FIRST AMENDED AND RESTATED INTERLOCAL AGREEMENT TO GRANT NEIGHBORHOOD STABILIZATION PROGRAM THIRD ROUND (NSP3) FUNDS TO THE SOUTHERN NEVADA REGIONAL HOUSING AUTHORITY (CFDA # 14.256[1])

This First Amended and Restated Interlocal Agreement to Grant Neighborhood Stabilization Program Third Round (NSP3) Funds to the Southern Nevada Regional Housing Authority ("Amended and Restated Agreement") is made and entered into by and between Clark County, a political subdivision of the State of Nevada ("County" or "the County"), and the Southern Nevada Regional Housing Authority ("SNRHA" or "Subrecipient"), collectively referred to as the "Parties."

WHEREAS, Title III of Division B of the Housing and Economic Recovery Act of 2008, hereinafter referred to as 'HERA,' authorized the Neighborhood Stabilization Program, hereinafter called 'NSP,' to facilitate the purchase of foreclosed or abandoned homes and to rehabilitate, rent, or redevelop these homes in order to stabilize neighborhoods and stem the decline of house values of neighboring homes; and

WHEREAS, Section 1497 of the Wall Street Reform and Consumer Protection Act of 2010 (Pub.L. 111-203 (July 21, 2010) (Dodd-Frank Act) authorized a third round of Neighborhood Stabilization Program funds otherwise known as 'NSP3;' and

WHEREAS, Clark County, Nevada has entered into a Grant Agreement for the receipt of funds with the United States Department of Housing and Urban Development, hereinafter referred to as 'HUD', for participation in NSP3; and

WHEREAS, the County, as the Entitlement Grantee for NSP3, is responsible for the planning, administration, implementation, evaluation, monitoring and compliance of NSP3; and

WHEREAS, these grant funds are considered Community Development Block Grant funds, hereinafter referred to as 'CDBG', to which CDBG regulations apply, except where specific differences are identified in the Housing and Economic Recovery Act of 2008 (HERA) and the Dodd-Frank Act; and

WHEREAS, the County is responsible for planning, administering, implementing, evaluating and monitoring the County's NSP3 program to ensure it complies with statutory and regulatory provisions governing the CDBG program, including those at 24 CFR Part 570 for CDBG entitlement communities; and

WHEREAS, on October 18, 2011, following Clark County Board of County Commissioners' ("Board") approval, the County entered into the INTERLOCAL AGREEMENT TO GRANT NSP3 FUNDS TO THE SOUTHERN NEVADA REGIONAL HOUSING AUTHORITY, hereinafter referred to as 'Original Agreement,' wherein the County agreed to provide a total

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[1] The Original Agreement and subsequent amendments, as defined herein, incorrectly utilized award number CFDA #14.218. The correct identifier, CDFA #14.256, shall be used going forward.

of $5,512,500 in Federal NSP3 funds to the SNRHA to administer an Acquisition, Rehabilitation, Rental program; and

WHEREAS, on September 18, 2012, the Board amended the Original Agreement in order to expand opportunities for property acquisition using NSP3 funds in order to meet the expenditure deadlines set forth by HUD ("First Amended Agreement"); and

WHEREAS, on June 4, 2013, the Board issued another amendment to allocate $6,262,500 in additional NSP3 funds to complete the project, to permit residual administrative funds to be applied to direct project costs and to extend the deadline to expend funds to October 30, 2013 ("Second Amended Agreement"); and

WHEREAS, the Subrecipient is organized as a regional housing authority pursuant to Assembly Bill 478, amending NRS Chapter 315, and

WHEREAS, Subrecipient is currently administering affordable rental programs, including the County NSP3 Acquisition, Rehabilitation, Rental program; and

WHEREAS, the County wishes to create a single all-inclusive agreement by: (1) reviving the Original Agreement and its amendments, (2) restating and incorporating by reference, as if full set forth herein, those documents, and (3) making a third amendment to the Original Agreement to define reporting requirements/deadlines and identify how program income will be returned to the County; and

WHEREAS, pursuant to NRS 277.180, the County may enter into interlocal contracts with other public agencies for the performance of any government service, activity or undertaking which any of the public agencies entering into the contract is authorized by law to perform; and

WHEREAS, pursuant to NRS 315.440, Subrecipient is authorized to cooperate with the County in action taken in connection with housing projects; and

WHEREAS, the County and Subrecipient are individually authorized by law to engage in housing and community development activities.

WHEREAS, pursuant to an audit conducted in March 2016, it was determined that the Original Agreement lacked sufficient clarity regarding the tracking and use of Program Income (PI) generated by the NSP3 rental portfolio; and

WHEREAS, through FY23, the County had audited the SNHRAs NSP3 P&L Statements and determined that $432,254.44 was due. That amount was paid, on December 13, 2023, to the County. For FY24 and FY25, SNHRA also provided financial statements. These financial reports will determine how much PI was generated by the NSP3 activities; and

WHEREAS, the Parties now desire to also amend the Original Agreement to address and correct this deficiency.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the Parties agree to restate and amend the Original Agreement as follows:

1. All terms, conditions, and provisions of the Original Agreement—as collectively and cumulatively modified by the First Amended Agreement and Second Amended Agreement—are revived, attached hereto as **Exhibit 1**, and incorporated by reference, as if fully set forth herein.

2. Sections II (County General Conditions) and III (Federal General Conditions) shall move down—becoming Sections III and IV, respectively—and a new Section II, titled "Subrecipient General Conditions," shall be added as follows:

II. Subrecipient General Conditions

A. Program Income

The SNRHA shall report, quarterly, all Program income ("PI") (as defined at 24 CFR 570.500(a)) generated by activities carried out with NSP3 funds made available under this agreement. The use of PI by SNRHA must comply with the requirements set forth at 24 CFR 570.504.All PI generated by the NSP3 rental portfolio, that remains after all required reserves have been fully funded and all eligible operating expenses have been paid, shall be returned to Clark County on a quarterly basis; consistent with the quarterly reporting schedule described in Subsection C, below, and as set forth in 24 CFR 570.503(b)(3).

At the completion of the period of affordability for all units in the NSP3 rental portfolio, all unexpended PI shall be returned to the County. Within 30 days of the completion of the affordability period for all units in the NSP3 portfolio, SNRHA shall provide a final financial report identifying PI received, PI expended, and the amount held in Replacement Reserves for each assisted unit.

B. Replacement Reserves

The SNRHA shall establish and maintain a Replacement Reserve ("Reserve") for the properties assisted with NSP funds. The Replacement Reserve shall be used exclusively for the replacement of major systems, including but not limited to structural components, roofing, plumbing, electrical, and HVAC systems.

The Reserve shall be funded through periodic contributions from PI. Annually, the Replacement Reserve shall be capped at $10,000 per NSP3 unit, and $300 per unit being contributed from PI per month. The SNRHA shall provide the County with a Capital Needs Assessment identifying the list of major systems covered by the Reserve, and a projected replacement schedule for each of the NSP3 residential homes. The Capital Needs Assessment may be paid for using Reserves but shall not be paid for using PI.

The SNRHA may draw funds from the Replacement Reserve only for NSP3 eligible costs as defined above and in accordance with NSP3 regulations. All withdrawals must be documented and approved by Clark County.

At the completion of the period of affordability for all units in the NSP3 rental portfolio, all unexpended funds must be returned to Clark County. Prior to returning the funds, eligible capital needs for each unit may be addressed

C. Quarterly Reporting

SNRHA shall submit, at minimum, quarterly progress reports to the County in the form, content, and frequency as required by the County. These reports should include, but not be limited to:

1. The total amount of PI generated by the NSP3 rental portfolio for that quarter;
2. The total amount of PI deposited into the Reserves account each month;
3. The cumulative year-to-date total of PI generated; and
4. A report on all withdrawals from the Reserves account for the quarter that shall include backup documentation for expenses and evidence that County approval was provided.

In addition, the following supporting documentation shall be submitted with each quarterly report:

1. Profit and Loss Report, cumulative to beginning of the fiscal year and provided quarterly
2. Trial Balance Report, cumulative to beginning of the fiscal year and provided quarterly
3. Property Comparison Report, cumulative to beginning of the fiscal year and provided quarterly
4. Rent Roll (Quarterly)
5. Backup documentation for all expenses (Quarterly)

All reports and documentation must be submitted to Clark County within fifteen (15) calendar days following the end of each calendar quarter.

D. Annual Summary Reporting

In addition to quarterly reports, SNRHA shall provide Clark County with an unaudited annual summary of total PI generated, total PI returned to Clark County, total amounts deposited into and withdrawn from Reserves, and confirmation that all PI activities were conducted in compliance with NSP3 requirements.

E. Final Reporting

At the completion of the period of affordability for all units in the NSP3 rental portfolio, all unexpended PI shall be returned to the County. Within 30 days of the completion of the affordability period for all units in the NSP3 portfolio, SNRHA shall provide a final audited financial report identifying PI received, PI expended, and the amount held in Reserves for each assisted unit.

F. Time of Performance

Notwithstanding any other provision to the contrary, the terms and conditions within this subsection shall remain in effect until all conditions outlined in subsection I below are met; whether or not this agreement, itself, is still in effect.

G. Records to be Maintained

SNRHA shall maintain records required by the Federal regulations specified in 24 CFR 570.506, that are pertinent to the activities funded under this agreement. Such records shall include but not be limited to:

1. Records providing a full description of each activity undertaken;
2. Records required to determine the eligibility of activities;
3. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with NSP3 assistance;
4. Records documenting compliance with the fair housing and equal opportunity components of the NSP program;
5. Financial records as required by 24 CFR 570.502, and 2 CFR 200; and
6. Other records necessary to document compliance with Subpart K of 24 CFR 570.

H. Retention

SNRHA shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the agreement in compliance with all applicable and relevant Retention Schedules, including the record retention requirements set forth in **2 CFR § 200.334 (Retention requirements for records)**. In accordance with this regulation, records shall be retained for a period of **three (3) years**. The retention period begins on the date of the submission of the County's quarterly performance report to HUD in which the activities assisted under this agreement are reported on for the final time. Notwithstanding the above, if there is litigation, claims, audits, negotiations, or other actions that involve any of the records cited and that have started before the expiration of the applicable retention period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the applicable retention period, whichever occurs later.

I. Completion and Close-Out of Program and Termination of SNRHA Responsibilities

SNRHA's obligations to the County shall remain in full force and effect until:

1. After the 15-year affordability period has been met or any other legally recorded covenant has been released at which time full ownership of the assisted units has reverted to SNHRA;
2. All PI balances are returned to Clark County;
3. Reserves are expended pursuant to Section II(B) of this Agreement; and
4. Custodianship of records has been determined.

3. Section V(A), of the Original Agreement, shall be deleted in its entirety.

All provisions of the Original Agreement (as amended), not expressly modified herein, shall be reinstated into full force and effect. Should any provision of this Amended and Restated Agreement be in conflict with any provision of the Original Agreement (as amended), this Amended and Restated Agreement shall control.

