

STATE OF GEORGIA  
COUNTY OF NEWTON

**NEWTON COUNTY NSP POLICIES AND PROCEDURES**

**WHEREAS**, Newton County is the recipient of federal funding under the Neighborhood Stabilization Program (Title III of Division B of the Housing and Economic Recovery Act of 2008); and

**WHEREAS**, as a recipient of federal funding Newton County must ensure compliance with federal requirements; and

**WHEREAS**, Newton County desires to amend its NSP Policies & Procedures Manual to incorporate references, procedures and standards relating to federal requirements; and

**WHEREAS**, Newton County desired to accommodate the policies and procedures of a new asset manager, where said policies and procedures do not conflict with NSP rules and regulations;

**NOW THEREFORE, BE IT RESOLVED** that Newton County hereby adopts the following attachments by reference as if incorporated herein:

**(1) Newton County NSP Policies and Procedures Manual (Final – 2012 Revised)**

This resolution shall take effect as of the date of adoption by the Newton County Board of Commissioners.

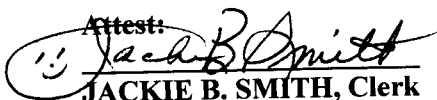
**SO RESOLVED**, this 2nd day of October 2012.



**NEWTON COUNTY BOARD  
OF COMMISSIONERS**

By:

  
KATHRYN G. MORGAN, Chairman

Attest:  
  
JACKIE B. SMITH, Clerk

**POLICIES & PROCEDURES MANUAL FOR THE  
NEWTON COUNTY NEIGHBORHOOD STABILIZATION PROGRAM  
DCA Grant Number 08-ns-5068**

**The purpose of these Policies and Procedures are to:**

- A. Ensure that all federal, state and local rules, regulations, and program requirements are followed; and
- B. Provide a clear understanding to the Newton County citizens and program recipients of the program policies associated with Neighborhood Stabilization Program (NSP) funds.

**Items detailed in this Policies and Procedures Manual include the following:**

- I. Definitions
- II. General Provisions
- III. Source of Funding and Administrative Requirements
- IV. Program Goals and Guidelines
  - 1. General Description of Goals
  - 2. Guidelines for Acquisition of Properties
    - A. Summary of Activity
    - B. Eligible Properties
    - C. Property Selection
    - D. Property Appraisals
    - E. Environmental Assessments
    - F. Historical Significance (as applicable)
    - G. Lead Based Paint Provisions
    - H. Flood Plain Statement
    - I. Title Search
    - J. Survey
    - K. Closing
    - L. Insurance
    - M. Eligible Acquisition Costs
    - N. Uniform Relocation Acquisition
  - 3. Guidelines for Housing Rehabilitation
    - A. Summary of Activity
    - B. Rehabilitation Standards (Repair/Rehab)
  - 4. Guidelines for Disposition
    - A. Summary of Activity
    - B. Sales Price
    - C. Marketing
    - D. Eligible Beneficiaries (Eligible Homebuyers)
    - E. Disposition Costs
    - F. Homebuyer Assistance Policy (Principal Reduction)
  - 5. Guidelines for Homeownership Assistance
    - A. Summary of Activity
    - B. Applicant Selection Criteria
    - C. Advertising (Homeownership Assistance)
    - D. Application Process (Application Intake)
    - E. Length of Affordability Period
    - F. Recapture
    - G. Maximum Assistance Available
    - H. Affordability Calculated
    - I. Eligible Homebuyers
  - 6. Guidelines for Public Facilities and Improvements
    - A. Summary of Activity
    - B. Types of Improvements
    - C. Acquisition of Properties
- V. Asset Manager (Role and Scope; Selection)
- VI. NSP Contractors (Role and Scope; Selection)
- VII. Progress Payments, Change Orders, Inspections, Permits & Close-Out
- VIII. Cash Depositories and Drawdown of Funds

IX. Program Income  
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## **I. DEFINITIONS**

Abandoned - A home is abandoned when mortgage or tax foreclosure proceedings have been initiated for that property, no mortgage or tax payments have been made by the property owner for at least 90 days, AND the property has been vacant for at least 90 days.

AMI - Area Median Income - For purposes of NSP, the median income for each county. The AMI varies by household size.

Complete Application - a complete application (or full application) is the document that the applicant for NSP assistance must complete prior to being approved for NSP assistance. It is the applicant's responsibility to complete the full application. Newton County's designated asset management entities (asset managers) can assist applicants with completing the full application. Asset managers will determine whether or not a complete application has been submitted by an applicant in accordance with Newton County's NSP Policies and Procedures.

ARRA - The American Recovery and Reinvestment Act of 2009. This act modifies some NSP stipulations in HERA.

DCA - Georgia Department of Community Affairs (a/k/a Georgia DCA).

Eligible Area - Project area(s) as approved by DCA through the Grant Award or Grant Adjustment Notification(s). See Appendix D for a map of currently approved project area(s).

Eligible Borrowers - Those persons who meet the demographic, geographic, and program requirements for NSP assistance.

Environmental Services Provider - A firm selected to perform required environmental reviews on properties prior to purchase. A pre-qualified list of such firms will be established after an RFQ and subsequent approval by the Board. Firms on the pre-qualified list will have the opportunity to bid on individual jobs as they arise.

Foreclosed Upon - A property "has been foreclosed upon" at the point that, under state or local law, the mortgage or tax foreclosure is complete. DCA generally will not consider a foreclosure to be complete until after the title for the property has been transferred from the former homeowner under some type of foreclosure proceeding or transfer in lieu of foreclosure, in accordance with state or local law.

Forms - Forms used in the Newton County NSP Program are those either furnished by the Georgia Department of Community Affairs or developed in conformance with Housing Urban Development (HUD) or Georgia DCA NSP requirements.

HERA - The Housing and Economic Recovery Act of 2008, Title III (Section 2301) of which authorizes the Neighborhood Stabilization Program.

LMMI - Low- Moderate- and Middle-Income - Households with income below 120% of Area Median Income. Low income households have incomes below 50% of AMI. Moderate income households have incomes between 50% and 80% of AMI and Middle income households have incomes between 80% and 120% of AMI.

Lead-Based Paint Abatement Requirements - Requirements that are set forth in the Code of Federal Regulations, or 24 CFR 35, which state that federal dollars expended on houses built before 1978 must comply with lead safe procedures, including the performance of a qualified risk assessment and forms of lead removal and abatement. The requirements apply to the Newton County NSP Program.

NSP - Neighborhood Stabilization Program - As authorized in HERA, the Neighborhood Stabilization Program is federally funded and administered

at the state level by the Georgia Department of Community Affairs (Georgia DCA).

Program Income - income received by the program as a function of the exercise of NSP-eligible activities.

Public Facilities and Improvements - Eligible activities as defined by 24 CFR 570.201(c).

REO - Real Estate Owned - Property which has undergone foreclosure and title is now held by a bank or other financial institution.

RFP - Request for Proposal - A document inviting subrecipients and professional service providers to bid on contracts to perform services under NSP.

RFQ - Request for Qualifications - A document inviting subrecipients and professional service providers to submit qualifications to perform services under NSP.

Rehabilitation Advisor - The designated Asset Manager(s) serve as Rehabilitation Advisor. In this role, the Asset Manager has a Subrecipient contract with Newton County to perform a project delivery function, including, but not limited to, program marketing, application intake, loan processing assistance, application review, lead-based paint assessments and compliance, work write-ups, project bidding and construction oversight, invoice review, and inspection services.

