and acknowledged by Beneficiary and recorded in the office of the Recorder of the county where the Property is located. The instrument shall contain the name of the original Lender, Trustee and Borrower, the book and page where this instrument is recorded and the name and address of the successor trustee. The successor trustee shall, without conveyance of the Property, succeed to all the title, power and duties conferred upon the Trustee herein and by applicable law. This procedure for substitution of trustee shall govern to the exclusion of all other provisions for substitution.

21. Request for Notices. Borrower requests that copies of the Notice of Default and Notice of Sale be sent to Borrower's address, which is the Property Address. Beneficiary requests that copies of notices of foreclosures from the holder of any lien which has priority over this Deed of Trust be sent to Beneficiary's address, as set forth on Page One of this Deed of Trust as provided by Section 2942b of the Civil Code of Arizona.

22. Deed of Trust Rider. The Deed of Trust Rider executed by Borrower is attached and made part of this Deed of Trust.

23. Covenants, Conditions and Restrictions. The Property is subject to Covenants, Conditions and Restrictions ("Restrictions") between the Beneficiary and the Borrower, that are not attached hereto but are incorporated by reference. Borrower acknowledges receipt of said Restrictions and agrees for him/her self/ his/her heirs, successors and assigns to be bound the same.

24. Warranties of Borrower. Borrower warrants to Beneficiary that:

- A. Borrower is a first-timer homebuyer; that is, s/he has not owned a home, or had any ownership interest in a home within a three-year period immediately preceding the date of this Deed of Trust, and
- B. That Borrower's annual gross income does not exceed eighty percent (80%) of the median income for the Glendale metropolitan area, as adjusted for family size, as said median income is determined by the HUD, on the latter of:
 - 1) The date of initial application to the City; or
 - 2) The date of the recordation of this Deed of Trust.
- C. That for so long as Borrower owns the Property, Borrower will reside in the Property as Borrower's principal place of residence. Borrower agrees not to sublet, lease or rent out the Property during the term of this Deed of Trust.

25. Subordination. The Beneficiary and Borrower acknowledge and agree that this Deed of Trust is subject to and will subordinate in all respects to the liens, terms, covenants, and conditions of the First Trust Deed and to all advances heretofore made or which may be hereafter be made pursuant to the First Trust Deed including all sums advanced for the purpose of:

- A. Protecting or further securing the lien of the First Trust Deed, curing defaults by the Borrower under the First Trust Deed or for any other purpose expressly permitted by the First Trust Deed; and
- B. Constructing, renovating, repairing, furnishing, fixturing or equipping the Property.

The terms and provisions of the First Trust Deed are paramount and controlling, and they supersede any other terms and provisions hereof in conflict therewith. In the event of a foreclosure of deed in lieu of foreclosure of the First Trust Deed, any provisions herein or any provision in any other collateral agreement restricting the use of the Property to low or moderate income households or otherwise restricting the Borrower's ability to sell the Property shall have no further force or effect on subsequent owners or purchasers of the Property. Any person, including his/her successors or assigns (other than the Borrower or a related entity of the Borrower), receiving title to the Property through a foreclosure or deed in lieu of foreclosure of the First Trust Deed shall receive title to the property free and clear from such restrictions.

Further, if the Primary Lender acquired title to the Property pursuant to a deed in lieu of foreclosure, the lien of this Deed of Trust shall automatically terminate upon the Primary Lender's acquisition of title, provided that:

- A. The Beneficiary has been given written notice of a default under the First Trust Deed; and
- B. The Beneficiary shall not have cured the default under the First Trust Deed, or diligently pursued curing the default as determined by the Primary Lender, within the sixty (60) day period provided in such notice sent to the Beneficiary.

The Beneficiary and Borrower further acknowledge and agree that this Deed of Trust will only subordinate for a rate and term refinance of the First Trust Deed at the discretion of the Beneficiary and shall not be subject to subordination for a cash out refinance, equity line of credit or any other such form of refinance as deemed inappropriate by the Beneficiary.

26. Funds for Taxes and Insurance. The Beneficiary will waive collection of impounds for taxes and assessment (including condominium, planned unit development and planned residential development assessments, if any). Borrower will make all payments for impounds to First Trust Deed holder.

27. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants and agreements of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable box(es)].

- Transfer Rider
- 1-4 Family Rider
- Other(s) [specify]:
- Condominium Rider
- PUD Rider

(Remainder of Page Intentionally Left Blank)

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Deed of Trust and in any rider(s) executed by Borrower and recorded with it.

Borrower/Trustor

Borrower/Trustor

Borrower/Trustor

Borrower/Trustor

STATE OF ARIZONA)
) ss.
County of Maricopa)

SWORN AND SUBSCRIBED before me, this ____ day of _____,
20____, by _____, the Borrower who signed this Deed of Trust.

Notary Public

My Commission Expires:

DO NOT RECORD THIS PAGE

REQUEST FOR RECONVEYANCE

TO TRUSTEE: The undersigned is the holder of the note or notes secured by this Deed of Trust. Said note or notes, together with all other indebtedness secured by this Deed of Trust, have been paid in full. You are hereby directed to cancel said note or notes and this Deed of Trust, which are delivered hereby, and to reconvey, without warranty, all the estate now held by you under this Deed of Trust to the person or persons legally entitled thereto.