[Approvals and Signatures on following pages]

PASSED, ADOPTED, and **APPROVED** this 3rd day of June ,2026.

SOUTHERN NEVADA REGIONAL HOUSING AUTHORITY

By

NANCY BRUNE, CHAIRPERSON

ATTEST:

LEWIS JORDAN, EXECUTIVE DIRECTOR

APPROVED AS TO FORM ONLY

By:

THEODORE PARKER, LEGAL COUNSEL

PASSED, ADOPTED and **APPROVED** this _____ day of ___________, 2026.

BOARD OF COUNTY COMMISSIONERS
CLARK COUNTY, NEVADA

By ________________________________
MICHAEL NAFT, CHAIR

ATTEST:

____
LYNN MARIE GOYA
COUNTY CLERK

APPROVED AS TO FORM ONLY:

STEVEN B. WOLFSON
DISTRICT ATTORNEY

By: ______________________________ 06.11.2026
BRANDON M. THOMPSON
DEPUTY DISTRICT ATTORNEY

EXHIBIT 1

"Original Agreement," "First Amended Agreement," and "Second Amended Agreement"

EXHIBIT 1

CLARK COUNTY BOARD OF COMMISSIONERS
AGENDA ITEM

Issue:	**Interlocal Agreement to grant NSP Third Round (NSP3) funds to the SNRHA**	**Back-up:**
Petitioner:	Sabra Smith-Newby, Director of Administrative Services	**Clerk Ref. #**

Recommendation:

That the Board of County Commissioners approve and authorize the Chair to sign the Interlocal Agreement to grant Neighborhood Stabilization Program Third Round (NSP3) funds to the Southern Nevada Regional Housing Authority (SNRHA) in the amount of $5,512,500 to purchase, rehabilitate, and rent foreclosed and abandoned single family homes in the NSP3 target area to low income households. (For possible action)

FISCAL IMPACT:

Fund #: 2011.000
Fund Center: 1020212000
Description: NSP3 funding

Fund Name: HUD and State Housing Grants
Funded Pgm/Grant: 1020.FEDNSP3.2011
Amount: $5,512,500

Added Comments: N/A

BACKGROUND:

On March 9, 2011, Clark County signed an agreement with the U.S. Department of Housing and Urban Development (HUD) to receive $20,253,261 in Federal Neighborhood Stabilization Program Third Round (NSP3) funds based upon HUD approval of the NSP3 Amendment to the FY 2010 Action Plan also approved by the Board of County Commissioners on February 15, 2011. Of this total award, Clark County has allocated $5,250,000 for an Acquisition Rehabilitation Rental program in order to meet HUD's NSP3 requirement that a minimum of 25% of all NSP3 funds be used to assist households at or below 50% of area median income.

Clark County will use Federal NSP3 funds to assist the Southern Nevada Regional Housing Authority (SNRHA) to purchase and rehabilitate a minimum of 35 single-family foreclosed or abandoned properties at scattered sites within the NSP3 target area and rent to NSP-eligible households at or below 50% of area median income. This program will add to the SNRHA existing portfolio of scattered-site rental housing. The rehabilitation standards for NSP3 properties include adding performance-based energy-efficiency improvements to the homes in an effort to reduce ongoing utility costs. Included in this Interlocal Agreement is an allocation of $262,500 in Federal NSP3 funds in order to reimburse SNRHA the costs of administration and oversight of the program for a total grant award of $5,512,500. The District Attorney's office has approved this Interlocal Agreement as to form.

APPROVED AS RECOMMENDED

Respectfully submitted,

Sabra Smith Newby

Sabra Smith-Newby, Director, Administrative Services

Cleared for Agenda
10|18|11 HD

Agenda Item #
50

MEMORANDUM

Diana Alba
County Clerk

CLARK COUNTY CLERK

Jim Pierce
Assistant County Clerk

TO: CYNTHIA MCCARTER, COMMUNITY RESOURCES

FROM: ROSANN JONES, DEPUTY CLERK, COMMISSION DIVISION

SUBJECT: INTERLOCAL AGREEMENT TO GRANT NEIGHBORHOOD STABILIZATION PROGRAM THIRD ROUND (NSP3) FUNDS TO SOUTHERN NEVADA REGIONAL HOUSING AUTHORITY- BCC 10/18/11, ITEM NO. 50

DATE: OCTOBER 19, 2011

PLEASE OBTAIN THE NECESSARY SIGNATURE(S) AND RETURN A FULLY EXECUTED DOCUMENT TO THIS OFFICE.

THANK YOU,

RECEIVED
FEB 01 2012
COUNTY CLERK

INTERLOCAL AGREEMENT TO GRANT NEIGHBORHOOD STABILIZATION PROGRAM THIRD ROUND (NSP3) FUNDS TO THE SOUTHERN NEVADA REGIONAL HOUSING AUTHORITY (CFDA # 14.218)

WHEREAS, Title III of Division B of the Housing and Economic Recovery Act of 2008, hereinafter referred to as "HERA", authorized the Neighborhood Stabilization Program, hereinafter called "NSP", to facilitate the purchase of foreclosed or abandoned homes and to rehabilitate, rent, or redevelop these homes in order to stabilize neighborhoods and stem the decline of house values of neighboring homes; and

WHEREAS, Section 1497 of the Wall Street Reform and Consumer Protection Act of 2010 (Pub. L. 111-203 (July 21, 2010)) (Dodd-Frank Act) authorized a third round of Neighborhood Stabilization Program funds otherwise known as "NSP3"; and

WHEREAS, Clark County, Nevada, hereinafter called "the County", has entered into a Grant Agreement for the receipt of funds with the United States Department of Housing and Urban Development, hereinafter referred to as "HUD", for participation in NSP3; and

WHEREAS, the County, as the Entitlement Grantee for NSP3, is responsible for the planning, administration, implementation, evaluation, monitoring and compliance of NSP3; and

WHEREAS, these grant funds are to be considered Community Development Block Grant funds, hereinafter referred to as "CDBG", to which CDBG regulations apply, except where specific differences are identified in HERA and the Dodd-Frank Act; and

WHEREAS, the County is responsible for planning, administering, implementing, and evaluating the County's NSP3 Program to ensure it complies with statutory and regulatory provisions governing the CDBG program, including those at 24 CFR Part 570 for CDBG entitlement communities; and

WHEREAS, the Southern Nevada Regional Housing Authority, hereinafter referred to as "Subrecipient", is organized as a regional housing authority pursuant to Assembly Bill 478, amending NRS Chapter 315; and

WHEREAS, Subrecipient is currently administering affordable rental programs, including the NSP Acquisition, Rehabilitation, Rental program; and

WHEREAS, Subrecipient wishes to undertake an NSP3-eligible activity to expand its inventory of affordable rental housing to help meet the affordable housing needs of very low-income households certified as eligible for NSP3 funds; and

WHEREAS, the County wishes to provide the Subrecipient with NSP3 funds to assist with the acquisition, rehabilitation and rental of foreclosed and abandoned single family homes (herein called the "Program") as specified in the Program Description Exhibit "A" of this document; and

WHEREAS, pursuant to NRS 277.180, the County may enter into interlocal contracts with other public agencies for the performance of any government service, activity or undertaking which any of the public agencies entering into the contract is authorized by law to perform; and

WHEREAS, pursuant to NRS 315.440, Subrecipient is authorized to cooperate with the County in action taken in connection with housing projects; and

WHEREAS, the County and Subrecipient are individually authorized by law to engage in housing and community development activities.

NOW, THEREFORE, it is agreed between the County and Subrecipient as follows:

I. Scope of Services

A. Subject to the actual receipt of NSP3 funds, the County will provide FIVE MILLION TWO HUNDRED AND FIFTY THOUSAND DOLLARS ($5,250,000) in Federal NSP3 funds to assist with the Program, as described in Exhibit "A", attached hereto and incorporated herein as if fully set forth. The Program will include the acquisition, rehabilitation and rental of a minimum of thirty-five (35) NSP3-assisted properties (hereinafter "Property" or "Project") as more fully described in Exhibit "A". The individual homes will be rented to households with incomes at or below 50% of the area median income (hereinafter "Participant") as determined annually by HUD and as detailed in Exhibit "B".

The County will also provide TWO HUNDRED SIXTY TWO THOUSAND AND FIVE HUNDRED DOLLARS ($262,500) in NSP3 Grant Administration funds for eligible administrative expenses incurred in the delivery of the program. The total award to the Subrecipient will be an amount not to exceed FIVE MILLION FIVE HUNDRED TWELVE THOUSAND AND FIVE HUNDRED DOLLARS ($5,512,500).

B. Subrecipient agrees that any Project costs, exceeding the $5,512,500 in NSP3 funds provided by the County pursuant to this Interlocal Agreement will be the responsibility of Subrecipient. Any on-going Project costs such as maintenance and operations shall be the sole responsibility of the Subrecipient.

C. The County reserves the right to withdraw grant funding and terminate the Interlocal Agreement or amend the amount of funding through an Amendment to the Interlocal Agreement if a minimum of fifteen (15) properties are not acquired within nine (9) months following execution of acceptance of this Interlocal Agreement.

D. Changes in the Scope of Services as outlined herein must be in accordance with NSP3 regulations, made by written amendment to this Interlocal Agreement and approved by both parties. Any such changes must not jeopardize NSP3 funding.

E. Subrecipient shall operate Program in accordance with Program Procedures to be provided to the Subrecipient by Clark County Community Resources Management Division upon Program implementation following the execution of acceptance of this Interlocal Agreement.

F. Notwithstanding any provision of this Interlocal Agreement, the Subrecipient hereto agrees and acknowledges that this Interlocal Agreement does not constitute a commitment of funds or site approval, and that such commitment of funds or approval may occur only upon satisfactory completion of environmental review and receipt by the County of a release of funds from the U.S. Department of Housing and Urban Development under 24 CFR Part 58. The Subrecipient further agrees that the provision of any funds to the Project is conditioned on the County's determination to proceed with, modify or cancel the Project based on the results of a subsequent environmental review. Violation of this provision may result in the denial of any funds under this Interlocal Agreement.

II. County General Conditions

A. Subrecipient has requested the financial support of the County that is provided for in this Interlocal Agreement in order to enable Subrecipient to help provide affordable housing services. The County shall have no relationship whatsoever with the services provided, except the provision of financial support and the receipt of such reports as are provided for herein. To the extent, if at all, that any relationship to such services on the part of the County may be claimed or found to exist, Subrecipient shall be an independent contractor only.

B. Subrecipient shall operate the Project as affordable housing or for some other purpose which meets one of the NSP3 national objectives described in HERA and the Dodd-Frank Act for an period of affordability as outlined in paragraph (E) below or, shall reimburse the County the actual amount contributed to the Project, as outlined in paragraph (D) below.

C. Should Subrecipient terminate services to the target population, the facility shall continue to be used as outlined in (B) above, or the Subrecipient shall reimburse to the County the amount of the NSP3 funds invested in this Project within thirty days of the sale of the structure. The sale or transfer of ownership must be conditional, if applicable, upon future use of the building for an NSP3-eligible use.