Subrecipient - As defined in 24 CFR 570.500 (c) , subrecipient means a public or private nonprofit agency, authority, or organization, or a for-profit entity authorized under § 570.201(o), receiving CDBG funds from the recipient or another subrecipient to undertake activities eligible for such assistance under subpart C of part 570. The term excludes an entity receiving CDBG funds from the recipient under the authority of §570.204, unless the grantee explicitly designates it as a subrecipient. The term includes a public agency designated by a unit of general local government to receive a loan guarantee under subpart M of part 570, but does not include contractors providing supplies, equipment, construction, or services subject to the procurement requirements in 24 CFR 85.36 or 84.40, as applicable.

## **II. GENERAL PROVISIONS**

A. The Grant Award issued by the Georgia Department of Community Affairs for Grant Number 08-ns-5068 (Newton County NSP), and its associated Statement of General Conditions, Statement of Special Conditions, and Assurances/Certifications are incorporated into this Policies and Procedures Manual by reference.

B. This Policies and Procedures Manual for the Newton County Neighborhood Stabilization Program (Newton County NSP) is prepared in accordance with the relevant provisions of the NSP Recipients Manual issued by the Georgia Department of Community Affairs. In the event of any conflict in provisions, the rules and requirements of the Georgia Department of Community Affairs (Georgia DCA) shall control with respect to administration and implementation of the Newton County NSP.

C. Nothing in this Policies and Procedures Manual shall relieve Newton County, its designated Asset Manager(s), or any other agent, contractor, or vendor of Newton County employed in conjunction with the Newton County Neighborhood Stabilization Program from rules, regulations, and program requirements established by the Georgia Department of Community Affairs and/or the U.S. Department of Housing and Urban Development for the Neighborhood Stabilization Program.

D. The Code of Ethics for Government Service established in O.C.G.A. 45-10-1 shall be strictly adhered to and followed, in accordance with Georgia DCA program rules and regulations.

E. A summary of eligible activities for the Newton County NSP Program are as follows:

<u>DCA Activity Code</u>	<u>Description</u>	<u>National Objective</u>
5068-001-B	Acquisition of Property (House)	LMMI & LMMH
5068-14A-B	Rehabilitation of Private Properties	LMMI & LMMH
5068-013-A	Downpayment/Closing Cost Assistance	LMMI & LMMH
5068-003-E	Public Facilities and Improvements	LMMI
5068-21A-X	Administration (NSP Administration)	

Eligible activities shall be funded within parameters established by the NSP Grant Award and Program Budget, as may be amended from time to time. All eligible activity expenditures shall be in compliance with NSP program rules, regulations, and requirements established by Newton County NSP and Georgia DCA.

F. In addition to the policies and procedures set forth herein, the Newton County NSP shall be authorized to follow the policies set forth in Schedule G of the U.S. Affiliated Organization Policy Handbook from Habitat for Humanity International. To the extent there are conflicts with the Schedule G policies and these policies and procedures, the Schedule G policies shall control provided they are not inconsistent with NSP laws and regulations.

### **III. SOURCE OF FUNDING AND ADMINISTRATIVE REQUIREMENTS**

On March 27, 2009 Newton County received an award of \$1,742,760 in funds from the Georgia Department of Community Affairs through the Neighborhood Stabilization Program (NSP).

The Newton County NSP Program will be administered and implemented in accordance with the "Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments " which is set forth in the Code of Federal Regulations (24 CFR Part 85) and is referred to as the Common Rule. The program will also be implemented according to the General and Special Conditions for the Newton County NSP Program, and the latest edition of the Georgia DCA-NSP Recipients Manual as issued by the Georgia Department of Community Affairs. To the extent possible, forms used in program administration and implementation will comply with requirements stated in the most up-to-date version of the NSP Recipients Manual.

### **IV. PROGRAM GOALS AND GUIDELINES**

#### **1. GENERAL DESCRIPTION OF GOALS**

The Neighborhood Stabilization Program was created under the Housing and Economic Recovery Act of 2008 and provides assistance to states and certain local communities experiencing particularly high foreclosure problems and risk of property abandonment. The program permits states and local governments to purchase foreclosed homes at a discount and to rehabilitate or redevelop them in order to respond to rising foreclosures and falling home values.

Local governments can use their neighborhood stabilization grants to acquire foreclosed upon residential property; to demolish or rehabilitate abandoned properties; and/or to offer down-payment and closing cost assistance to low-moderate- and middle-income homebuyers (household incomes not to exceed 120 percent of area median income).

The NSP also seeks to prevent future foreclosures by requiring housing counseling for families receiving homebuyer assistance. In addition, future homebuyers will be protected by requiring grantees to ensure that new homebuyers under this program obtain a mortgage loan from a lender who agrees to comply with sound lending practices.

#### **2. GUIDELINES FOR ACQUISITION OF PROPERTIES - 24 CFR 570.201(a)**

A. SUMMARY OF ACTIVITY: This activity will provide funds to acquire foreclosed and abandoned homes for the purpose of rehabilitation and resale to NSP-eligible households. Properties will be acquired through negotiated purchases between the respective Asset Manager and sellers (banks holding title to foreclosed properties). All properties acquired will be utilized for the development of affordable housing to benefit NSP-eligible households.

B. ELIGIBLE PROPERTIES: Properties to be acquired under this program include properties that are:

1. Abandoned. A home is abandoned when mortgage or tax foreclosure proceedings have been initiated for that property, no mortgage or tax payments have been made by the property owner for at least 90 days, AND the property has been vacant for at least 90 days.
2. Foreclosed. A property "has been foreclosed upon" at the point that, under state or local law, the mortgage or tax foreclosure is complete. HUD generally will not consider a foreclosure to be complete until after the title for the property has been transferred from the former homeowner under some type of foreclosure proceeding or transfer in lieu of foreclosure, in accordance with state or local law.

C. PROPERTY SELECTION: Properties shall be selected by the respective Asset Manager following written approval from the Newton County Neighborhood Stabilization Program. Properties must be located in areas as approved by DCA through the Grant Award or Grant Adjustment Notification(s). See Appendix D for a map of currently approved project area(s).

D. PROPERTY APPRAISALS: Appraisals will be conducted individually and are to be ordered during initial purchase analysis and completed within 60 days of final offer. Appraisals can be paid by the County or Asset Manager. The Appraiser must be State Certified in Georgia and licensed in good standing. Appraisals must be performed in conformity with the appraisal requirements of URA at 49 CFR 24.103. A pre-qualified list of such appraisers will be established after an RFQ and subsequent approval by the Board. Firms on the pre-qualified list will have the opportunity to bid on individual jobs as they arise. An additional appraisal may be ordered after rehabilitation is complete by the first mortgage lender in accordance with standard underwriting guidelines.

E. ENVIRONMENTAL ASSESSMENTS: All properties to be purchased, rehabilitated and sold will be subject to an environmental review in accordance with 24 CFR part 58 prior to a request of release of funds from HUD. Activities that are categorically excluded and convert to exempt, per Section 58.34 (a)(12), because they do not require any mitigation will contain the HUD approved checklist in each file. No funds will be drawn until all environmental activities have been concluded and cleared. A pre-qualified list of environmental firms will be established after an RFQ and subsequent approval by the Board. Firms on the pre-qualified list will have the opportunity to bid on individual jobs as they arise. All required documentation will be included in the Environmental Review Record and will be available for public review at the Planning and Development Department, 1113 Usher Street, Suite 201, Covington, GA 30014.

F. HISTORICAL SIGNIFICANCE: In accordance with the Statement of General Provisions incorporated into the NSP Grant Award (Grant Number 08-ns-5068), for residential properties fifty (50) years of age or older, Newton County NSP will comply with the "Programmatic Agreement Among the Georgia Department of Community Affairs, the Georgia State Historic

Preservation Office, and the Advisory Council on Historic Preservation for the Administration of State of Georgia Community Development Block Grant and HOME Investment Partnership Programs." This compliance to the aforementioned Programmatic Agreement shall constitute conformity with the relevant provisions of Section 106 of the National Historic Preservation Act.