Dated: _____

DO NOT LOSE OR DESTROY THIS DEED OF TRUST OR THE NOTE WHICH IT SECURES. BOTH MUST BE DELIVERED TO THE TRUSTEE FOR CANCELLATION BEFORE RECONVEYANCE WILL BE MADE.

EXHIBIT "H"

EXHIBIT H
CERTIFICATIONS

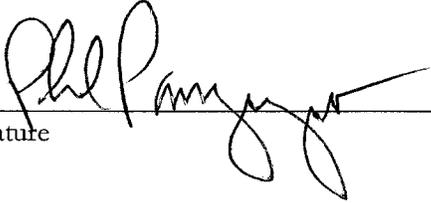
See attached Certifications:

1. Policy of Nondiscrimination on the Basis of Disability.
2. Section 319 of Public Law 101-121.
3. Contracting with Small and Minority Firms, Women's Business Enterprises and Labor Surplus Area Firms.
4. Drug-Free Workplace.

###

**POLICY OF NONDISCRIMINATION ON THE
BASIS OF DISABILITY**

The undersigned representative agrees, on behalf of Client, to have or adopt a Policy of Nondiscrimination on the Basis of Disability. Such Policy will state that the Agency does not discriminate on the basis of disabled status in the admission or access to, or treatment or employment in, its federally assisted programs or activities.



Signature

11-18-11

Date

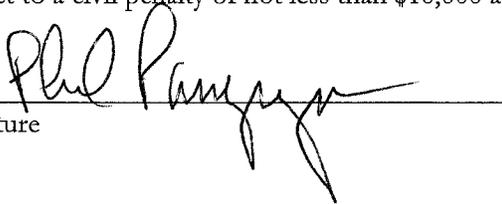
SECTION 319 OF PUBLIC LAW 101-121

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

1. 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 any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress, in connection with the awarding of any Federal 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.
2. 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 will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned will require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements), and that all agencies will 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 31 U.S.C. § 1352. Any person who fails to file the required certification will be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Signature



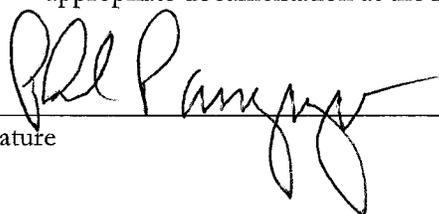
Date

11-18-11

CONTRACTING WITH SMALL AND MINORITY FIRMS,

WOMEN'S BUSINESS ENTERPRISES AND LABOR SURPLUS AREA FIRMS

1. It is a national policy to award a fair share of contracts to small and minority business firms. Accordingly, affirmative steps must be taken to assure that small and minority businesses are utilized when possible as sources of supplies, equipment, construction, and services. Affirmative steps will include the following:
 - 1.1 Qualified small and minority businesses on solicitation lists.
 - 1.2 Assuring that small and minority businesses are solicited whenever they are potential sources, and to the greatest extent possible that these businesses are located within the metropolitan area.
 - 1.3 When economically feasible, dividing total requirements into smaller tasks or quantities so as to permit maximum small and minority business participation.
 - 1.4 Where the requirement permits, establish delivery schedules which will encourage participation by small minority businesses.
 - 1.5 Using the services and assistance of the Small Business Administration, and the Office of Minority Business Enterprises of the Department of Commerce and the Community Services Administration as required.
 - 1.6 If any subcontracts are to be let, requiring the prime contractor to take the affirmative steps in §§ 1.1 through 1.5. Grantees will take similar appropriate action in support of women's enterprises.
 - 1.7 To the greatest extent feasible, opportunities for training and employment will be given to low and moderate income persons residing within the metropolitan area.
2. The above-described equal opportunity requirements are obligations of the City of Glendale because federal funds are being utilized to finance the Project to which this Project pertains.
3. In executing any contract, the Agency agrees to comply with the requirements and to provide appropriate documentation at the request of the City.



Signature

11-18-11

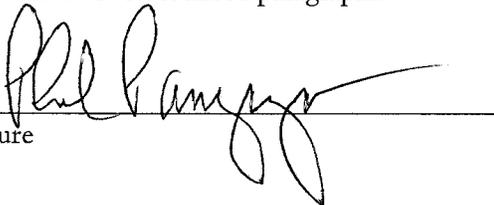
Date

DRUG-FREE WORKPLACE

The Agency certifies that it will maintain a drug-free workplace in accordance with the requirements of 24 CFR Part 24, Subpart F by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Agency's workplace and specifying the actions that will be taken against employees for violation of such prohibition.
2. Establishing an ongoing drug-free awareness program to inform employees about:
 - 2.1 The dangers of drug abuse in the workplace;
 - 2.2 The Agency's policy of maintaining a drug-free workplace;
 - 2.3 Any available drug counseling, rehabilitation and employee assistance programs; and
 - 2.4 The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1.
4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will:
 - 4.1 Abide by the terms of the statement; and
 - 4.2 Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction.
5. Notifying the City in writing, within ten calendar days after receiving notice under paragraph 4.2 from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice will include the identification number(s) of each affected grant.
6. Taking one of the following actions, within 30 calendar days of receiving notice under paragraph 4.2, with respect to any employee who is so convicted:
 - 6.1 Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - 6.2 Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, local health requirements, law enforcement, or other appropriate agency.
7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of the above-described paragraphs.

Signature



Date

11-18-11