D. In the event that Subrecipient fails to operate and maintain the facility as outlined in (B) above, the County may invoke all rights and privileges as Trustee and Beneficiary, as outlined in Exhibit "D" - Short Form Deed of Trust and Assignment of Rents, which shall be executed and recorded with the County Recorder's Office at the time of initial property acquisition, to ensure the recapture of the NSP3 funds invested in this Project and to ensure that the sale or transfer of ownership complies with requirements set out in this Interlocal Agreement.

E. Subrecipient agrees that the duration of this Interlocal Agreement is the longest Period of Affordability used in any property receiving funds pursuant to this Interlocal Agreement, commencing from the execution of the Deed of Trust, pursuant to 24 CFR 92.252(a), (c), (e), and (f) for rental properties, as outlined below.

Acquisition and rehabilitation of existing housing per unit amount of NSP3 funds:

Under $15,000..	5 years
$15,000 to $40,000..	10 years
Over $40,000...	15 years

F. Permanent recapture provisions will apply for the NSP3-assisted dwellings, such that if the property is sold, or ownership is otherwise transferred, even after the affordability period has expired, the NSP3 funds will be recaptured and returned to the County according to the requirements established by the Deed of Trust, a sample of which is provided in Exhibit "D", attached hereto and incorporated herein as if fully set forth. If the fair market value of the property at the time of sale is less than the amount of NSP3 funds indicated on the Deed of Trust, then the fair market value amount must be returned to the County. If the fair market value of the property at the time of sale exceeds the amount of NSP3 funds indicated on the Deed of Trust, then the dollar amount of the NSP3 funds must be returned to the County. Any funds over that amount may be retained by Subrecipient to be used for other affordable housing activities.

G. Subrecipient will provide Clark County Community Resources Management Division Manager with client usage records on a monthly basis during the period of this Interlocal Agreement. These records will contain, but are not limited to, the following data:

1. Total clients served, including all members of household.
2. Racial breakdown of clients served including American Indian/Alaska Native, Asian, Black/African American, Native Hawaiian/ Other Pacific Islander, White, American Indian/Alaska Native and White, Asian and White, Black/African American and White, American Indian/Alaska Native and Black/African American, Other Multi-Racial.
3. Ethnicity breakdown of clients served including Hispanic/Latino or Not Hispanic/Latino.
4. Number and percentage of Low Income clients as defined by HUD NSP Income Limits (Exhibit "B") with income eligibility documentation on file.
5. Annual gross income per household.
6. Number of disabled clients served.
7. Number of senior citizens served.
8. Number of female heads-of-household served.
9. Name of each head of household served.
10. Number of persons in each household served.

11. Rent charged to each household served.
12. Lease date and term for each household served.

Required forms to be utilized for this report shall be provided by the County to Subrecipient after execution of this Interlocal Agreement. Failure to submit said reports in a timely manner may delay reimbursement to Subrecipient for grant-eligible expenses. Disclosure of Participant information when not directly connected with the administration of the Subrecipient's responsibilities under this Interlocal Agreement is prohibited unless written consent is obtained from the Participant.

H. Subrecipient will only assist NSP3-eligible tenants that meet the requirements of HERA 2301(f)(3)(A)(ii), defined as households at or below 50 percent of the area median income adjusted by family size, as amended annually. Exhibit "B" identifies the current income limits for households at 50 percent of area median income.

I. Subrecipient shall charge affordable rents following the HOME program standards at 24 CFR 92.252 (a), (c), (e), and (f). Affordable rents for households with incomes at or below 50% of AMI will be no more than 30% of the annual income for the household, adjusted for family size. Such rents may be increased annually after HUD updates fair market rents and median incomes.

J. Subrecipient may not assign or delegate any of its rights, interests or duties under this Interlocal Agreement except as specified herein. Any such assignment or delegation made without the required consent shall be void, and may, at the option of the County, result in the forfeiture of all financial support provided herein, for reimbursement to the County.

K. Subrecipient shall allow duly authorized representatives of the County to conduct such occasional reviews, audits and on-site monitoring of the Program as the County deems to be appropriate in order to determine:

1. Whether the objectives of the Program are being achieved.
2. Whether the Program is being conducted in an efficient and effective manner.
3. Whether management control systems and internal procedures have been established to meet the objectives of the Program.
4. Whether the financial operations of the Program are being conducted properly.
5. Whether the periodic reports to the County contain accurate and reliable information.
6. Whether all of the activities of the Program are conducted in compliance with the provisions of Federal laws and regulations and this Interlocal Agreement.

At any time during normal business hours, Subrecipient's Program and financial records shall be made available for audit, examination and review by the County, contracted independent auditors, HUD, the Office of Inspector General, the Government Accountability Office, the Comptroller General of the United States, or any combination thereof. Subrecipient shall cooperate fully with any such review, audit or on-site monitoring and shall make available for review and audit any and all records with respect to the Program. Visits by the County shall be announced to Subrecipient at least 24 hours in advance of those visits and shall occur during normal operating hours. The representatives of the County may request, and, if such a request is made, shall be granted, access to all of the records of Subrecipient at a County location, which relate to the Program. The County may also conduct periodic onsite property inspections at any time during the acquisition, rehabilitation and occupancy phases. The representatives of the County may, on occasion, interview Participants who consent to be interviewed. The County reserves the right to audit the records of the Subrecipient any time during the performance of this Interlocal Agreement.

L. If any of the Subrecipient's staff uses a Subrecipient-owned or Subrecipient-leased vehicle in providing its services, the Subrecipient shall carry or provide Comprehensive Automobile Liability Insurance covering bodily injury and property damage, with minimum coverages as follows:

Bodily Injuries: $1,000,000 each person; $1,000,000 each occurrence;
Property Damage: $1,000,000 each person; $1,000,000 each occurrence.

Should an individual staff member use their personal vehicle in providing services covered under this Resolution, the staff member must provide Subrecipient with proof of liability insurance that meets the mandatory State minimum coverage requirements.

M. Subrecipient shall carry or provide Comprehensive Fire and Hazard Insurance covering the full replacement costs of the Project, comprehensive general liability insurance of $2 million or more, worker's compensation and employer's liability insurance in accordance with Nevada law, public liability insurance of $10,000 or more per person, and $300,000 per occurrence. Insurance shall be written with an acceptable company authorized and licensed to do business in the State of Nevada and shall be written in a form acceptable to the County.

N. If the County expends NSP3 funds on behalf of Subrecipient for any of the construction work defined in Exhibit "A", through the appropriate contracts, Subrecipient must provide to the County a Builder's Risk/Liability insurance policy utilizing special form coverages for the full amount of the contract covering the structure or facility, which falls under the jurisdiction of this Interlocal Agreement, which is owned or leased by Subrecipient, naming the County as an additional insured, during the entire course of construction.

O. The County must be named as an additional insured in all policies of insurance obtained pursuant to this Program.

P. Subrecipient shall furnish to the County a copy of each policy for the aforementioned insurance coverages within ten days after adoption of this Interlocal Agreement and shall notify the County at least ten days prior to the date on which any cancellation or material change of any such coverage is to become effective. The County shall be furnished a copy of each policy within thirty days of its implementation, renewal, or change thereto.

Q. Subrecipient will protect, defend, indemnify, and save harmless the County from and against any and all liability, damages, demands, claims, suits, liens, and judgments of whatever nature including but not limited to claims for contribution or indemnification for injuries to or death of any person or persons caused by, in connection with, or arising out of any of the Subrecipient's activities undertaken pursuant to this Interlocal Agreement. Subrecipient's obligation to protect, defend, indemnify, and save harmless as set forth in this paragraph shall include any and all reasonable attorneys' fees incurred by the County in the defense or handling of said suits, demands, judgments, liens and claims and all reasonable attorneys' fees and investigation expenses incurred by the County in enforcing or obtaining compliance with the provisions of this Interlocal Agreement. In the event that the County incurs any expenses in this regard, it shall have a right to charge said expenses made in good faith to Subrecipient.

R. Subrecipient will not use any funds or resources which are supplied by the County in litigation against any person, natural or otherwise, or in its own defense in any such litigation and also to agree to notify the County of any legal action which is filed by or against it.

S. This Interlocal Agreement will commence upon its approval and signature by all parties.

Time is of the essence and timely completion is an integral and essential part of performance. The obligation and expenditure of NSP3 funds is subject to Federal deadlines, rules and regulations, and could result in the loss of Federal funds. By acceptance and execution of this Interlocal Agreement, it is understood by the Subrecipient that Projects will be completed as expeditiously as possible and that the Subrecipient will make every effort to ensure that the Project will proceed and not be delayed. In the event that the Subrecipient and/or the County anticipate that the total amount of funds allocated for this Interlocal Agreement will be not be obligated or expended in the time and manner prescribed in this Interlocal Agreement, the County reserves the right to extract that portion for other projects operated under the County's NSP3 grant.

T. Subrecipient agrees that no officer or employee of Subrecipient may seek or accept any gifts, service, favor, employment, engagement, emolument or economic opportunity which would tend improperly to influence a reasonable person in that position to depart from the faithful and impartial discharge of the duties of that position.

U. Subrecipient agrees that no officer or employee of Subrecipient may use his or her position to secure or grant any unwarranted privilege, preference, exemption or advantage for himself or herself, any member of his or her household, any business entity in which he or she has a financial interest or any other person.

V. Subrecipient agrees that no officer or employee of Subrecipient may participate as an agent of Subrecipient in the negotiation or execution of any contract between Subrecipient and any private business in which he or she has a financial interest. This prohibition includes the following:

1. Any interest in any contract, subcontract or agreement with respect to NSP3 assisted Project or Program administered by the Subrecipient, or the proceeds thereunder.
2. Any unit benefits or financial assistance associated with NSP3 Projects or Program administered by the Subrecipient including the purchase or occupancy of NSP3-assisted housing unit.

W. Subrecipient agrees that no officer or employee of Subrecipient may suppress any report or other document because it might tend to affect unfavorably his private financial interests.

X. Subrecipient shall keep and maintain in effect at all times any and all licenses, permits, notices and certifications which may be required by any County ordinance or State or Federal statute.

Y. Subrecipient shall be bound by all County ordinances and State and Federal statutes, conditions, regulations and assurances that are applicable to the entire NSP3 or are required by HUD, the State of Nevada, the County, or any combination thereof.

Z. Subrecipient shall not institute any action or suit at law or in equity against County, nor institute, prosecute or in any way aid in the institution or prosecution of any claim, demand, action, or cause of action for equitable relief, damage, loss or injury either to person or property, or both, whether developed or undeveloped, resulting or to result, known or unknown, past, present or future, arising out of, in any way, the terms of this Interlocal Agreement.

AA. Subrecipient warrants and covenants that it presently has no interest and shall not acquire any interest, directly or indirectly, which could conflict in any manner or degree with the performance of its services hereunder. Subrecipient further warrants and covenants that in the performance of this Interlocal Agreement, no person having such interest shall be employed.