G. LEAD BASED PAINT PROVISIONS: Units assisted with NSP funds are subject to the Lead Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at part 35, subparts A, B, J, K, M and R of this title. Lead based paint will be addressed for all units constructed prior to 1978 and receiving repairs as follows:

- The entire property will be evaluated by a risk assessment.
- All damaged paint surfaces will be repaired.
- Units assisted that exceed \$5,000 in repairs will have all lead hazards addressed by interim controls using lead safe work practices. Other controls and protocols determined by the risk assessment shall be implemented as well.

H. FLOOD PLAIN: Newton County NSP will seek to purchase properties outside of the 100-year flood plain. As a result, Newton County NSP does not intend to participate in the acquisition or rehab/repair or homebuyer assistance of any dwelling in the 100-year flood plain.

I. TITLE SEARCH: The Newton County NSP will rely on the County Attorney's Office to review title of properties to be acquired. The County will allow the lender/seller to select the title company for closing if it is a stated requirement for sale.

J. SURVEY: A survey will be performed on properties as necessary to conform with NSP requirements prior to purchase to determine encroachments and flood elevation. If available, an existing survey may be updated to meet current NSP requirements.

K. CLOSING: The Newton County NSP will contract with real estate attorney(s) or Title Company/Title Companies for services associated with all property closings unless the lender requires use of their closing agent. A title search and a title insurance policy shall be issued at closing to ensure a clear title will be transferred to the buyer. The title agent will notify all parties of date and time of closing and provide a HUD 1 Statement to all parties at least 24 hours prior to closing.

L. INSURANCE: All homebuyers assisted under this program will be required to purchase and maintain, for the life of the rehabilitation affordability period, property insurance including fire, casualty and flood insurance if property is located in a flood zone.

M. ELIGIBLE ACQUISITION COSTS: Eligible costs under this activity include, but are not limited to, purchase of real property, professional services, closing costs, appraisals, title searches and insurance, and site surveys. Procurement of directly related professional services and technical services required herein are also eligible acquisition costs.

N. UNIFORM RELOCATION ACT: All property acquisition shall be undertaken in compliance with the "Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970." Since all properties to be acquired must be vacant it is not expected that funding of any relocation activities will be undertaken.

### 3. GUIDELINES FOR HOUSING REHABILITATION - 24 CFR 570.202 (a)

A. SUMMARY OF ACTIVITY: This activity will provide funds to finance the rehabilitation of foreclosed and abandoned homes. All properties that are rehabilitated under this activity will be for the purpose of supplying affordable housing to benefit eligible households for homeownership.

B. REHABILITATION STANDARDS: The Newton County NSP will ensure that all properties acquired under this program for resale will comply with the locally adopted building codes (inclusive of the relevant requirements of the Georgia State Minimum Standard Codes for Construction) prior to disposition.

C. ADDITIONAL REHABILITATION STANDARDS & REQUIREMENTS: Additional housing rehabilitation requirements, as may be applicable to respective Newton County NSP projects, may be found in the Georgia DCA NSP Recipient's Manual (Chapter II, Section 5 in particular).

### 4. GUIDELINES FOR DISPOSITION - 24 CFR 570.201 (b)

A. SUMMARY OF ACTIVITY: Disposition, through sale or lease-purchase of residential units acquired with NSP funds and reasonable costs of temporarily managing such properties. All properties under this activity will be transferred for the purpose of affordable housing to benefit eligible households. All dispositions of property under this program shall be made subject to contractual conditions and/or covenants insuring the continuing use of the property for purposes consistent with NSP program objectives.

B. SALES PRICE: The sales price of each NSP unit shall be determined by adding the price paid by the Asset Manager (on behalf of Newton County NSP) to purchase the property plus rehabilitation costs and activity delivery costs or the appraised value, whichever is less minus the subsidy provided which is determined by income eligibility of the client and the amount needed to make the unit affordable. The sales price may be adjusted to accommodate market conditions.

C. MARKETING: The Newton County Neighborhood Stabilization Program plans to advertise the NSP home purchase program to very low, low and moderate income households through media such as the Newton Citizen, the Covington News, the Newton County web site, and Newton Channel 20 (local government access channel). Local lenders may also help market the program to eligible homebuyers as well.

D. ELIGIBLE BENEFICIARIES (a/k/a ELIGIBLE HOMEBUYERS): Requirements for NSP homebuyer counseling and loan requirements to purchase NSP homes are detailed below.

1. Counseling Requirements: Eligible Beneficiaries (a/k/a Eligible Homebuyers) purchasing NSP assisted housing must complete eight (8) hours of homebuyer counseling from a HUD approved agency. The Counseling may be provided in a classroom setting, one on one or a combination of both formats. The applicant must provide proof that they have attended this course, preferably within the last six (6) months prior to closing, by presenting a Certificate of Completion which shall be maintained in client file. The counseling will be conducted by the Asset Manager or by an agency selected through a bidding process by the Asset Manager, subject to County NSP approval.

2. Loan Requirements: Homebuyers must be prepared to purchase a home in a designated project area and obtain a conventional, FHA, VA, 30 or 15 year, fixed rate mortgage. *Subprime mortgages and*



*adjustable rate mortgages are not allowed.* The purchaser may qualify for a second mortgage subsidy via other Georgia Department of Community Affairs programs; see Appendix C for Newton County NSP income limits during FY 2009.

E. DISPOSITION COSTS: Eligible costs under this activity include but are not limited to maintenance of property after acquisition, printing of marketing materials associated with resale of the unit, sellers closing costs, and appraisal.

F. HOMEBUYER ASSISTANCE POLICY (PRINCIPAL REDUCTION): Section IV.4.B. states that the sales price for disposition of homes will be determined in part by providing a subsidy "which is determined by income eligibility of the client and the amount needed to make the unit affordable."

The "income eligibility of the client" shall be determined by consulting the chart shown below:

Household Income	Maximum Homebuyer Assistance
Up to 50% AMI	\$25,000
From 50% AMI up to 80% AMI	\$20,000
From 80% AMI up to 120% AMI	\$15,000

The "amount needed to make the unit affordable" shall be determined by considering the applicant's ability to qualify for a loan for the full cost of purchasing the NSP property (including closing costs, etc.) less their downpayment.

The final determination of the actual amount of homebuyers assistance (principal reduction) provided to each applicant shall be made by the asset manager reselling the property.

#### 5. GUIDELINES FOR HOMEOWNERSHIP ASSISTANCE - 24 CFR 570.201(n)

A. SUMMARY OF ACTIVITY: Foreclosed residential properties shall be available for purchase by households at or below 120% AMI as defined by the current Income Limits chart adjusted to family size as published by Georgia DCA for the Newton County NSP. This activity will provide funds to establish financing mechanisms to support LMMI households in purchasing NSP properties.

B. APPLICANT SELECTION CRITERIA: Eligible applicants will be selected on a first come, first qualified, first served basis subject to funding availability. Priority may be given to households at 50% of area median income until the 25% set aside required for this group has been met. Applicants must be income eligible for this program. Income eligibility will be based on the HUD rule under 24 CFR part 5 and will be based on total annual gross household income. Applicant must have completed an 8-hour HUD approved Homebuyer Education class prior to purchasing an NSP property or benefiting from Housing Finance Mechanisms.

C. ADVERTISING: The Newton County NSP shall advertise the notice of funding availability in the Newton Citizen (newspaper of general circulation) and the Covington News (legal organ) before the beginning of the application period. In addition to advertising in the newspaper, the notice will be placed on the Newton County website.

D. APPLICATION PROCESS:

The application process shall be administered in the manner stated herein: Newton County's designated asset management entity will receive complete applications from families interested in participating in the NSP program.

An application *will not* be considered complete unless it contains the following:

1. The application form completed and signed by the purchaser.
2. Proof of income using the forms provided by the Newton County NSP program and all requested supporting documentation.

