

Local Program Administrator Participant Agreement
Targeted Home Improvement Program

1. New York State Homes and Community Renewal (NYS HCR) Grant Assistance:

Grant funds have been provided by the Housing Trust Fund Corporation (“HTFC”) to the **Affordable Housing Partnership of the Capital Region Inc.** the Local Program Administrator (“LPA”) for the rehabilitation of the property owned by _____ (“Participant”) and located at _____. \$ _____ is being provided to assist the Participant with the direct costs of housing rehabilitation, referred below to as “Grant Assistance.” The work to be completed is detailed in the scope of work and contract between the Participant, the LPA, and the contractor(s) and is incorporated to this agreement by reference. Targeted completion date for all work is _____.

2. Terms of the Grant Assistance:

- a. The Grant Assistance is being provided only to pay for approved housing rehabilitation and related costs. The LPA is responsible to inspect the home and prepare a work scope appropriate for required repairs. Participants are entitled only to the work cited on the work scope document attached. Change orders must be limited and must be approved by the participant, contractor, and LPA.
- b. Funds will be disbursed only after costs are incurred, documented, and approved by the Participant, the LPA and HTFC.
- c. The Grant Assistance will be secured as a lien through a recorded Declaration of Interest (Declaration).
- d. Acceptance of the Grant Assistance makes the Participant subject to a regulatory period or term that this lien is in effect. The term of the Declaration is ____ years and begins on the date the Declaration is signed and notarized.
- e. The Grant Assistance is being provided at zero percent interest and does not require repayment if the Participant resides in the property as principal resident(s) throughout the __-year term.
- f. <<For Regulatory Period Term of 2 or 5 Years>>
At the completion of the term, the balance will be zero and there are no obligations remaining under this agreement.

<<For Regulatory Period Term of 10 Years>>

At the five (5) year anniversary of the date of Declaration signature the principal balance will be reduced by 20% of the total lien amount annually, in accordance with the schedule below. The balance will decline after 60 months in accordance with the following schedule. At the completion of the 10-year term, the balance will be zero and there are no obligations remaining under this agreement.

Length of Occupancy	Repayment Obligation
0-60 months	100%
72 months	80%
84 months	60%
96 months	40%
108 months	20%
120 months	0%

- g.** The LPA reserves the right to inspect the property at any time to confirm quality and eligibility of the work as well as monitor the progress of the project.
- h.** The Declaration is self-releasing.
- i.** The LPA reserves the right to terminate the contract or withhold payment if the work is not completed as agreed, change orders are implemented without approval, ineligible work scope items are included on the invoice, or for violating program rules.
- j.** The LPA reserves the right to share information about the Participant and project consistent with New York State Homes and Community Renewal monitoring requirements.
- k.** Any disputes will be resolved through the LPA Dispute Resolution Policy attached to this agreement.

Participant Initials Here: _____

3. Conditions of Receiving the Grant Assistance:

The GRANT Assistance will be provided to the LPA to directly pay for approved rehabilitation and related costs provided the Participant complies with the following:

- a.** The Participant agrees to participate in the bidding process administered by the LPA, and to enter contract with a contractor meeting all the requirements of the Program.

- b. The Participant agrees to allow the selected contractor to make the improvements and will not withhold approval of payment for work approved by the LPA.
- c. The Participant agrees to allow access to the property by the LPA to verify and inspect the work.
- d. The Participant understands work performed must meet NYS and/or municipal code compliance at completion along with a permit secured if required by local codes.
- e. The Participant agrees to allow a Declaration to be recorded as a lien on the property. The Declaration will be signed after all costs have been determined and before the start of repair work. The signed lien document is to be held in the LPA file until the repair work is complete at which time the Declaration is recorded. If there is a decrease in the amount of assistance, the Declaration must be amended to the lower amount and be recorded. The first document will be shredded. If there is an increase in cost, a new agreement must be signed only if it would change the required Regulatory Period.
- f. The Participant agrees to comply with the principal residency requirement described in this agreement below and the other conditions of the Declaration.
- g. The Participant agrees to repay some or all the funds in the event of noncompliance or sale as described in this agreement and the Declaration.

Participant Initials Here: _____

4. Monitoring and Enforcement of Principal Residency:

The Participant is required to occupy the unit as the primary residence for at least the term:

- a. Renting out the unit or failing to occupy the premises during the term constitutes default under the terms of the Declaration and will require repayment of the Grant assistance.
- b. During the term, the LPA or HTFC may contact or otherwise monitor to verify that the Participant continues to occupy the unit. Failure to respond or cooperate will be considered default and require repayment.

5. Repayment of the Grant Assistance:

No repayment of the Grant Assistance is required if the Participant remains as primary resident throughout the Regulatory Period and meets the requirements of the Declaration. Full or partial repayment will be required under the following conditions:

- a. If the housing does not continue to be the principal residence, the Participant fails to comply with the provisions of this agreement and the Declaration, or the housing has been sold to another party, the Grant Assistance must be repaid to the HTFC.
- b. The property owner, owner representative, or lender must notify the LPA prior to sale of the property. The LPA will calculate repayment and confirm the amount of repayment with HTFC.
- c. Upon sale of the home, whether voluntary or involuntary, the repayment amount will be based on the provisions of 2.f above.
- d. If the property is taken by the lender through a foreclosure action or a deed transfer to the lender in lieu of foreclosure, the repayment amount will be the prorated amount of the Grant investment per section 2.f. above.
- e. The Declaration is self-releasing, but at times servicer may demand proof of release. The property owner, owner representative, or lender may contact the LPA to request a document of release of a satisfied Declaration.

Participant Initials Here: _____

6. Refinancing:

Refinancing of any mortgage senior to this Assistance must be approved by the LPA and reviewed by HTFC. HTFC will agree to subordinate the Grant mortgage to new financing according to the current Policy and only in the event of refinancing for better terms that will not put the collateral or ownership at risk.

Failure to comply with any of the above requirements could result in recapture/repayment of Grant funds.

Participant Initials Here: _____

7. Monitoring and Enforcement:

The HTFC and the LPA will have the right to enforce any or all these requirements or those contained in the Declaration.

Participant Initials Here: _____

8. Default:

Failure to comply and/or default with any of the provisions of this agreement or the Declaration, at any time during the term, will constitute a default and may require full repayment of the original Grant assistance amount.

Participant Initials Here: _____

9. Conflict of Interest

No person who exercises or has exercised any functions or responsibilities with respect to Program activities or who are in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from the activity, or have an interest or benefit from the activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds there under, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

LPAs will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. No employee, officer or agent of the grantee or sub-grantee shall participate in selection, or in the award or administration of a contract supported by state funds if a conflict of interest, real or apparent, may be involved.

Participant Initials Here: _____

- ATTACHMENT A: Scope of Work
- ATTACHMENT B: Dispute Resolution Policy
- ATTACHMENT C: Declaration of Interest in Property

Acknowledged and accepted by Participant(s):

Participant One Signature	Date
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Participant Two Signature	Date
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Participant Three Signature	Date
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Participant Four Signature

Date

Acknowledged and accepted by LPA:

LPA Agency Name
Affordable Housing Partnership of the Capital Region Inc.

SHARS ID
20233118

LPA Representative Name/Title
Susan Cotner, Executive Director

LPA Signature

Date