III. Federal General Conditions

A. Subrecipient shall comply with the following laws and directives to the extent such laws and directives apply:

1. The Hatch Act as set forth in Title 5, Chapter 15, of the United States Code;

2. The National Environmental Policy Act of 1969 as set forth in P.L. 91-190 and the implementing regulations in 24 CFR, Parts 50 and 58;

3. Title VIII of the Civil Rights Act of 1968, P.L. 90-284;

4. Section 109 of Title I of the Housing and Community Development Act of 1974 as amended;

5. Title VI of the Civil Rights Act of 1964, as amended, P.L. 88-352, and the regulations of HUD with respect thereto, including 24 CFR, Parts 1 and 2;

6. The Fair Housing Act (42 U.S.C. 3601-3619) as amended;

7. Section 3 of the Housing and Urban Development Act of 1968, as amended, and the regulations of HUD with respect thereto, including 24 CFR, Part 135 to ensure that employment, training and contracting opportunities generated by HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State, and local laws and regulations, be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very low-income persons;

8. National Historic Preservation Act of 1966 (16 USC 470) as amended, and the procedures set forth in 36 CFR part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties;

9. Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) of 1970 as amended, the implementing regulations at 49 CFR Part 24 and the regulations in HUD Handbook 1378 with respect thereto;

10. Residential Lead-Based Paint Hazard Reduction Act of 1992 (Title X), and the regulations of HUD with respect thereto, including 24 CFR Part 35 Subpart B, 24 CFR 570.487, and CFR 570.608 which requires that all owners, prospective owners, and tenants of properties constructed before 1978 be properly notified that such properties may contain lead-based paint;

11. Executive Order 11063, as amended;

12. The Age Discrimination Act of 1975;

13. The Architectural Barriers Act (ABA) of 1968 as amended;

14. Section 504 of the Rehabilitation Act of 1973;

15. Executive Order 11246, as amended by Executive Orders 11375,11478,12107, and12086, and the regulations which are issued pursuant thereto;

16. The Federal Labor Standards Act;

17. Section 202(a) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001);

18. Sections 302 and 401(b) of the Lead-Based Paint Poisoning Prevention Act and implementing regulations in 24 CFR, Part 35;

19. The Davis-Bacon Act, as amended, which requires that all laborers and mechanics who are employed to perform work on a Project of eight or more contiguous units, or any contractor or construction work which is financed, in whole or in part, with assistance which is received under the Housing and Community Development Act of 1974 shall be paid wages at rates which are not less than those that prevail in the locality for similar construction and shall receive overtime compensation in accordance with the Contract Work Hours and Safety Standards Act. The contractor and its subcontractors shall also comply with all applicable Federal laws and regulations which pertain to labor standards, including the minimum wage law;

20. The Vicinity Hiring Preference of the Dodd-Frank Act January 5, 2010 Section 1497 (a)(8), which requires that to the maximum extent feasible, employees hired will reside in the vicinity as defined by the HUD Secretary of projects funded with NSP3 funds or contracts will be executed with small businesses that are owned and operated by persons residing in the vicinity. HUD has defined vicinity for NSP3 as the area of greatest need as specified in the NSP3 Substantial Amendment submitted to HUD;

21. 24 CFR, Part 576, of the Stewart B. McKinney Homeless Assistance Act;

22. 45 CFR, Part 76, Subpart F of the Drug-Free Workplace Act of 1988;

23. Section 319 of Public Law 101-121, of the Department of the Interior Appropriations Act, which prohibits Owner from using appropriated Federal funds for lobbying the Executive or Legislative Branches of the Federal Government in connection with a specific contract, grant, or loan, and requires that no Federal appropriated funds have been paid or will be paid, by or on behalf of Owner, 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;

24. Title I of the Housing and Community Development Act of 1974, as amended, which requires that Subrecipient shall:

a. Not discriminate against any employee or applicant for employment on the basis of religion and not employment or give preference in employment to persons on the basis of religion;

b. Not discriminate against any person applying for such public services on the basis of religion and not limit such services or give preference to persons on the basis of religion; and

c. Provide no religious instruction or counseling, conduct no religious worship or services, engage in no religious proselytizing and exert no other religious influence in the provision of such public services;

25. Title II of the Americans with Disabilities Act of 1990 as amended;

26. Non-discrimination in employment and contracting opportunities laws, regulations and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279;

27. Clean Air Act (42.U.S.C. 1857(h)), Federal Water Pollution Control Act, Section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, Environmental Protection Agency regulations (40 CFR part 50), and Toxic Substances Control Act 15 USC Sec. 2601 et. seq.;

28. Executive Order 13166 enacted August 11, 2000, mandates the federal government reduce language barriers to Limited English proficiency (LEP) persons with regard to accessing federal benefits. Recipients of HUD assistance including state and local governments, public housing authority assisted housing providers, profit and non-profit organizations and other entities receiving funds directly or indirectly from HUD are subject to Executive Order 13166 and Title VI provisions as a condition of receiving federal funds. Failure to ensure limited English persons (LEP) access to HUD benefits may violate Title VI civil rights protections based upon national origin;

29. Debarment and Suspension (Executive Orders 12549 and 12689) which states that no contract shall be made to parties listed on the General Services Administration's List of Parties Excluded from Federal Procurement or Non-procurement Programs in accordance with Executive Orders 12549 and 12689, "Debarment and Suspension." This list contains the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors

declared ineligible under statutory or regulatory authority other than E.O.12549. Contractors with awards that exceed the small purchase threshold shall provide the required certification regarding its exclusion status and that of its principal employees; and

30. The Protecting Tenants at Foreclosure Act of 2009.

B. No officer, employee or agent of the County shall have any interest, direct or indirect, financial or otherwise, in any contract or subcontract or the proceeds thereof, for any of the work to be performed pursuant to the Program during the period of service of such officer, employee or agent, for one year thereafter.

C. None of the personnel employed in the administration of the Program shall be in any way or to any extent engaged in the conduct of political activities in contravention of Chapter 15 Title 5, U.S. Code.

D. None of the NSP3 funds to be paid under this Interlocal Agreement shall be used for any partisan political activity, or to support or defeat legislation pending before Congress.

E. Subrecipient shall carry out its activities in compliance with all Federal laws and regulations described in HERA and the Dodd-Frank Act, which are applicable to NSP3 funds, except that Subrecipient will not assume the County's environmental responsibilities described in 24 CFR 570.604.

F. Program income, as defined in 24 CFR 570.504(c), shall be returned to the County unless the County authorizes in writing that all or a specific portion thereof of such program income will be retained by Subrecipient. Under NSP3, any rents collected that exceed the cost of operations for each Program is considered Program Income and must be returned to the County. Therefore, Subrecipient will need to track rent income and expenses and return any Program Income at the end of each fiscal year.

G. Subrecipient shall comply with applicable uniform administrative requirements, as described in 24 CFR 570.502.

H. Subrecipient shall maintain records in accordance with 24 CFR 570.502(b).

I. Subrecipient shall comply with the requirements of Executive Order 11625, 12432, and 121138, which provides for the utilization of minority businesses in all federally assisted contracts. Subrecipient shall provide the County records and data on Minority Business Enterprise, Women's Business Enterprise, and affirmative marketing efforts. These records shall contain, but are not limited to, the following data:

1. Data on the attempts to reach minority-owned and female-owned business

opportunities.

2. Data on racial/ethnic or gender character of business to whom a contract was awarded and the contract amount.
3. Data on attempts to affirmatively further fair housing.

J. Upon the expiration or revocation of this Interlocal Agreement, Subrecipient shall transfer to the County any NSP3 funds on hand at the time of expiration or revocation and any accounts receivable attributable to the use of NSP3 funds.

K. Subrecipient agrees to require that Program Participants reside in leased units that are in compliance with local building codes and HOME Program property standards established by HUD at 24 CFR 92.251 for the duration of this Interlocal Agreement; and furthermore, Subrecipient agrees to have the leased units inspected at least annually by a qualified housing inspector to ensure such compliance. All NSP3-assisted units shall be in compliance with the cost effective energy conservation and effectiveness standards in 24 CFR part 39 and Clark County NSP Homeownership Rehab Standards for Rental Properties (One and Two Unit Structures) at the time of tenant occupancy.

L. Each assisted household shall have a lease. All leases shall be for not less than 12 months, unless otherwise mutually agreed upon by tenant and landlord, and furthermore, all such leases must comply with the requirements laid forth in 24 CFR 92.253.

M. Subrecipient agrees to undertake an affirmative marketing program in conformance with 24 CFR 92.351 (b), Executive Order 11246, and Chapter 3 of the HUD Handbook 7360.01 (Rental Rehabilitation Program).

N. In conjunction with the Program, Subrecipient agrees that they will be subject to the Uniform Relocation Assistance Act and the Protecting Tenants at Foreclosure Act of 2009, therefore the County will not permit involuntary acquisitions or assistance with properties which have been occupied by a bona fide tenant during the preceding 90 days.

O. Any material breach of the terms of this section shall result in forfeiture of all NSP3 funds received by the Subrecipient pursuant to this Interlocal Agreement, or any part thereof as determined by the County.

IV. Financial Management

A. Subrecipient agrees to comply with the requirements of OMB Circular A-122, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments" and of 2 CFR 225, “Cost Principles for State, Local and Indian Tribal Governments,” as applicable.

B. Subrecipient shall comply with OMB Circular No. A-133 entitled "Audits of States, Local Governments, and Nonprofit Organizations" to meet the audit requirements of this Circular, as applicable. The Office of Management and Budget requires that grant recipients who expend over $500,000 in any Federal grant funds in the fiscal year received are required to conduct an A-133 audit. The Subrecipient must submit a full and complete copy of such audits to the County Community Resources Management Division throughout the period of affordability. It is the responsibility of the Subrecipient to ensure that audits are completed in a proper and timely manner. Failure to submit copies of the A-133 Audit will render the Subrecipient as non-compliant and may result in the withholding of future payments or termination of this Interlocal Agreement until the County has received and reviewed a copy of the audit.

C. Subrecipient agrees that all costs of the Program, excluding general administration, shall be recorded by property address and delineate all costs by budget line items. These expenditures must be supported by cancelled checks, payrolls, time records, invoices, contracts, vouchers, orders and other accounting documents evidencing in proper detail the nature and propriety of the respective charges, and that all cancelled checks, payrolls, time records, invoices, contracts, vouchers, orders or other accounting documents which pertain, in whole or in part, to the Program shall be thoroughly identified and readily accessible to the County. Expenditures submitted for reimbursement by Subrecipient to the County from NSP3 funds will be accounted for by Subrecipient in a ledger separate from all other revenue sources.

D. The County reserves the right to inspect records and Project sites to determine that reimbursement and compensation requests are reasonable.

E. Subrecipient agrees that it may not request disbursement of funds under the Interlocal Agreement until the funds are needed for payment of eligible costs. The amount of each request must be limited to the amount needed. Expenditures will be reviewed for consistency with the approved budget and scope of services as well as the requirements at 2 CFR 225. Approved invoices will be paid in a timely manner.