Income determination will follow the procedures set forth in the NSP Recipient's Manual.

E. LENGTH OF AFFORDABILITY PERIOD: In accordance with Georgia DCA procedures, the following affordability periods have been established for the Newton County NSP:

<u>NSP Investment Per Unit</u>	<u>Length of Affordability Period</u>
Less than \$15,000	Five (5) years
\$15,000 to \$40,000	Ten (10) years
\$40,001 or more	Fifteen (15) years
New Construction of Rental Housing	Twenty (20) years

Throughout the affordability period, the NSP-assisted housing must be occupied by income-eligible households. For homebuyer assistance and homebuyer rehabilitation projects, recapture provisions (stated below) apply to ensure continued availability of affordable homeownership.

F. RECAPTURE: Repayment of the prorated share of the loan will be immediately due to the Newton County NSP in the event any of the following events occur prior to expiration of the note:

1. Sale of unit
2. Title transfer
3. Unit is no longer continuously occupied by purchaser
4. Unit is rented
5. Unit is refinanced without prior authorization of Newton County NSP.
6. Unit is reclaimed per mortgage agreement by Asset Manager.

Such repaid funds (recapture) will be program income and will be used by the Newton County NSP to assist another client under the terms of the NSP program. If assisted homeowner does not trigger any of the above mentioned qualifying events the loan will be satisfied at the end of the period of affordability. In the event the homeowner wishes to refinance his or her first mortgage or take out an equity loan to make repairs or improvements, the request must be in compliance with Newton County NSP and/or Georgia DCA requirements.

G. MAXIMUM AWARD: The maximum homebuyer assistance award is limited to any maximum limits set by Georgia DCA requirements or HUD.

H. AFFORDABILITY: The first mortgage lender will determine what amount of home purchase assistance and subsidy is needed for the household to make the monthly payment affordable. However, front end ratios cannot be less than 25% of household income and back end ratios cannot be more

than 38% of household income. *Adjustable rate mortgages are not allowed.*

I. SALE TO HOMEBUYER: Approved and qualified homebuyers will be assisted first come, first ready. Qualified buyers who have been approved by the first mortgage lender, have completed their 8 hour counseling class as evidenced by a certificate and have been qualified by the respective Asset Manager as evidenced by an award letter will be provided with a list of eligible properties available for purchase. The applicant will have 30 days to select a property and enter into an agreement with the County or Asset Manager for purchase. The County will allow the buyer or the first mortgage lender, if required, to choose the title company that will do the closing on behalf of both the bank and the County. If a homebuyer has not selected a home within 30 days of the issuance of their award letter, their award letter will expire and they must request an extension in writing. The County at that time will have the ability to grant the extension or cancel the award contingent on the circumstances expressed in the extension request. The extension will be granted for delays that are outside of the applicants control such as illness, death in the family, etc.

J. LEASE/PURCHASE ARRANGEMENTS: Pursuant to Newton County's approved Neighborhood Stabilization Program application and associated grant award, lease/purchase arrangements may be considered. This provision is intended to ensure occupancy of NSP properties (homes) and will further the goal of affordable housing through owner-occupancy. All lease/purchase arrangements shall be structured to further homeownership by participating individuals. Provisions for lease/purchase of eligible properties are as follows:

1. For Lease/Purchase arrangements, the Asset Manager will underwrite a homebuyer's credit situation, and if there are credit issues that can be resolved within twenty-four (24) months, a lease with an option to purchase can be created.

During the lease-purchase period the homebuyer will work toward resolution of financial issues with support of counseling and training from the NSP housing developer or a housing counseling agency. In order to maximize the lease/purchase option, Asset Managers will establish an escrow account for each prospective buyer. Funds in this account will be used for downpayment and closing costs when securing a mortgage.

2. Upon resolution of credit or other identified issues the homebuyer will acquire the property using homebuyer financing options utilized by other Newton County NSP eligible homebuyers, which will allow for a leverage of private investment (additional mortgages obtained from banks/mortgage brokers) which will enhance program impact.

#### 6. GUIDELINES FOR PUBLIC FACILITIES AND IMPROVEMENTS - 24 CFR 570.201(c)

A. SUMMARY OF ACTIVITY: Newton County will assemble foreclosed, vacant, and/or undeveloped land within the project area for the purpose of creating a public park. The park will be maintained by the Newton County Parks and Recreation Department and will be accessible by all Newton County citizens.

B. TYPES OF IMPROVEMENTS: The park will be "passive," containing walking trails, open space, landscaping, etc.

C. ACQUISITION OF PROPERTIES: Newton County has identified foreclosed properties that could be included in the park. Acquisition of these properties will be done directly by the County.

#### **V. ASSET MANAGERS (SCOPE AND ROLE; SELECTION OF ASSET MANAGERS)**

A. SCOPE AND ROLE: Newton County is retaining one or more experienced Asset Management firms that are capable of carrying out all relevant asset management activities under the Newton County's NSP. These activities include, but are not necessarily limited to, the following:

1. Manage an Asset Management team, consisting of appropriate professional real estate, financial, and other members as needed. Key members of the team will be subject to Newton County review and approval.
  2. The Asset Management Team will work in collaboration with the Newton County Neighborhood Stabilization Program Office and/or its designated Technical Assistance personnel in carrying out the NSP Program. The Newton County NSP Office will be responsible for program management, training, technical assistance, monitoring of NSP performance, and general oversight of the Asset Management Team's operations in conducting foreclosure acquisitions, repairs, and sales of homes to eligible NSP homebuyers.
  3. Work with all community groups and organizations to gain support for the Newton County NSP Program and to work with local banks, financial institutions, realtors, Homebuilders' Association's, the Newton County Chamber of Commerce, Housing Authorities, non-profit organizations, and other relevant agencies to identify eligible foreclosed homes which might be acquired under the NSP, and to conduct outreach efforts to obtain lists of potentially income eligible NSP homebuyers.
  4. Search Newton County's geographic areas of greatest need to identify potential foreclosed homes which can be acquired under NSP.
  5. Coordinate with the Newton County NSP Office, and its designated NSP Housing Inspector(s) to obtain prior approval of detailed work write-ups and construction cost estimates which will serve as the basis of Newton County meeting its local housing rehabilitation standards, and the basis of an agreement of housing rehabilitation contract fees —materials, labor, overhead and profit.
- Newton County shall oversee NSP bid/procurement opportunities on behalf of asset management firms, provided that direction/supervision and project management responsibility shall be retained by the selected asset management firm(s). Any administrative services provided by Newton County in conjunction with NSP program services shall not be construed to conflict with the role of the asset management firm, nor shall it relieve the asset management firm of the duties/responsibilities detailed herein.
6. Secure eligible NSP homebuyers for each foreclosed home acquired and repaired under Newton's NSP. Homebuyers must be identified by three (3) income categories: (1.) 50% or lower AMI, (2.) 51%-80% AMI, and (3.) 81%-120% AMI. A minimum of 25% of all NSP grants funds must be spent on eligible NSP homebuyers, whose incomes are 50% or less of area median income.

7. Prepare and utilize a marketing sales program to meet the requirements under Number 6 herein.

8. Maintain all acquired foreclosed properties during the time that they are placed on the market for sale until the home is sold.

9. Prepare all necessary periodic performance financial and program reports, as deemed necessary by the Newton Neighborhood Stabilization Program Office and DCA/HUD.

10. Work with eligible NSP homebuyers to make certain they meet the HUD NSP requirement for homebuyer counseling.

11. Carry out all other Newton NSP activities which are needed to effectively and efficiently carry out the role of the Asset Management firm. This task includes all necessary coordination with county staff assigned to the NSP Program and any contract technical assistance personnel retained by Newton County.

