

#5(J)

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

HOME PROGRAM CONTRACT #1000762
OWNER OCCUPIED ASSISTANCE
SECOND AMENDMENT

CFDA 14.239 HOME INVESTMENT PARTNERSHIPS PROGRAM
Awarding Federal Agency: U.S. Department of Housing and Urban Development
Award Number: M 06 SG 48-0100
Award Year: 2006
HUD Entity Type: State Recipient

Section 1

The TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS, a public and official agency of the State of Texas (Department) and POLK COUNTY (Administrator), a Texas Corporate and Political Body, do hereby contract and agree to amend the original contract by and between the parties, effective December 1, 2006, and identified on Department's records as HOME Contract #1000762 (Contract).

Section 2

The parties hereto agree to amend the contract identified in Section 1 above so that Exhibit A, Performance Statement, is replaced in its entirety with the new Exhibit A Performance Statement attached to this Second Amendment, hereinafter referred to as Exhibit A, and hereby made a part of this Second Amendment. New Exhibit A consists of (2) pages.

Section 3

The parties hereby agree to amend the Contract identified in Section 1 above so that Section 1, Contract Period, is revised to read as follows:

The Contract shall be effective and commence on December 1, 2006 and shall terminate on November 30, 2008, unless otherwise specifically provided herein (Contract Period).

Section 4

The parties hereby agree to amend Section 20, Special Conditions, by adding subsection E, F and G to read as follows:

- E. Any home demolished that cannot be completed within the contract period becomes the responsibility of the Administrator for completion.
- F. The Administrator shall include language in any subcontract that provides the Department the ability to directly review, monitor, and/or audit the operational and financial performance and/or records of work performed under this Contract.

G. The Administrator shall include language in any subcontract that failure of subcontractor/consultant to adequately perform under the contract may result in penalties up to and including Debarment from performing additional work for the Department.

Section 5

The parties hereto agree that all other terms and written modifications of the Contract shall remain in effect as therein set forth and shall continue to govern except to the extent that said terms conflict with the terms of this Second Amendment. In the event any conflict in terms exists, this Second Amendment shall control, unless it can not be read consistently with the entirety of the contract or is made void by operation of law. Each capitalized term not expressly defined herein shall have the meaning given to such term in the Contract.

Section 6

This Second Amendment shall be effective on the date of execution.

Section 7

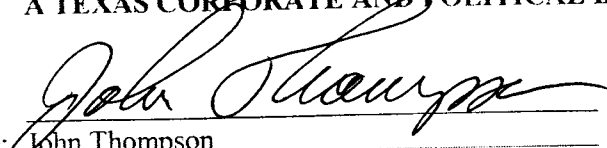
By signing this Second Amendment the parties expressly understand and agree that its terms shall become a part of the Contract as if they were set forth word for word therein. This Second Amendment shall be binding upon the parties hereto and their respective successors and assigns.

AGREED TO AND EXECUTED BY:

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

By: _____
Name: Michael Gerber
Title: Executive Director
Date: _____

POLK COUNTY, A TEXAS CORPORATE AND POLITICAL BODY

By: 
Name: John Thompson
Title: County Judge
Date: 5.27.2008

TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

EXHIBIT A

PERFORMANCE STATEMENT

POLK COUNTY,
A TEXAS CORPORATE AND POLITICAL BODY

Administrator shall carry out the following activities identified in its 2006 HOME Program Hurricane Rita Disaster Application Number: 2006-0211

OWNER OCCUPIED HOUSING ASSISTANCE PROGRAM

Administrator shall implement an Owner Occupied Housing Assistance Program in accordance with 24 C.F.R. Part 92. and the applicable Texas statutes and Texas Administrative Codes. Administrator shall submit to Department, Program Design Options for Departmental approval prior to setting up an activity or utilizing project funds.

Administrator shall use the funds provided under this contract to provide assistance to reconstruct or rehabilitate a minimum of **11 (ELEVEN) houses** each of which must be the principal residence of the homeowner assisted.

HOME Owner Occupied Housing Assistance shall be:

1. In the form of a grant for households whose income is less than or equal to thirty percent (30%) of the Area Median Family Income (AMFI), as defined by HUD.
2. In the form of a five-year deferred forgivable loan for households whose income is greater than thirty percent (30%) and less than or equal to fifty percent (50%) of the AMFI, as defined by HUD.
3. In the form of a zero percent (0%), thirty (30) year repayable loan for households whose income is greater than fifty percent (50%) and less than or equal to eighty percent (80%) AMFI, as defined by HUD.

In instances where a manufactured housing unit will be replaced by site built housing or homeowner will relocate to an alternate housing site, HOME assistance shall be:

1. In the form of a fifteen (15) year deferred forgivable loan (based on assistance above \$40,000) for households whose income is 50% and below the AMFI as defined by HUD.
2. In the form of a zero (0%) percent, thirty (30) year repayable loan for households whose income is fifty one percent (51%) to eighty percent (80%) of the AMFI, as defined by HUD.

NINE (9) of the **ELEVEN (11)** assisted homeowners shall have incomes that are fifty percent (50%) or less of the area median family income (AMFI), as defined by HUD.

TWO (2) of the **ELEVEN (11)** assisted homeowners shall have incomes that are eighty percent (80%) or less of the area median family income (AMFI) as defined by HUD.

All ELEVEN (11) assisted homeowners will be victims directly affected by the disaster caused by Hurricane Rita which occurred on September 24, 2005.

Each unit must, at a minimum, meet or exceed the Texas Minimum Construction Standards (TMCS), FHA minimum standards, or Colonia Housing Standards, if located in a Colonia, as well as local building codes and zoning ordinances. If a home is reconstructed, Administrator must also ensure compliance with the universal design features in new construction, established by §2306.514, Texas Government Code, energy standards as verified by a RESCHECK certification, and the International Residential Codes, as required by Subchapter G, Chapter 214, Local Government Code.

Administrator is limited to serving homeowners whose primary residence is located in **POLK COUNTY**, Texas, in a jurisdiction that is not a participating jurisdiction, as defined in 24 C.F.R. Sec. 92.105, and in Uniform State Service Region Number, **5, (FIVE)** unless otherwise approved by Department.

Contract Administrator must propose targeting at least five percent (5%) of the proposed number of units to be assisted under this contract to persons who meet the definition of Persons with Disabilities as defined in 24 CFR 582.5. If Contract Administrator is unable to document a person with disabilities that meets the HOME eligible guidelines, Contract Administrator may request a waiver of this requirement in writing to the Department.

MATCH

NO MATCH REQUIREMENT.

ADMINISTRATION

Administrator may expend funds provided under this contract for reasonable administrative and planning costs directly related to this contract in accordance with Sections 3, 4, and 5 of this contract and 24 C.F.R Sec. 92.207 in an amount that is not more than four percent (4%) or **TWENTY FOUR THOUSAND AND NO/100 DOLLARS (\$24,000.00)**, of the total amount of project funds received under this contract.

In addition to the funds identified in this section of the main contract, an Administrator, where administrator has expended increased funds as Approved by the Governing Board on February 1, 2007 and referenced in Section 3(B), may expend funds provided under this contract for reasonable administrative and planning costs directly related to this contract in an amount not to exceed 4% of the funds spent in relation to Section 3(B) in an amount that is no more than **TWO THOUSAND ONE HUNDRED EIGHTY ONE DOLLARS AND EIGHTY TWO CENTS (\$2,181.82)**.

Administrator shall be allowed to draw up to ten percent (10%) of the actual allowable administrative costs incurred at the initial state of the contract, with the remaining ninety percent (90%) funded on a pro rata basis, based on draws.