F. Subrecipient agrees that disbursement under this Interlocal Agreement will be made only when the total amount of eligible reimbursable expenses for each individual unit exceeds $1,000, excepting for the final request for payment on an individual property or for the final request under this Interlocal Agreement. If Subrecipient requests payment in an amount less than the minimum established, payment will be made when the cumulative amount of all eligible reimbursable expenses for each individual unit exceeds $1,000.

V. Expiration, Modification, or Revocation of Interlocal Agreement

A. Subrecipient agrees to obligate the funds provided herein by December 31, 2012 and to expend the funds by June 30, 2013. It is understood by the Subrecipient that any NSP3 funds not obligated or expended during this time will revert back to the County. A ninety (90) day extension of these deadlines may be authorized by Clark County's Manager of Community Resources Management Division if additional time is necessary to complete the Program, if the extension of time conforms to the grant timeliness requirements set forth by HUD, and the extension of time will not jeopardize any other activity, project or funding source of the County. The Subrecipient must request an extension in writing and describe the extenuating circumstances and compelling evidence that the requirements of this Interlocal Agreement will be completed during the extended period. The term of this Interlocal Agreement and the provisions herein shall be extended to cover any additional time period during which the Subrecipient is responsible for NSP3 reporting or compliance measures or remains in control of NSP3 funds or assets.

B. The parties hereto are required to amend or otherwise revise this Interlocal Agreement should such modification be required by HUD, or any applicable Federal or State of Nevada statutes or regulations. Subrecipient and the County will be bound by any such amendments or revisions.

C. If Subrecipient fails to fulfill in a timely and proper manner its obligations under this Interlocal Agreement or if Subrecipient violates any of the conditions or limitations of this Interlocal Agreement, the County may suspend or terminate this Interlocal Agreement, and the provision of the Funds, in accordance with 24 CFR 85.43. Costs resulting from obligations incurred during suspension or after termination are not allowable unless as otherwise specifically provided in 24 CFR 85.43.

D. The County may revoke this Interlocal Agreement at any time for its convenience in accordance with 24 CFR 85.44.

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PASSED, ADOPTED and APPROVED this 18 day of OCTOBER, 2011.

BOARD OF COUNTY COMMISSIONERS
CLARK COUNTY, NEVADA

By: Susan Brager
SUSAN BRAGER, CHAIR

ATTEST:

Diana Alba
DIANA ALBA, COUNTY CLERK

APPROVED AS TO FORM ONLY:

DAVID ROGER
DISTRICT ATTORNEY

By: Christopher Figgins
CHRISTOPHER FIGGINS
CHIEF DEPUTY DISTRICT ATTORNEY

PASSED, ADOPTED and APPROVED this 17 day of November, 2011.

SOUTHERN NEVADA REGIONAL HOUSING AUTHORITY

By: Dora D. LaGrande
DORA D. LAGRANDE, CHAIRPERSON

ATTEST:

JOHN HILL, EXECUTIVE DIRECTOR

APPROVED AS TO FORM ONLY:

By:
THEODORE PARKER, III, LEGAL COUNSEL
PARKER, NELSON & ASSOCIATES, CHTD

EXHIBIT "A"

PROGRAM DESCRIPTION

The Southern Nevada Regional Housing Authority (hereinafter "SNRHA" or "Subrecipient") currently owns and operates rental housing at scattered sites throughout unincorporated Clark County and Henderson. Clark County (hereinafter the "County") will provide the SNRHA $5,512,500 in NSP3 funds to purchase, rehabilitate and rent a minimum of 35 single-family (1-4 units) homes at scattered sites within the NSP3 Winchester Target Area as outlined in Exhibit "C" and to provide for Program Administration.

The Program procedures for the Clark County NSP3 Acquisition Rehab Rental Program will be provided to the Subrecipient by Clark County Community Resources Management Division (CRMD) staff upon Program implementation. These procedures may be amended from time to time during the term of the Interlocal Agreement as may be required by HUD regulation and/or law and by mutual consent of the Subrecipient and CRMD Manager.

Clark County has adopted HOME program affordability period standards per 24 CFR 92.252(a), (c), (e), and (f) therefore all individual homes will have a 15 year affordability period (it is assumed that all properties will expend NSP3 funds in excess of $40,000 due to the Program requirement described herein). The affordability period term begins on the date that the Deed of Trust is recorded with the Clark County Recorder's office.

<u>Property Eligibility</u>

Properties purchased must meet all of the following criteria:

- Foreclosed or abandoned detached single family home located within the County's NSP3 Winchester target area boundaries as outlined in Exhibit "C"
- Be discounted at least 1% from the current market appraised value within 60 days of final offer
- Must not have been occupied by a bona fide tenant during the preceding 90 days
- Rehabilitation costs limited to $50,000 per property

The County will provide Subrecipient with written approval prior to the acquisition of Property with NSP3 funds. Homes may be purchased individually or through a bulk sale and all properties must meet the required purchase discount of at least 1% less than current market appraised value as documented through an appraisal completed within 60 days of final offer. The Subrecipient is responsible for payment of upfront earnest money (if applicable) and can request reimbursement of the earnest money deposit at the time of draw for acquisition funds.

Subrecipient may not acquire a tenant-occupied property and may only enter into a voluntary sale transaction. Subrecipient may not acquire more than seven contiguous residential units without the express written approval of CRMD. Environmental review must be completed prior to close of escrow and will be the responsibility of CRMD.

The County will base its approval of Properties to be acquired based upon an assessment of NSP3 compliance, financial feasibility, and conformity to expenditure limits described herein.

Rehabilitation

The rehabilitation of the units will conform to the standards set forth in the Clark County NSP Rehab Standards for Rental Properties (One and Two Unit Structures) effective June 8, 2010, and as amended.

Direct rehabilitation costs are limited to $50,000 per individual housing unit and are reimbursable with proper documentation. All rehabilitation budgets and scopes of work must be approved by CRMD prior to the execution of the rehabilitation contract with a General Contractor. Any change orders in excess of 5% of the rehabilitation budget or that result in a total Project rehabilitation budget in excess of $50,000 must also be approved by CRMD in writing. Approval for additional subsidy beyond $50,000 per Project must be requested by the Subrecipient in writing and may be provided by the County due to the strategic value of a Property or unforeseen costs that were beyond the control of the Subrecipient. All rehabilitation must be completed and the Property must be in compliance with all local code requirements and NSP rehab standards prior to occupation by the Participant.

General Contractors hired for the rehabilitation of NSP3-assisted properties must be competitively procured by the Subrecipient. Executed copies of all contracts shall be forwarded to the County along with documentation concerning the selection process. All General Contractors performing work on NSP3-assisted Projects must be properly licensed with the State of Nevada, the County and the Nevada State Contractors Board. Subrecipient shall comply with Section 3 requirements and include the Section 3 clause language in all contracts executed under this Interlocal Agreement. Subrecipient shall also include NSP3 vicinity hiring requirements in all contracts executed under this Interlocal Agreement.

Participant Eligibility

The households that will occupy these rental units throughout the fifteen year affordability period must meet the 50% area median income guidelines as outlined in Exhibit "B" and updated annually. Affordable rents follow the HOME program standards at 24 CFR 92.252 (a), (c), (e), and (f). Affordable rents for households with incomes at or below 50% of AMI will be no more than 30% of the annual income for the household, adjusted for family size. Such rents may be increased annually after HUD updates fair market rents and median incomes. SNRHA must reexamine family income, size, and composition at least annually.

Request for Funds

CRMD will approve property eligibility prior to acquisition. Upon receipt of forms and documentation required (forms and checklists to be provided by CRMD staff to Subrecipient after execution of Interlocal Agreement), funds for acquisition will be disbursed to the Subrecipient prior to closing. Payment of funds made to the Subrecipient must be disbursed for actual acquisition of property and close of escrow within three (3) business days. CRMD may also remit acquisition funds directly to the Title Company through an escrow account established by the Subrecipient.

Payment for rehabilitation/construction costs is on a reimbursement basis only. Reimbursement requests for rehabilitation expenses on any single Project shall be submitted no more than monthly to CRMD. Requests shall include all forms as required by the County to be provided to the Subrecipient upon Program implementation.

The SNRHA may request reimbursement of administrative activities not reimbursable as part of direct Project costs but as needed for the delivery of the Program. The County has the discretion to approve requested administrative reimbursements. This amount, if approved, is included in the total grant award and will not exceed $262,500 or 5% of the total Project funds. SNRHA must provide the County with an itemized Administration Expenses Budget within 30 days after the execution of this Interlocal Agreement. The Administration Expenses Budget may be amended during the term of the Interlocal Agreement as may be required by HUD regulation and/or law and by mutual consent of the Subrecipient and CRMD Manager.

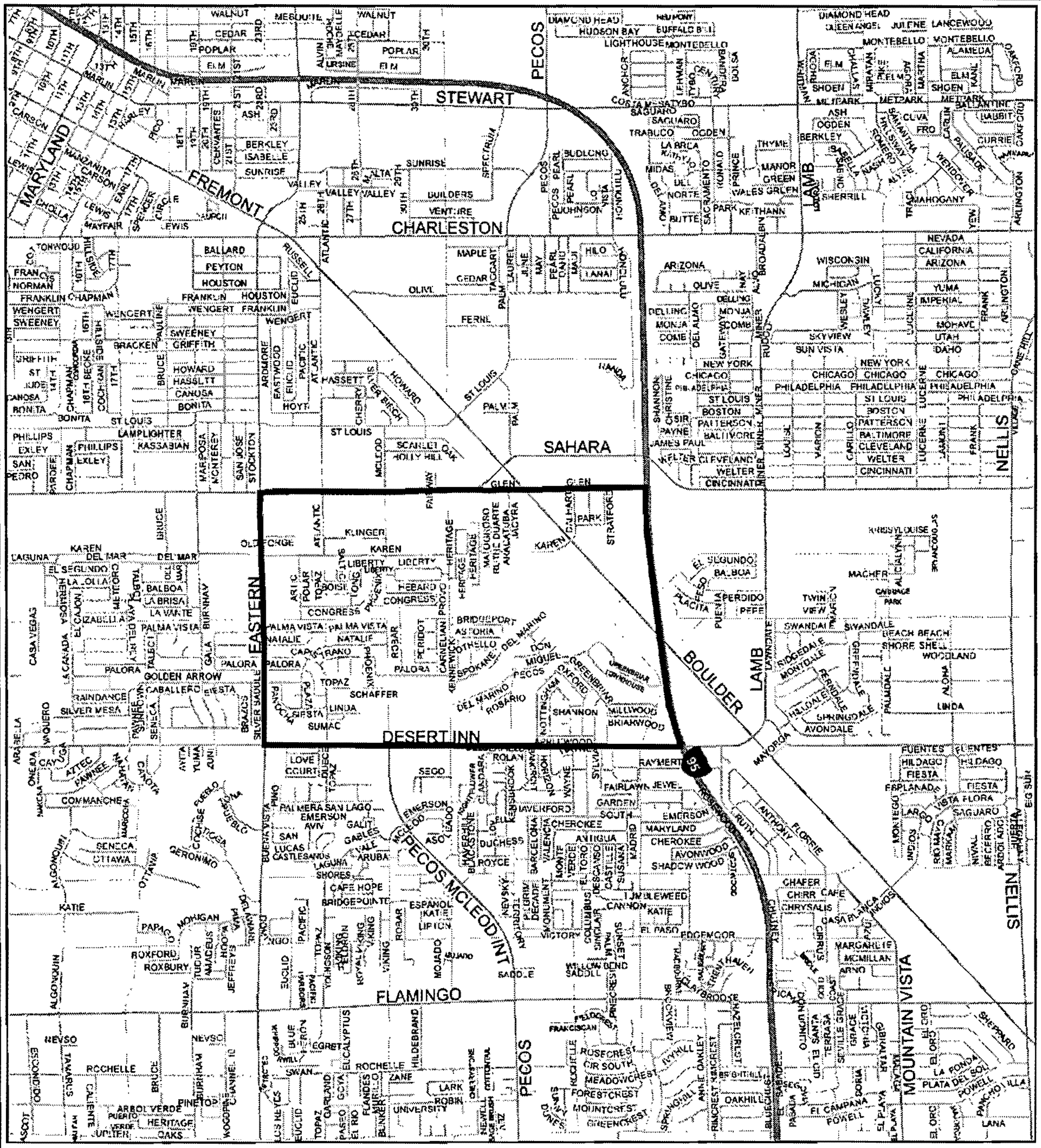
EXHIBIT "B"