B. SELECTION OF ASSET MANAGER(S): Selection of Asset Managers shall be in accordance with 24 CFR 85.36 (Common Rule), using the Request for Qualifications (RFQ) format. For the Newton County Neighborhood Stabilization Program, procurement of Asset Managers (asset management services) was conducted through the issuance of a Request for Qualifications (RFQ Number 09-16). This RFQ was issued on May 20, 2009 with a response deadline of June 17, 2009.

C. COMPENSATION OF ASSET MANAGER(S): Asset Managers shall be compensated in compliance with the applicable regulations in 24 CFR 570.502, 24 CFR 570.513, OMB Circular A-122, OMB Circular A-21, 24 CFR Part 85, HERA, ARRA, the NSP Recipients' Manual and Newton County's Grant Acceptance Package.

## **VI. NSP CONTRACTOR QUALIFICATIONS, BIDDING PROCESS, AND EXCEPTIONS**

Through the RFQ processes described in section V.B., Newton County will identify an Asset Manager who can perform repair/rehab services; however, if additional contractors are needed, the following process will be followed:

A. QUALIFICATIONS: Only repair/rehab contractors that have been pre-qualified will be allowed to participate on the individual projects. The following will be used to establish a Repair/Rehabilitation Qualified Contractors List for NSP project activities. This set of procedures shall also be used to establish Contractor lists for other technical services that may be required for individual NSP project activities.

B. PRE-QUALIFICATION PROCEDURES: Procedures to establish the NSP Repair/Rehabilitation Qualified Contractors list are detailed immediately below:

1. Newspaper Notices: The establishment of a qualified contractor list will be made known by publication in two local newspapers: 1) Public notices will be published in the Covington News (county legal organ); and 2) Public notices will be published in the Newton Citizen (general circulation newspaper). Only those applications received within the time frame specified in the advertisement will be accepted. Newton County reserves the right to reopen contract advertisement if a

reasonable contractor pool is not obtained during the first advertisement timeframe.

2. Applications: General Contractors interested in participating in NSP Repair/Rehabilitation project(s) under the NSP program will be required to submit an application to Newton County for review. Applications will be checked for financial information such as creditworthiness, licensure and also for work quality through contacts to individual owners who the contractors have performed work for in the past.

3. In accord with Georgia Department of Community Affairs policy, a check shall be performed on all General Contractors for federal and/or state debarment before the contractor is eligible to participate in any NSP project.

4. Compliance with all applicant/contractor terms and conditions: Applicable state and federal regulations, equal opportunity provisions, conflicts of interest, etc. are incorporated into all construction contracts for housing rehabilitation and reconstruction.

5. Insurance/Worker's Compensation: All contractors must provide proof of liability insurance equal to or greater than \$100,000.00. The contractor must provide Worker's Compensation Insurance as required by state law.

C. BIDDING PROCESS: Newton County reserves the right to procure a contractor through the bidding process to ensure that all housing goals and objectives are met to the fullest extent possible. A written notice will be sent to all contractors on the Qualified Contractors List soliciting bids for each project and giving a set date and time for inspection. A specific date and time deadline will also be given for receipt of bids. After that date and time, bids will not be accepted. The contract will be entered into between the homeowner and the contractor. The owner has the right to choose a contractor that is eligible under the NSP program to perform all required rehabilitation. In this case, the Asset Manager will negotiate with the General Contractor after a work write-up and cost estimate have been completed and approved by the owner.

## **VII. PROGRESS PAYMENTS, CHANGE ORDERS, INSPECTIONS, PERMITS & CLOSE-OUT**

**Progress Payments:** Progress payments may be made available to the Asset Manager upon request. The determination of the progress payment amount will be that of the Rehabilitation Advisor with the Asset Manager's concurrence. The Rehabilitation Advisor will calculate the progress payment amount.

Items needed before a progress payment may be processed include a completed Inspection Form by the Asset Manager and an Asset Manager Satisfaction Statement for the completed work, and a detailed invoice from the contractor.

Full payment will be made only after complete project set-up and close-out are accomplished, which includes a detailed invoice, a final inspection.

**Change Orders:** The Asset Manager and Rehab/Repair Contractor will approve Change Orders to ensure that the work that is added is within the budget and only as needed.

**Inspections:** Inspections may be made at any time upon request by the Rehabilitation Advisor and/or the Newton County Building Inspector in order to ensure prompt and quality completion of work and compliance with all regulations, in particular before a progress payment is made.

A final inspection will be made on the unit by the Rehabilitation Advisor and/or the Newton County Building Inspector only when it has been requested by the contractor and conducted on the assumption that all of the work has been completed. Any work that does not meet the applicable building codes (or quality standards determined by the Rehabilitation Advisor and/or Newton County Building Inspector) will be listed and given to the contractor. This list is better known as a "Punch List". After all of the work on the Punch List has been completed, the contractor may then request a final inspection.

Clearance inspections for lead-hazard removal must be performed by a qualified inspector. Dwelling must pass the lead-hazard inspection prior to close-out.

**Permits:** Permit fees must be calculated into the total cost of each NSP project. The contractor is responsible for applying for all required permits and complying with all inspection requirements.

**Close-out:** Upon satisfactory completion of all work items and submission of all applicable manufacturer warranties, the following forms will be executed by the contractor, homeowner and Rehabilitation Advisor for the close-out of the individual project:

- A) Certification of Final Inspection
- B) Certification and Release of Contractor/Workman/Mechanics Lien
- C) Contractor (or dealer) Payment Amount Due
- D) Asset Manager Satisfaction Statement

Immediately after close-out, the Asset Manager will submit the project invoice to the NSP General Account to be signed and approved by the Authorized Governing Official(s) for the individual project just completed. The final amount to be paid the contractor or dealer will show the previous drawn progress payments and final payment reflecting the total contract amount. Copies of all checks will be retained in the homeowner's individual case file for documentation. Copies of manufacturer warranties and other documentation will also be kept in the property's individual case file. Original warranties will be provided to the homeowner, upon homeowner taking possession of the subject property.

#### VIII. CASH DEPOSITORIES, DRAWDOWN OF FUNDS, AND FINANCIAL MANAGEMENT

A. Funds advanced under NSP Programs must be deposited as follows:

1. A separate non-interest bearing bank account must be established for each NSP grant. Only NSP funds should be deposited into this account. Match and other funds should not be deposited into this account.
2. The separate bank account must be established in a financial institution with Federal deposit insurance (FDIC) coverage and the balance exceeding the coverage must be collaterally secured.

B. Requirement for source documentation to accompany all NSP draw requests: Newton County NSP shall submit to DCA a Request For Drawdown Of NSP Funds For Individual Project (NSP DD 1) for each individual NSP

property AND a Request for Drawdown of NSP Funds - Draw Summary (NSP DD 2) whenever necessary, but ordinarily not more frequently than weekly. (The Newton County NSP Policies and Procedures Manual incorporates by reference a copy of forms and instructions on Georgia DCA's web site.)

C. All other financial management and financial administration activities shall be in accordance with the relevant provisions of the Georgia DCA NSP Recipients' Manual, as may be revised from time to time by DCA, (including but not limited to Chapter III: Financial Management and Administration.)

#### **IX. PROGRAM INCOME**

Newton County, as a State of Georgia NSP Recipient, will retain Program Income accruing from Newton County NSP activities. Program Income is to be used only for eligible NSP activities and must be deposited in a separate NSP Trust Fund local account. Treatment of Program Income shall adhere to applicable rules, regulations, and stipulations established by the Georgia Department of Community Affairs.

#### **X. FEDERAL LABOR REQUIREMENTS**

A. The major applicable federal laws and regulations relating to labor standards are:

- The Davis-Bacon Act.
- The Copeland "Anti-Kickback" Act.
- The Contract Work Hours and Safety Standards Act.

In addition, the U.S. Department of Labor (DOL) has issued Regulations which supplement the laws listed above. Please also note that Newton County NSP is required to maintain all applicable records in its official NSP files.