U.S. Department of Housing and Urban Development (HUD) NSP Income Limits
(June, 2011)
Las Vegas-Paradise, NV MSA

FY 2011 NSP Income Limits by HH size	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
50% AMI	$ 22,800	$ 26,050	$ 29,300	$ 32,550	$ 35,200	$ 37,800	$ 40,400	$ 43,000
120% AMI	$ 54,700	$ 62,500	$ 70,300	$ 78,100	$ 84,350	$ 90,600	$ 96,850	$ 103,100

EXHIBIT "C"

NSP3 Winchester Target Area



Legend

NSP 3 Target Areas

This information is for display purposes only. No liability is assumed as to the accuracy of the data delineated herein.

Neighborhood Stabilization Program 3 Winchester Target Area

Clark County, Nevada

Date: February 2, 2011

Vicinity Map
No Scale

EXHIBIT "D"

SHORT FORM DEED OF TRUST AND ASSIGNMENT OF RENTS

SHORT FORM DEED OF TRUST AND ASSIGNMENT OF RENTS
FEDERAL NSP3 FUNDS
(Note not set out)

This deed of trust, made this _______ day of ______________________, A.D., 20__, between Southern Nevada Regional Housing Authority herein called TRUSTOR, whose address is 340 N. 11th Street, Las Vegas, Nevada, 89101, and Clark County, herein called TRUSTEE, whose address is 500 South Grand Central Parkway, P.O. Box 551212, Las Vegas, NV 89155-1212, and Clark County, by and through its Community Resources Management Division, Department of Administrative Services, herein called BENEFICIARY,

WITNESSETH: that Trustor IRREVOCABLY GRANTS, TRANSFERS AND ASSIGNS TO TRUSTEE IN TRUST, WITH POWER OF SALE, that property in Clark County, Nevada described as:

Assessor Parcel #
Aka:

The parties agree that Trustor shall abide by the terms of the Interlocal Agreement entered into between Trustor and Trustee on the ___ day of __________, A.D., 20__. Trustor agrees to operate the above-described property solely to supply a decent, safe, and sanitary rental housing for NSP3 Program eligible tenants. Trustor agrees to maintain and operate the above-described property as a drug-free environment. Trustor agrees to operate the above described property as affordable housing for renters per NSP3 program regulations for a period of fifteen (15) years from the date of recordation of this Trust, hereinafter referred to as "Period of Affordability". Trustor agrees to abide by NSP3 rules, specifically those outlined in HERA 2301 and the Dodd-Frank Act. Trustor agrees not to encumber the property in any way during the period of affordability without the express written consent of the Manager of the Community Resources Management Division. Trustor agrees to transfer title of property to Clark County if Trustor, after proper notice and due process, is found to be in violation of its contract with Clark County.

Trustor agrees to repay the Beneficiary $_________ in NSP3 funds, if the affordable housing units, or any portion thereof, are subleased without prior written approval of Trustee or through foreclosure, sale, or other circumstances Trustor loses title to the property. If the fair market value is less than the NSP3 funds owed to the Beneficiary, then the fair market value at time of sale shall be repaid to the Beneficiary.

Trustor agrees to repay the Beneficiary $_________ in NSP3 funds if the housing unit is sold after the period of affordability. If the amount the housing unit is sold for at this time is over the amount of NSP3 funds initially invested in the property, the Trustor may retain those funds.

The Trustor promises and agrees that if, during the existence of this Trust, there be commenced or pending any suit or action affecting said conveyed premises, or any part thereof, or the title thereto, or if any adverse claim for or against said premises, or any part thereof, be made, or asserted, Trustor will appear in and defend any such matter purporting to affect the security and will pay all costs and damages arising because of such action.

Any award of damages in connection with any condemnation for public use of or injury to any property or any part hereof, is hereby assigned and shall be paid to Beneficiary, who may apply or release such monies received by him in the same manner and with the same effect as herein provided for disposition of proceeds of insurance.

Acceptance by Beneficiary of any settlement payment of any indebtedness occurred hereby, after the date when the same is due; shall not constitute a waiver of the right either to require prompt payment, when due, all other sums so secured or to declare default as herein provided for failure so to pay.

The following covenants, Nos. 4 (0%), 5, 7 (0%), and 8 of NRS 107.030 are hereby adopted and made a part of this Deed of Trust.

The undersigned Trustor requests that a copy of any notice of default and of any notice of sale hereunder be mailed to him at his address herein before set forth.

SOUTHERN NEVADA REGIONAL HOUSING AUTHORITY

BY: ________________________
JOHN HILL
EXECUTIVE DIRECTOR

State of Nevada)
County of Clark)

On this ___________ day of _________________, A.D., 20__, before me, the undersigned, a Notary Public in and for said county and State, personally appeared John Hill, as Executive Director, know to me to be the person described in and who executed the foregoing instrument, who acknowledged to me that he/she executed the same freely and voluntary and for the uses and purposes therein mentioned.

____
NOTARY PUBLIC

ORDER NO.________________________

WHEN RECORDED MAIL TO:

Clark County
Community Resources Management Division
500 S. Grand Central Parkway, PO Box 551212
Las Vegas, NV 89155-1212

CLARK COUNTY BOARD OF COMMISSIONERS
AGENDA ITEM

Issue:	**First Amendment to the Interlocal Agreement to Grant NSP3 Funds to the Southern Nevada Regional Housing Authority**	**Back-up:**
Petitioner:	Sabra Smith-Newby, Director of Administrative Services	**Clerk Ref. #**

Recommendation:
That the Board of County Commissioners approve, and authorize the Chair to sign the First Amendment to the Interlocal Agreement to Grant Neighborhood Stabilization Program Third Round (NSP3) funds to the Southern Nevada Regional Housing Authority (For possible action)

FISCAL IMPACT:

Fund #: 2011.000
Fund Center: 1020212000

Description: NSP funds to SNRHA

Fund Name: HUD and State Housing Grants
Funded Pgm/Grant: NSP311-FN-08/09
1020.FEDNSP3.2011
Amount: $5,512,500

Added Comments: N/A

BACKGROUND:

On March 9, 2011, Clark County signed an agreement with the U.S. Department of Housing and Urban Development (HUD) to receive $20,253,261 in Federal Neighborhood Stabilization Program Third Round (NSP3) funds based upon HUD approval of the NSP3 Amendment to the FY 2010 Action Plan also approved by the Board of County Commissioners on February 15, 2011. Of this total award, Clark County has allocated $5,250,000 for an Acquisition Rehabilitation Rental program as well as $262,500 for administration of that program. On October 18, 2011, Clark County entered into the Interlocal Agreement to grant $5,512,500 in NSP3 funds to the Southern Nevada Regional Housing Authority (SNRHA).

NSP3 property acquisition has been a challenge to date due to NSP eligibility requirements, limited supply available for sale as well as increased competition from other buyers. Clark County wishes to amend the NSP3 Interlocal Agreement with SNRHA in order to expand opportunities for property acquisition within the parameters of NSP3 eligible activities. This amendment includes an expansion of the existing target area into a neighborhood with a high concentration of 4-plex properties, and allows for the acquisition of properties that are vacant, but not foreclosed or abandoned. Clark County staff have determined that changes to the program are necessary in order to meet the NSP3 expenditure deadlines set forth by HUD. All other provisions of the Interlocal Agreement are to remain the same.

Respectfully submitted, **APPROVED AS RECOMMENDED**

Sabra Smith-Newby
Sabra Smith-Newby, Director, Administrative Services

Cleared for Agenda
9/18/12 MD

Agenda Item #
48

FIRST AMENDMENT TO THE INTERLOCAL AGREEMENT TO GRANT NEIGHBORHOOD STABILIZATION PROGRAM THIRD ROUND (NSP3) FUNDS TO THE SOUTHERN NEVADA REGIONAL HOUSING AUTHORITY (CFDA # 14.218)

WHEREAS, Title III of Division B of the Housing and Economic Recovery Act of 2008, hereinafter referred to as "HERA", authorized the Neighborhood Stabilization Program, hereinafter called "NSP", to facilitate the purchase of foreclosed or abandoned homes and to rehabilitate, rent, or redevelop these homes in order to stabilize neighborhoods and stem the decline of house values of neighboring homes; and

WHEREAS, Section 1497 of the Wall Street Reform and Consumer Protection Act of 2010 (Pub. L. 111-203 (July 21, 2010)) (Dodd-Frank Act) authorized a third round of Neighborhood Stabilization Program funds otherwise known as "NSP3"; and

WHEREAS, Clark County, Nevada, hereinafter called "the County", has entered into a Grant Agreement for the receipt of funds with the United States Department of Housing and Urban Development, hereinafter referred to as "HUD", for participation in NSP3; and

WHEREAS, the County, as the Entitlement Grantee for NSP3, is responsible for the planning, administration, implementation, evaluation, monitoring and compliance of NSP3; and

WHEREAS, these grant funds are to be considered Community Development Block Grant funds, hereinafter referred to as "CDBG", to which CDBG regulations apply, except where specific differences are identified in HERA and the Dodd-Frank Act; and

WHEREAS, the County is responsible for planning, administering, implementing, and evaluating the County's NSP3 Program to ensure it complies with statutory and regulatory provisions governing the CDBG program, including those at 24 CFR Part 570 for CDBG entitlement communities; and

WHEREAS, on October 18, 2011 following board approval, the County entered into the INTERLOCAL AGREEMENT TO GRANT NSP3 FUNDS TO THE SOUTHERN NEVADA REGIONAL HOUSING AUTHORITY, hereinafter referred to as "Agreement", wherein the County agreed to provide a total of $5,512,500 in Federal NSP3 funds to the Southern Nevada Regional Housing Authority to administer an Acquisition, Rehabilitation, Rental program; and

WHEREAS, the Southern Nevada Regional Housing Authority, hereinafter referred to as "Subrecipient", is organized as a regional housing authority pursuant to Assembly Bill 478, amending NRS Chapter 315; and

WHEREAS, Subrecipient is currently administering affordable rental programs, including the County NSP3 Acquisition, Rehabilitation, Rental program; and

WHEREAS, the County wishes to amend the Agreement in order to expand opportunities for property acquisition using NSP3 funds in order to meet the expenditure deadlines set forth by HUD; and

WHEREAS, pursuant to NRS 277.180, the County may enter into interlocal contracts with other public agencies for the performance of any government service, activity or undertaking which any of the public agencies entering into the contract is authorized by law to perform; and

WHEREAS, pursuant to NRS 315.440, Subrecipient is authorized to cooperate with the County in action taken in connection with housing projects; and

WHEREAS, the County and Subrecipient are individually authorized by law to engage in housing and community development activities.

NOW, THEREFORE, it is agreed between the County and Subrecipient as follows:

I. Section III.N of the Agreement is amended to provide:

In conjunction with the Program, Subrecipient agrees that it will be subject to the Uniform Relocation Assistance Act and the Protecting Tenants at Foreclosure Act of 2009. The County will not permit involuntary acquisitions and the County must approve the acquisition of any occupied property.

II. Exhibit "A" and Exhibit "C" are replaced with the Exhibit "A" and Exhibit "C" attached hereto. Additional changes to the Program target area as delineated in Exhibit "C", prior to the expiration of this Agreement, may be approved by the County's Manager of Community Resources Management Division following a minimum fifteen day public comment period and NSP3 Substantial Amendment process as required by HUD.

All other provisions of the Agreement not inconsistent with this Amendment shall remain in effect.

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PASSED, ADOPTED and APPROVED this 18th day of September, 2012.

BOARD OF COUNTY COMMISSIONERS
CLARK COUNTY, NEVADA

By: ______________________
SUSAN BRAGER, CHAIR

ATTEST:

____
DIANA ALBA, COUNTY CLERK

APPROVED AS TO FORM ONLY:

STEVEN B. WOLFSON
DISTRICT ATTORNEY

By: ______________________
STEVEN SWEIKERT
DEPUTY DISTRICT ATTORNEY

PASSED, ADOPTED and APPROVED this 20th day of September, 2012.

SOUTHERN NEVADA REGIONAL HOUSING AUTHORITY

By: ______________________________
DORA D. LAGRANDE, CHAIRPERSON

ATTEST:

____
JOHN HILL, EXECUTIVE DIRECTOR

APPROVED AS TO FORM ONLY:

By: ______________________________
THEODORE PARKER, III, LEGAL COUNSEL
PARKER, NELSON & ASSOCIATES, CHTD

EXHIBIT "A"

PROGRAM DESCRIPTION

The Southern Nevada Regional Housing Authority (hereinafter "SNRHA" or "Subrecipient") currently owns and operates rental housing at scattered sites throughout unincorporated Clark County and Henderson. Clark County (hereinafter the "County") will provide the SNRHA $5,512,500 in NSP3 funds to purchase, rehabilitate and rent a minimum of 35 single family homes (buildings for residential use with one to four units as defined by 24 CFR Part 58) at scattered sites within the NSP3 Acquisition Rehab Rental Program Target Area as outlined in Exhibit "C" and to provide for Program Administration.

The Program procedures for the Clark County NSP3 Acquisition Rehab Rental Program will be provided to the Subrecipient by Clark County Community Resources Management Division (CRMD) staff upon Program implementation. These procedures may be amended from time to time during the term of the Interlocal Agreement as may be required by HUD regulation and/or law and by mutual consent of the Subrecipient and CRMD Manager.

Clark County has adopted HOME program affordability period standards per 24 CFR 92.252(a), (c), (e), and (f) therefore all individual homes will have a 15 year affordability period (it is assumed that all properties will expend NSP3 funds in excess of $40,000 due to the Program requirement described herein). The affordability period term begins on the date that the Deed of Trust is recorded with the Clark County Recorder's office.

Property Eligibility

Properties purchased must meet the following criteria:

- Foreclosed, abandoned or vacant per the definitions established by HUD.
- Located within the County's NSP3 Acquisition Rehab Rental Program target area boundaries.
- If foreclosed, as defined by HUD (Federal Register Notice 5321-N-03 and as amended), be discounted at least 1% from the current market appraised value (appraisal dated within 60 days of final offer).
- If abandoned, as defined by HUD (Federal Register Notice 5321-N-03 and as amended), or vacant, purchased for not more than current market appraised value (appraisal dated within 60 days of final offer).
- If abandoned or foreclosed as defined by the Notices above, but not vacant, relocation per URA and Protecting Tenants at Foreclosure Act must be followed. The County must approve the relocation plan with cost estimates prior to acquisition.

The County will provide Subrecipient with written approval prior to the acquisition of Property with NSP3 funds. Homes may be purchased individually or through a bulk sale. The Subrecipient is responsible for payment of upfront earnest money (if applicable) and can request reimbursement of the earnest money deposit at the time of draw for acquisition funds.

Subrecipient may only enter into a voluntary sale transaction. Environmental review must be completed prior to close of escrow and will be the responsibility of CRMD.

The County's approval for acquisition will be based upon an assessment of NSP3 compliance, financial feasibility, and conformity to expenditure limits described herein.

Rehabilitation

The rehabilitation of properties with one or two units will conform to the standards set forth in the Clark County NSP Rehab Standards for Rental Properties (One and Two Unit Structures) effective June 8, 2010, and as amended. Rehabilitation of properties with three or four units will follow these same standards to the greatest extent applicable and feasible.

Direct rehabilitation costs are limited to $80,000 per Property and are reimbursable with proper documentation. All rehabilitation budgets and scopes of work must be approved by CRMD prior to the execution of the rehabilitation contract with a General Contractor. Any change orders in excess of 5% of the rehabilitation budget or that result in a total property rehabilitation budget in excess of $80,000 must also be approved by CRMD in writing. Approval for additional subsidy beyond $80,000 per Property must be requested by the Subrecipient in writing and may be provided by the County due to the strategic value of a Property or unforeseen costs that were beyond the control of the Subrecipient. All rehabilitation must be completed and the Property must be in compliance with all local code requirements and NSP rehab standards prior to occupation by the Participant.

General Contractors hired for the rehabilitation of NSP3-assisted properties must be competitively procured by the Subrecipient. Executed copies of all contracts shall be forwarded to the County along with documentation concerning the selection process. All General Contractors performing work on NSP3-assisted properties must be properly licensed with the State of Nevada, the County and the Nevada State Contractors Board.

Subrecipient shall comply with Section 3 requirements and include the Section 3 clause language in all contracts executed under this Interlocal Agreement. Subrecipient shall also include NSP3 vicinity hiring requirements in all contracts executed under this Interlocal Agreement. Rehabilitation of eight or more units on contiguous parcels or lots and commonly owned by the Subrecipient must be in compliance with the Davis-Bacon Act.

Participant Eligibility

The households that will occupy these rental units throughout the fifteen year affordability period must meet the 50% area median income guidelines as outlined in Exhibit "B" and updated annually. Affordable rents follow the HOME program standards at 24 CFR 92.252 (a), (c), (e), and (f). Affordable rents for households with incomes at or below 50% of AMI will be no more than 30% of the annual income for the household, adjusted for family size. Such rents may be increased annually after HUD updates fair market rents and median incomes. Subrecipient must reexamine family income, size, and composition at least annually.

Request for Funds

CRMD will approve property eligibility prior to acquisition. Upon receipt of forms and documentation required (forms and checklists to be provided by CRMD staff to Subrecipient after execution of Interlocal Agreement), funds for acquisition will be disbursed to the Subrecipient prior to closing. Payment of funds made to the Subrecipient must be disbursed for actual acquisition of property and close of escrow within three (3) business days.

Payment for rehabilitation/construction costs is on a reimbursement basis only. Reimbursement requests for rehabilitation expenses on any single Project shall be submitted no more than monthly to CRMD. Requests shall include all forms as required by the County to be provided to the Subrecipient upon Program implementation.

The SNRHA may request reimbursement of administrative activities not reimbursable as part of direct Project costs but as needed for the delivery of the Program. The County has the discretion to approve requested administrative reimbursements. This amount, if approved, is included in the total grant award and will not exceed $262,500 or 5% of the total Project funds. SNRHA must provide the County with an itemized Administration Expenses Budget within 30 days after the execution of this Interlocal Agreement. The Administration Expenses Budget may be amended during the term of the Interlocal Agreement as may be required by HUD regulation and/or law and by mutual consent of the Subrecipient and CRMD Manager.

EXHIBIT "C"

NSP3 Acquisition Rehab Rental Program Target Areas

Neighborhood Stabilization Program 3 Target Area

Clark County, Nevada

C
R
M

Legend
Existing NSP3 Target Area
NSP 3 Proposed Target Area - Walnut

N W E S

August 30, 2012

Vicinity Map - No Scale

The information is for display purposes only. No liability is assumed as to the accuracy of the data delineated hereon.

CLARK COUNTY BOARD OF COMMISSIONERS
AGENDA ITEM

Issue:	**Second Amendment to the Interlocal Agreement to Grant NSP3 Funds to the SNRHA**	**Back-up:**
Petitioner:	Sabra Smith Newby, Director of Administrative Services	**Clerk Ref. #**

Recommendation:

That the Board of County Commissioners allocate additional funds and approve, adopt, and authorize the Chairman to sign the Second Amendment to the Interlocal Agreement to Grant Neighborhood Stabilization Program Third Round (NSP3) funds to the Southern Nevada Regional Housing Authority. (For possible action)

FISCAL IMPACT:

Fund #: 2011.000
Fund Name: HUD and State Housing Grants
Fund Center: 1020212000
Funded Pgm/Grant: NSP311-FN-08/09 1020.FEDNSP3.2011
Description: Interlocal Agreement
Amount: $750,000

Added Comments: N/A

BACKGROUND:

On October 18, 2011, Clark County entered into an Interlocal Agreement to grant $5,512,500 in NSP3 funds to the Southern Nevada Regional Housing Authority (SNRHA) for an Acquisition Rehabilitation Rental program in order to meet HUD's NSP3 requirement that a minimum of 25% of all NSP3 funds be used to assist households at or below 50% of area median income.

On September 18, 2012, the Board of County Commissioners approved the First Amendment to the Interlocal Agreement, expanding the existing target area into a neighborhood with a high concentration of vacant and foreclosed 4-plex properties. In addition to 15 scattered site homes in the Winchester area, SNRHA was able to acquire an additional 24 multi-family unit in the expanded target area. SNRHA has requested up to an additional $750,000 in NSP3 funds for expenses associated with the acquisition of the additional units and program wide higher than anticipated rehabilitation costs for a total allocation of $6,262,500.