B. The requirements of the Davis-Bacon Act include:

1. The minimum wages to be paid to contract laborers and mechanics (including apprentices) must be based on DOL's determination of the prevailing wage rates for the locality.
2. Recipients can obtain wage rate determinations by submitting a request to Georgia DCA's Office of Community Development using a Request for Determination form. (A sample form DCA-WRI can be found on DCA's Website.) The request for a wage rate determination should be submitted to DCA at least 30 days in advance of the anticipated bid advertising date. It should not be requested so early as to cause multiple modifications to be issued.
3. The NSP Recipient should examine the Wage Rate Determination to be sure all needed classes of laborers or mechanics are listed in the wage determination. The Recipient must request additional classification not included be added to the wage decision. The Recipient must make this request in writing to the DCA Compliance Officer.
4. Ten (10) days before the bid opening date, the Recipient must contact DCA to determine if there have been any modifications to the wage rate decision already received.
5. Changes, modifications, etc., to wage decisions published less than 10 days prior to bid opening do not apply if the Recipient's files include documentation which establishes that reasonable time to notify all participants was not available.



6. If the Recipient fails to include a wage decision, or for any reason the wrong wage decision is included, the Department of Labor may issue a special wage decision reflecting the proper rates. Those rates must be incorporated in the contract and be retroactive to the beginning of the construction. The Recipient can either terminate and re-solicit or incorporate the wage decision by change order, provided the contractor is compensated for any increases in wages resulting from the change.

7. If a contract has not been awarded within 90 days of bid opening the Recipient must confirm the correct wage rate determination to be used.

8. Cross withholding allows for agency withholding of funds for wage restitution from a prime contractor under a current Davis-Bacon contract for under payments made under an unrelated Davis-Bacon contract which may have been with another agency.

**The Davis-Bacon Act is applicable to all contracts for construction, alteration and/or repairs in excess of \$2,000 which involve NSP funds (including EIP direct loans), with the exception of rehabilitation of a "project" designed for residential use by fewer than 8 families.**

C. The Copeland "Anti-Kickback" Act requires that:

1. Payment to employees must be made at least once a week and without subsequent deductions or rebate on any account except for "permissible" salary deductions.

2. The Recipient must obtain original payrolls and "Statements of Compliance" from contractors and subcontractors (through the general contractor) weekly. These documents must be maintained by the Recipient for three years after completion of the work. The Recipient must check these payrolls upon receipt for accuracy and compliance with requirements.

3. The basic records supporting the payrolls must also be maintained by each employer and the Recipient for three years after completion of the work.

D. The Contract Work Hours and Safety Standards Act requires that for contracts of \$100,000 or more:

1. Laborers and mechanics shall not work in excess of forty (40) hours in any workweek unless they receive overtime compensation at a rate not less than one and one-half times the basic rate of pay for those overtime hours. The contractor or subcontractor shall be liable to any affected employee for his unpaid wages.

2. Contractors in violation of the Contract Work Hours and Safety Standards Act (overtime law) are also liable to the United States for liquidated damages, computed at \$10.00 per day for each employee who worked overtime and was not paid overtime wages. Funds may be withheld from contractors and subcontractors to satisfy unpaid wages and liquidated damages.

3. Contractors and subcontractors must be advised in writing that if they are aggrieved by the withholding of a sum of liquidated damages, they have the right to appeal within 50 days. Written appeal must state the reason for liquidated damages and should be addressed to DCA.

E. Department of Labor (DOL) guidelines include a number of other

requirements detailed below. Newton County NSP acknowledges that it is responsible for insuring compliance by contractors and subcontractors. DOL guidelines require that:

1. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with all labor provisions.
2. The contractor must make pertinent records available for review and permit on the job interviews of employees.
3. Contractors and subcontractors may be terminated for noncompliance and will be liable for any excess cost involved in completing the work.
4. Prior to awarding any prime contract, Recipients must submit to DCA the name of the proposed prime contractor for clearance. (This can be done by telephone or by using the sample form on DCA's web site.) Any person or firm who has been declared ineligible because of previous instances of noncompliance may not participate in any contract involving NSP funds.
5. The contractor must furnish a certification from the Bureau of Apprenticeship and Training for each apprentice employed on the project. All apprentices must be identified in each payroll submission. The ratio of apprentices to journeymen must not exceed the approved ratio under their respective program and their wage rate must not be less than prescribed under those programs.
6. All applicable equal employment opportunity requirements, Copeland Act requirements, and Contract Work Hours and Safety Standards Act requirements must be met. See the "Sample Contract Clauses" package available from the Office of Grant Administration.
7. All contracts entered into by the contractor with subcontractors must include the same provisions as those of the major contract in respect to federal laws.
8. Exceptions are made for volunteer services on a case-by-case basis. Georgia DCA shall be consulted for information and approval.
9. Wage decisions and DOL posters must be displayed in a permanent place on the jobsite.
10. The Recipient must monitor the construction and conduct on-the-job interviews with workers on the jobsite. A suggested form (DCAWR3) is cited at the end of this Chapter. The Recipient may use this form or a facsimile to gather the required information. The purpose of these interviews is to ensure workers are properly classified and paid and are not forced to give-up part of their pay. A representative number from each trade and subcontractor should be interviewed.
11. Underpayment of wages and fringe benefits of \$1,000 or more must be reported to DCA and the Department of Labor.
12. A pre-construction conference must be held with all interested parties to discuss labor standards and compliance requirements. Minutes should be taken and a copy maintained in the Recipient's file. Georgia DCA's NSP Program Representative should be notified of the Pre-construction Conference.

13. A Notice of Contract Action should be completed and sent to the DCA Labor Compliance Officer each time a contract award or construction start action is taken. (See Georgia DCA Form DCA-WR6.) Please attach a copy of the certified and itemized bid tabulation at the time of contract award.

14. A Final Wage Compliance Report must be submitted to DCA before final close-out of the grant. (See Georgia DCA Form DCA-WR4.)

15. Note that any funds collected because of violations of Federal Labor Standards resulting in liquidated damages or wage restitution must be transferred to the U.S. Treasury via a wire transfer procedure. In the event this situation arises, DCA will provide you with detailed instructions regarding the wire transfer procedures.

Please note that above-referenced labor forms are located on DCA's web site at: <http://www.dca.ga.gov/communities/CDBG/programs/CDBGforms.asp>

## **XI. RETENTION OF RECORDS**

A. Financial records supporting documentation for all transactions required by law, whether financial or programmatic and all other records pertinent to the NSP program must be kept for 3 years from the date of issuance of notification by DCA that close out procedures are complete, except that:

1. If any litigation, claim or audit is started before the expiration of the three (3) year period, the records must be kept until all litigation, claims or audit findings involving the records have been resolved.

2. Records for nonexpendable property (as defined in Chapter III, Section 5 - "Property Management Standards" - of the Georgia DCA NSP Recipient's Manual) must be kept for three (3) years after final disposition of the property.

B. Newton County, the Georgia Department of Community Affairs, the U.S. Department of Housing and Urban Development and the Comptroller General of the United States or any of their authorized representatives shall have access to any pertinent books, documents, papers, and records of NSP subrecipients (a/k/a Newton County NSP contractors/vendors) to make audits, examinations, excerpts and transcripts. In addition, public access to grant records shall not be restricted unless the Recipient can demonstrate an exception from disclosure under the Georgia Open Records Act (Title 50, Chapter 1B, Article 4, Official Code of Georgia Annotated).

C. Program records maintained by the Newton County Neighborhood Stabilization Program shall be physically located in the Newton County NSP Office (Planning and Development Department), 1113 Usher Street, Suite 201, Covington, Georgia 30014.

## **XII. APPEALS AND COMPLAINTS**

Newton County has developed an Appeals Policy and Procedure for all applicable activities related to this Neighborhood Stabilization Program project. The policy states that all persons submitting an application for assistance and receiving said assistance under NSP have the right to appeal any decision made by the Rehabilitation Advisor. The Appeals Policy and Procedure is made a part of this Policy and is referenced as Exhibit A.

### **XIII. Federal Regulatory Compliance**

#### **1. SECTION 504**

##### **A. Training**

Any employees or contractors hired in connection with the NSP program shall undergo Section 504 training. This training shall consist of an overview of Section 504 regulations, Newton County's Section 504 Policy of Non-Discrimination on the Basis of Disability, Newton County's Grievance Procedures, access issues, sensitivity and awareness issues and this section of the Policies & Procedures Manual. When feasible, such training shall be conducted with members of the Section 504 Citizens Committee.

##### **B. Provision of Written Materials**

The following provisions shall apply only to documents intended for distribution to the public.

Large print versions of all written materials shall be available on a full-time basis ("Large print" shall mean the use of 18-point fonts). Other alternatives to written materials (Braille, audio tape, etc.) shall be available upon request.

All written materials containing a phone number shall include a reference to the Georgia Relay Service (711).

All written materials shall include a statement notifying the public that the Newton County NSP program complies with all applicable Section 504 and ADA regulations. In addition, all written materials shall include a reference to the County's Section 504 Policy of Non-Discrimination on the Basis of Disability.

##### **C. Publication of NSP Section 504 Policy of Non-Discrimination on the Basis of Disability**

The Newton County Section 504 Policy of Non-Discrimination on the Basis of Disability shall be published in the legal organ once per each year the program is in operation.

##### **D. Accommodations of Persons With Disabilities**

Eligible homeowners with disabilities may request reasonable modifications be made to a home so that it accommodates their needs. The costs of such modifications may be added to the purchase price of the home.

If an eligible homeowner with disabilities cannot be accommodated in a particular home, they shall have first priority when new homes become available in the NSP program. If necessary, efforts will be made to purchase a home that better suits the needs of the eligible homeowner.

## 2. SECTION 3

The Newton County NSP will follow the "Section 3 Plan for the Newton County Neighborhood Stabilization Program" as adopted by the Board of Commissioners on July 20, 2010.

### 3. Limited English Proficiency (LEP)

The Newton County NSP will follow the "Newton County Neighborhood Stabilization Program Limited English Proficiency Plan" as adopted by the Board of Commissioners on July 20, 2010.

**Exhibit A**  
**APPEALS POLICY AND PROCEDURE**

**General:** The Asset Manager shall promptly review appeals in accordance with the requirements of applicable law and this part.

**Action which may be Appealed:** Any aggrieved person may file a written appeal with the Asset Manager in any case in which the person believes that the Asset Manager has failed to properly consider the person's application for assistance under this part. Such assistance may include, but is not limited to, the person's eligibility for, or the amount of payment for acquisition of property, certain litigation expense or a relocation payment. Asset Manager shall consider a written appeal regardless of form.

**Time Limit for Initiating Appeal:** An applicant must file an appeal sixty (60) days after the person receives written notification of the denial of the application.

**Right to Representation:** A person has a right to legal counsel or other representative in connection to his/her appeal, but solely at the person's own expense.

**Review of Files by Person Making Appeal:** The Asset Manager shall permit a person to inspect and copy all materials pertinent to his/her appeal, except material that is classified as confidential by the County. The County may; however, impose reasonable conditions on the person's right to inspect, consistent with applicable laws.

**Scope of Review of Appeal:** In deciding an appeal, the Asset Manager shall consider all pertinent justification and other material submitted by the person, and all other available information that is needed to ensure a fair and full review of the appeal.

**Determination and Notification after Appeal:** Within thirty (30) days after receipt of all information submitted by a person in support of an appeal, the Asset Manager shall make a written determination on the appeal, including an explanation of the basis on which the decision was made, and furnish the person with a copy. If the full relief requested is not granted, the Asset Manager shall advise the person of his/her rights to seek review by the County.

**County Official to Review Appeal:** Within thirty (30) days of the denial of the appeal by the Asset Manager, the aggrieved applicant shall file a written appeal with the County. Such appeal should be addressed to the NSP Administrator, Newton County Planning and Development Department, 1113 Usher Street, Suite 201, Covington, GA 30014. The County official conducting the review of the appeal shall be either the NSP Administrator or a designated representative of the County; however, the official or designated representative shall not have been directly involved in the action appealed. In deciding an appeal, the County shall consider all pertinent justification and other material submitted by the person, and all other available information that is needed to ensure a fair and full review of the appeal. Within thirty (30) days after receipt of all information submitted by a person in support of an appeal, the County shall make a written determination on the appeal, including an explanation of the basis on which the decision was made, and furnish the person with a copy.

**Appendix A**

**Key Laws and Regulations Pertaining to Newton County NSP Compliance**

**APPLICABLE LAWS AND REGULATIONS:** Certain State and Federal laws, as well as regulations and Executive Orders, are applicable in part or in whole to the

Newton County Neighborhood Stabilization Program (Newton County NSP). The applicable laws, regulations and Executive Orders (classified in general by compliance area) include but are not limited to:

#### General

1. The Housing and Community Development Act of 1974, as amended and as implemented by the most current HUD regulations (24 CFR Part 570).
2. 2008 Consolidated Plan including the "Substantial Amendment" submitted for the State of Georgia's NSP funds.
3. Title 50, Chapter 18, Article 4, Official Georgia Code, Georgia Open Records Act.

#### Financial Management

4. 24 CFR Part 85.
5. Federal OMB Circular A-133.
6. Federal OMB Circular A-87.

#### Civil Rights

7. Title VI - Civil Rights Act of 1964.
8. Section 109 - Title I - Housing and Community Act of 1974.
9. Title VIII of the Civil Rights Act, 1968 (Fair Housing Act), as amended.
10. Section 504 of the Rehabilitation Act of 1973, and the Americans with Disabilities Act of 1990.
11. Executive Order 11246 - Equal Employment Opportunity, as amended by Executive Order 11375, Parts II and III.
12. Executive Order 11063 - Equal Employment Opportunity, as amended by Executive Order 12259.
13. Section 3 of the Housing and Development Act of 1968, as amended Section 118 of Title I, Community Development and Housing Act, 1974, and implemented by HUD regulations.
14. Georgia Department of Community Affairs Civil Rights Compliance Certification.
15. Age Discrimination Act of 1975.
16. Executive Order 12432: National Priority to Develop Minority and Women Owned Businesses.
17. Section 504 of the Rehabilitation Act of 1973 and implementation regulation (24 CFR Part 8).

#### Labor Standards

18. The Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations.
19. The Davis-Bacon Act (40 U.S.C. 276(a) to (a-7)), as supplemented by Department of Labor Regulations.
20. The Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented by Department of Labor regulations.

#### Acquisition/Relocation

21. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (46 U.S.C. 4601 and regulations at 49 CFR, Part 24).
22. Georgia Real Estate Appraiser Licensing and Certification Act (O.C.G.A. Section 43-39-A-1 through 43-39 A-27).
23. The Georgia Relocation Assistance and Land Acquisition Policy Act of 1973.
24. The Georgia Urban Redevelopment Law (O.C.G.A., Section 36-61-1, et. seq.).

#### Housing

25. The Truth in Lending Act (Regulation Z).
26. Title I Consumer Protection Act (PL 90321).
27. The Lead Base Paint Poisoning Prevention Act (42 U.S.C. 4831-5 et al.) and HUD implementing regulations (24 CFR Part 35).
28. The Residential Lead-Based Paint Hazard Reduction Act of 1993 (PL 102-550).
29. The National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C., 5401 et. seq., as amended).