Clark County wishes to amend the NSP3 Interlocal Agreement with SNRHA to allocate additional NSP3 program income funds, permit SNRHA's residual NSP administration funds to be applied to direct program costs and to extend the deadline for SNRHA to expend funds to October 30, 2013. All other provisions of the Interlocal Agreement are to remain the same.

APPROVED AS RECOMMENDED

Respectfully submitted,

Sabra Smith Newby

Sabra Smith Newby, Director of Administrative Services

Cleared for Agenda
6/4/13 UD

Agenda Item #
57

AGENDA ITEM DEVELOPMENT REPORT

OFFICE OF THE COUNTY MANAGER
CLARK COUNTY, NEVADA

AIDR No.: 3418

DONALD G. BURNETTE
County Manager

EDWARD FINGER
Assistant County Manager

RANDALL J. TARR
Assistant County Manager

JEFFREY M. WELLS
Assistant County Manager

Date: 05/23/2013 Agenda Date: 06/04/2013

Originating Department: Admin. Services/Community Resources Management Division

Contact/Ext: Michael Pawlak/5025

Issue: **Neighborhood Stabilization Program (NSP3)/HUD Grant**

Subject/Title:

Second Amendment to the Interlocal Agreement to Grant NSP3 Funds to the Southern Nevada Regional Housing Authority.

Recommended Action:

Approve the allocation of additional funds and approve, adopt, and authorize the Chairman to sign the Second Amendment to the Interlocal Agreement to Grant Neighborhood Stabilization Program Third Round (NSP3) funds to the Southern Nevada Regional Housing Authority.

Summary:

On March 9, 2011, Clark County signed an agreement with the U.S. Department of Housing and Urban Development (HUD) to receive $20,253,261 in Federal Neighborhood Stabilization Program Third Round (NSP3) funds based upon HUD approval of the NSP3 Amendment to the FY 2010 Action Plan also approved by the Board of County Commissioners on February 15, 2011. Of this total award, Clark County has allocated $5,250,000 for an Acquisition Rehabilitation Rental program as well as $262,500 for administration of that program.

On October 18, 2011, Clark County entered into an Interlocal Agreement to grant $5,512,500 in NSP3 funds to the Southern Nevada Regional Housing Authority (SNRHA) for an Acquisition Rehabilitation Rental program in order to meet HUD's NSP3 requirement that a minimum of 25% of all NSP3 funds be used to assist households at or below 50% of area median income.

On September 18, 2012, the Board of County Commissioners approved the First Amendment to the Interlocal Agreement, expanding the existing target area into a neighborhood with a high concentration of vacant and foreclosed 4-plex properties. This action was necessary in order to meet HUD's requirement that 50% of the NSP3 funds be expended by March 9, 2013. Acquiring properties in the limited target had become increasingly difficult due to NSP eligibility requirements, limited supply available for sale as well as increased competition from other buyers. Expanding the target area allowed SNRHA to speed up the acquisition process. In addition to 15 scattered site homes in the Winchester area, SNRHA was able to acquire an additional 24 multi-family units in the expanded target area. However, in order to quickly acquire properties, SNRHA had to be less selective in terms of the condition of the various properties which resulted in increased rehabilitation costs. As a consequence, SNRHA has requested up to an additional $750,000 in NSP3 funds for expenses associated with the acquisition of the additional units and program wide higher than anticipated rehabilitation costs for a total allocation of $6,262,500.

Staff is recommending that the Board approve amending the NSP3 Interlocal Agreement with SNRHA to allocate additional NSP3 funds. Because all of the initial NSP3 funds have been previously allocated to projects, the additional funds will be allocated from earned NSP3 program income. Additionally, it is proposed to permit SNRHA's residual NSP administration funds (approximately $80,000) to be applied to direct program costs.

The SNRHA has provided a modified projected budget and schedule to complete the project. Staff recommends extending the deadline to expend funds from September 30, 2013, to October 30, 2013. All other provisions of the Interlocal Agreement are to remain the same.

The Board of Commissioners has final authority over the allocation of these funds, subject to the County meeting HUD requirements, including providing public notice of intent to amend the NSP3 Substantial Amendment and Action Plan. Should you have any questions on these projects, please contact Michael Pawlak, Manager, Community Resources Management Division.

DONALD G. BURNETTE
County Manager

SECOND AMENDMENT TO THE INTERLOCAL AGREEMENT TO GRANT NEIGHBORHOOD STABILIZATION PROGRAM THIRD ROUND (NSP3) FUNDS TO THE SOUTHERN NEVADA REGIONAL HOUSING AUTHORITY (CFDA # 14.218)

WHEREAS, Title III of Division B of the Housing and Economic Recovery Act of 2008, hereinafter referred to as "HERA", authorized the Neighborhood Stabilization Program, hereinafter called "NSP", to facilitate the purchase of foreclosed or abandoned homes and to rehabilitate, rent, or redevelop these homes in order to stabilize neighborhoods and stem the decline of house values of neighboring homes; and

WHEREAS, Section 1497 of the Wall Street Reform and Consumer Protection Act of 2010 (Pub. L. 111-203 (July 21, 2010)) (Dodd-Frank Act) authorized a third round of Neighborhood Stabilization Program funds otherwise known as "NSP3"; and

WHEREAS, Clark County, Nevada, hereinafter called "the County", has entered into a Grant Agreement for the receipt of funds with the United States Department of Housing and Urban Development, hereinafter referred to as "HUD", for participation in NSP3; and

WHEREAS, the County, as the Entitlement Grantee for NSP3, is responsible for the planning, administration, implementation, evaluation, monitoring and compliance of NSP3; and

WHEREAS, these grant funds are to be considered Community Development Block Grant funds, hereinafter referred to as "CDBG", to which CDBG regulations apply, except where specific differences are identified in HERA and the Dodd-Frank Act; and

WHEREAS, the County is responsible for planning, administering, implementing, and evaluating the County's NSP3 Program to ensure it complies with statutory and regulatory provisions governing the CDBG program, including those at 24 CFR Part 570 for CDBG entitlement communities; and

WHEREAS, on October 18, 2011 following board approval, the County entered into the INTERLOCAL AGREEMENT TO GRANT NSP3 FUNDS TO THE SOUTHERN NEVADA REGIONAL HOUSING AUTHORITY, hereinafter referred to as "Agreement", wherein the County agreed to provide a total of $5,512,500 in Federal NSP3 funds to the Southern Nevada Regional Housing Authority to administer an Acquisition, Rehabilitation, Rental program; and

WHEREAS, on September 18, 2012, the Board amended the Agreement in order to expand opportunities for property acquisition using NSP3 funds in order to meet the expenditure deadlines set forth by HUD; and

WHEREAS, the Southern Nevada Regional Housing Authority, hereinafter referred to as "Subrecipient", is organized as a regional housing authority pursuant to Assembly Bill 478, amending NRS Chapter 315; and

WHEREAS, Subrecipient is currently administering affordable rental programs, including the County NSP3 Acquisition, Rehabilitation, Rental program; and

WHEREAS, the County wishes to make a second amendment to the Agreement to allocate up to $750,000 in additional NSP3 program income funds to complete the project, to permit residual administrative funds to be applied to direct project costs and to extend the deadline to expend funds to October 30, 2013; and

WHEREAS, pursuant to NRS 277.180, the County may enter into interlocal contracts with other public agencies for the performance of any government service, activity or undertaking which any of the public agencies entering into the contract is authorized by law to perform; and

WHEREAS, pursuant to NRS 315.440, Subrecipient is authorized to cooperate with the County in action taken in connection with housing projects; and

WHEREAS, the County and Subrecipient are individually authorized by law to engage in housing and community development activities.

NOW, THEREFORE, it is agreed between the County and Subrecipient as follows:

I. Section I.A of the Agreement is amended to provide:

Subject to the actual receipt of NSP3 funds, the County will provide SIX MILLION TWO HUNDRED AND SIXTY-TWO THOUSAND FIVE HUNDRED DOLLARS ($6,262,500) in Federal NSP3 funds to assist with the Program, as described in Exhibit "A", attached hereto and incorporated herein as if fully set forth. The Program will include the acquisition, rehabilitation and rental of a minimum of thirty-nine (39) NSP3-assisted properties (hereinafter "Property" or "Project") as more fully described in Exhibit "A". The individual homes will be rented to households with incomes at or below 50% of the area median income (hereinafter "Participant") as determined annually by HUD and as detailed in Exhibit "B".

Included in the above amount, the County will also provide up to TWO HUNDRED SIXTY- TWO THOUSAND AND FIVE HUNDRED DOLLARS ($262,500) in NSP3 Grant Administration funds for eligible administrative expenses incurred in the delivery of the program. Upon written request, the CRMD Manager may approve that any portion of administrative funds be applied to direct project costs. The total award to the Subrecipient will be an amount not to exceed SIX MILLION TWO HUNDRED AND SIXTY-TWO THOUSAND FIVE HUNDRED DOLLARS ($6,262,500).

II. Section V. A of the Agreement is amended to provide:

Subrecipient agrees to obligate the funds provided herein by June 30, 2013 and to expend the funds by October 30, 2013. It is understood by the Subrecipient that any NSP3 funds not obligated or expended during this time will revert back to the County. A ninety (90) day extension of these deadlines may be authorized by Clark County's Manager of Community Resources Management Division if additional time is necessary to complete the Program, if the extension of time conforms to the grant timeliness requirements set forth by HUD, and the extension of time will not jeopardize any other activity, project or funding source of the County. The Subrecipient must request an extension in writing and describe the extenuating circumstances and compelling evidence that the requirements of this Interlocal Agreement will be completed during the extended period. The term of this Interlocal Agreement and the provisions herein shall be extended to cover any additional time period during which the Subrecipient is responsible for NSP3 reporting or compliance measures or remains in control of NSP3 funds or assets.

All other provisions of the Agreement not inconsistent with this Amendment shall remain in effect.

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PASSED, ADOPTED and APPROVED this 4th day of June, 2013.

BOARD OF COUNTY COMMISSIONERS
CLARK COUNTY, NEVADA

By: ______________________
STEVE SISOLAK, CHAIRMAN

ATTEST:

____
DIANA ALBA, COUNTY CLERK

APPROVED AS TO FORM ONLY:

STEVEN B. WOLFSON
DISTRICT ATTORNEY

By: ______________________
STEVEN SWEIKERT
DEPUTY DISTRICT ATTORNEY

PASSED, ADOPTED and APPROVED this 20th day of June, 2013.

SOUTHERN NEVADA REGIONAL HOUSING AUTHORITY

By: ______________________________

FR. DAVE CASALEGGIO, CHAIRPERSON

ATTEST:

____

JOHN HILL, EXECUTIVE DIRECTOR

APPROVED AS TO FORM ONLY:

By: ______________________________

THEODORE PARKER, III, LEGAL COUNSEL

PARKER, NELSON & ASSOCIATES, CHTD