30. Manufactured Housing Act (O.C.G.A. Sections 8-2-130 and 160 et. seq.).
31. Construction Industry Licensing Board Act (O.C.G.A. Section 43-14-8).
32. Georgia State Uniform Construction Codes Act (O.C.G.A. Section 8-2-21).
33. The Fire Administration Authorization Act of 1992 (PL 102-522).

#### Environmental

34. The National Environmental Policy Act (NEPA) of 1969, as amended by Executive Order 11991 of May 24, 1977 and the Council on Environmental Quality's (CEQ) NEPA Regulations, 40 CFR Parts 1500-1508;
35. Environmental Review Procedures for the CDBG Program, 24 CFR Part 58;
36. The National Historic Preservation Act of 1966, as amended; particularly Section 106;
37. Executive Order 11593, Protection and Enhancement of the Cultural Environment, May 13, 1971;
38. The Reservoir Salvage Act of 1960, as amended, particularly Section 3, as amended by the Archeological and Historic Preservation Act of 1974;
39. Flood Disaster Protection Act of 1973, as amended;
40. Executive Order 11988, Floodplain Management, May 24, 1977;
41. Executive Order 11990, Protection of Wetlands, May 24, 1977;
42. Georgia Air Quality Act of 1978 (O.C.G.A. Section 12-9-1, et. seq.) to regulate air pollution and protect air quality;
43. Shore Assistance Act of 1977 (O.C.G.A. Section 12-5-230, et. seq.);
44. Georgia Hazardous Waste Management Act (O.C.G.A. 12-8-60, et. seq.);
45. Georgia Health Code (O.C.G.A. 31-3-1, et. seq.) regulates individual sewerage treatment systems;
46. The Coastal Zone Management Act of 1972, as amended;
47. The Safe Drinking Water Act of 1974, as amended;
48. The Endangered Species Act of 1973, as amended, particularly Section 7;
49. The Archeological and Historic Preservation Act of 1974;
50. The Coastal Resources Barriers Act of 1982;
51. The Wild and Scenic Rivers Act of 1968, as amended;
52. The Clean Air Act Amendments of 1970, as amended;
53. HUD Environmental Standards (24 CFR, Part 51) Environmental Criteria and Standards;
54. Georgia Coastal Marshlands Protection Act of 1970;
55. Georgia Groundwater Use Act of 1972 (O.C.G.A. Section 12-5-170, et. seq.);
56. Georgia Safe Drinking Water Act of 1977 (O.C.G.A. Section 12-7-1, et. seq.);
57. Georgia Erosion and Sedimentation Act of 1975 (O.C.G.A. Section 12-7-1, et. seq.);
58. Georgia Solid Waste Management Act (O.C.G.A. Section 12-8-20, et. seq.) for collecting garbage or operating a landfill;
59. Georgia Water Quality Control Act (O.C.G.A. Section 12-5-20, et. seq.);
60. Farmland Protection Policy Act of 1981 (and the regulations at 7 CFR Part 658)

#### Other

61. Georgia Handicap Accessibility Law (O.C.G.A., Title 30, Chapter 3) concerning handicapped accessibility to public buildings.
62. Georgia House Bill 1079 as amended by House Bill 513 (O.C.G.A § 36-91-1 through §36-91-95). This is the Georgia Public Works Construction Contract Procurement Law.
63. O.C.G.A. 50-36-1, Verification of Lawful Presence.



**Appendix B**  
**NEIGHBORHOOD STABILIZATION PROGRAM**  
**SUB-RECIPIENT'S AFFIDAVIT AND CERTIFICATION**

*Execution of this document will satisfy General Condition #18 of the NSP Award from the Georgia Department of Community Affairs.*

**RECIPIENT:** \_\_\_\_\_

**NSP AWARD:** \_\_\_\_\_

**SUB-RECIPIENT:** \_\_\_\_\_

Being first duly sworn, \_\_\_\_\_ (the " Affiant "), in order to induce Recipient to enter into a Sub-Recipient Agreement with Sub-Recipient to perform work to be paid in part with funds from NSP Award # \_\_\_\_\_, hereby certifies as follows:

1. Affiant is the *CEO/COO/president* of Sub-Recipient, and Affiant is duly authorized to make this Affidavit for the above purposes.
2. Sub-Recipient has been properly formed and is validly existing under Georgia law and has the power and authority to enter into contracts and receive money from Recipient, and execute and deliver the required Sub-Recipient Agreement, administrative agreements, loan/grant agreements and other contract documents (collectively " the NSP Sub-Recipient Documents" ). All actions necessary to authorize the execution and delivery of the NSP Sub-Recipient Documents have been taken, and the NSP Sub-Recipient Documents have been properly executed and delivered to Recipient, and the persons who signed the NSP Sub-Recipient Documents are duly elected or authorized officers of Sub-Recipient and serve in the offices indicated by their signatures.
3. Sub-Recipient is in good standing with the Internal Revenue Service, the State of Georgia Department of Revenue, the Georgia Secretary of State's Office and their individual local governments' tax and licensure departments.
4. Sub-Recipient's DUNS number (Data Universal Numbering System regulated by Dun & Bradstreet (D&B)) is \_\_\_\_\_.
5. Sub-Recipient has or will obtain a DUNS number for each contractor (as applicable) that receives NSP funds through contracts with the Sub-Recipient and will report the contractor's number to Recipient when submitting invoices for payment. Sub-Recipient also agrees to require each contractor to certify that contractor is in good standing with the Internal Revenue Service, the State of Georgia Department of Revenue, the Georgia Secretary of State's Office and their individual local governments' tax and licensure departments as a condition of obtaining a contract with the Sub-Recipient.
6. There are no suits, proceedings (judicial or administrative), judgments, or executions of any nature pending or threatened against Sub-Recipient.
7. Personally and on behalf of Sub-Recipient, Affiant certifies that all financial statements given to Recipient or the Georgia Department of Community Affairs ( "DCA ") in connection with the NSP Award accurately and fairly present the financial condition or results of operations of Sub-Recipient as of the date of the statement or for the period covered by the statement, and there has been no material and adverse change in Sub-Recipient's financial condition since the date of the latest financial statements given to Recipient.
8. As of the date of this Affidavit, Sub-Recipient is not a party to any bankruptcy, reorganization, receivership, or insolvency proceeding, criminal

act, or criminal enterprise, and no such action is contemplated by Sub-Recipient. No other person has threatened to take any such action against Sub-Recipient.

9. Affiant hereby states that the foregoing statements are true and correct to the best of Affiant's personal knowledge after a reasonable investigation of the matters.

Sworn to and subscribed  
before me \_\_\_\_\_, 2009

\_\_\_\_\_  
*Signature of Affiant*

\_\_\_\_\_  
*Printed name and title of Affiant*

\_\_\_\_\_  
Notary Public

**Appendix C:**  
**Newton County NSP Income Limits for FY 2009**

Household Income	1 Person Household	2 Person Household	3 Person Household	4 Person Household	5 Person Household	6 Person Household	7 Person Household	8 Person Household
30% AMI	\$15,050	\$17,200	\$19,350	\$21,500	\$23,200	\$24,950	\$26,650	\$28,400
50% AMI	\$25,100	\$28,700	\$32,250	\$35,850	\$38,700	\$41,600	\$44,450	\$47,300
80% AMI	\$40,150	\$45,900	\$51,600	\$57,350	\$61,950	\$66,550	\$71,100	\$75,700
120% AMI	\$60,250	\$68,850	\$77,450	\$86,050	\$92,900	\$99,800	\$106,700	\$113,550

2009 AMI in Newton County: \$71,700

Data source: Georgia Department of Community Affairs;  
<http://www.dca.ga.gov/communities/CDBG/programs/downloads/NSP/Resources/2009%20NSP%20Income%20Limits.xls>

Appendix D:  
Newton County DCA NSP Project Map

