

AMENDMENT NO 1 TO THE  
INTERGOVERNMENTAL AGREEMENT  
BETWEEN  
MARICOPA COUNTY  
ADMINISTERED BY ITS  
HUMAN SERVICES DEPARTMENT  
AND  
CITY OF PEORIA

- I Maricopa County ("County") administered by its Human Services Department and the City of Peoria ("City") entered into a financial Intergovernmental Agreement ("Agreement") on or about November 17, 2021. The Agreement term began December 12, 2021, through September 30, 2025. The County and the City may be referred to individually as the "Party" and collectively referred to as the "Parties."

The purpose of the Agreement is for the City to create first-time homebuyer opportunities for low- to moderate-income families in Peoria. The City is responsible for completing 2 (two) Work Statements: 2020 Work Statement and 2021 Work Statement. The County provided the City with \$467,878 in HOME Investment Partnerships Program (HOME) funds from the U.S. Department of Housing and Urban Development (HUD), Assistance Listing Number (ALN) 14 239. All work performed or costs incurred or expended shall be reimbursable through September 30, 2025. The Work Statements include:

- 2020 Work Statement – the City shall construct two (2) new affordable homes for low-income families to purchase. The County provided the City with \$235,817 in Program Year (PY) 2020 funding.
- 2021 Work Statement – the City shall acquire and rehabilitate two (2) additional single-family homes for low-income families to purchase. The County provided the City with \$232,061 PY2021 funding.

- II The Parties agree to enter into this Amendment No. 1 to amend the Agreement as follows:

- A Change Lead Agency Maricopa County  
Representative Shawn Pierce, Deputy Director Human Services Department  
Phone 602-506-5006  
E-Mail [shawn.pierce@maricopa.gov](mailto:shawn.pierce@maricopa.gov)  
Address 234 North Central, 3<sup>rd</sup> Floor Phoenix AZ 85004
- B Section 2 (Special Provisions), Subparagraph 14.0 (Additional Certifications, Warranties, And Agreements), is amended by adding a subsection 14.12 to read as follows:  
14.12 Consistent with the requirements set forth in A.R.S. § 35-394, the City will ensure that both itself and all of its subcontractors utilizing HOME Program funds will not use the forced labor of ethnic Uyghurs in the People's Republic of China, or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China.
- C Revise Section 3 (Work Statement) to address additional Work Statement activities:  
1 Add an additional Work Statement hereinafter referred to as "2022 Work Statement", attached and incorporated into the Agreement.

LCON 06921A

2022 Work Statement - the City shall acquire and rehabilitate two (2) single-family houses for two (2) low-income, first-time homebuyers to purchase. If the City has completed the required Environmental Review, expenditures may be retroactive to July 1, 2022. All work performed, or costs incurred expenses shall be reimbursable through September 30, 2025. The City shall contribute \$5,000 of Program Income towards Work Statement activities. The County shall provide the City with \$275,546 for the Work Statement activities. The funding for the 2022 Work Statement is provided by PY22 HOME Investment Partnerships Program (HOME) through the U S Department of Housing and Urban Development (HUD) funds, under ALN 14 239

- D Under the Amended Agreement, funding provided by the County shall therefore be increased from \$467,878 to \$743,424 in total HOME funds
- III Section II above contains all the changes made by this Amendment No 1. All other terms and conditions of the Agreement shall remain the same and in full force and effect as approved
- IV The Parties have authorized the undersigned to execute this Amendment No 1 on their behalf, and it shall be effective upon approval and signature by both Parties

IN WITNESS, the Parties have approved and signed this Amendment No 1

FOR CITY OF PEORIA:

[Redacted Signature]

Cathy Carral  
Mayor Date



Attestation

[Redacted Signature]

Lon Dyckman  
City Clerk Date

FOR MARICOPA COUNTY:

[Redacted Signature]

Bill Gates  
Chairman, Board of Supervisors Date

Attestation

[Redacted Signature]

Juanita Garza  
Clerk, Board of Supervisors Date

IN ACCORDANCE WITH A R S §§ 9-240 and 11-952, THIS AMENDMENT NO 1 HAS BEEN REVIEWED BY THE UNDERSIGNED ATTORNEY WHO HAS DETERMINED IT IS PROPER IN FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO THE CITY OF PEORIA UNDER THE LAWS OF THE STATE OF ARIZONA

APPROVED AS TO FORM

[Redacted Signature]

Attorney for the City Date

IN ACCORDANCE WITH A R S §§ 11-201, 11-251, AND 11-952, THIS AMENDMENT NO 1 HAS BEEN REVIEWED BY THE UNDERSIGNED ATTORNEY WHO HAS DETERMINED IT IS PROPER IN FORM AND WITHIN THE POWERS AND AUTHORITY GRANTED TO MARICOPA COUNTY UNDER THE LAWS OF THE STATE OF ARIZONA.

APPROVED AS TO FORM

[Redacted Signature]

Deputy County Attorney Date

LCON 06921A

**2022 Work Statement**

**MARICOPA COUNTY  
Acquisition and Rehabilitation of Single-Family Houses  
HOME Investment Partnerships Program  
Program Year 2022**

**Consortium Member:** City of Peoria, Arizona  
**Activity Type:** Homebuyer  
**Project:** Peoria Community Land Trust Program-Acquisition, Rehabilitation and Resale  
**Funding:** \$275,546 (\$258,324 EN and \$17,222 AD)  
**Type of Property:** Single-Family

**1.0 FUNDING:**

PROGRAM YEAR	ENTITLEMENT	ADMINISTRATION	PROGRAM INCOME (PI) <small>(non-reimbursable, IDIS draw only)</small>	TOTAL BUDGET
PY 2022	\$258,324	\$17,222	\$5,000	\$280,546

**2.0 SCOPE OF WORK**

2.1 Project Description The City will acquire and rehabilitate two (2) single-family houses in the City of Peoria. This project is a scattered-site single-family homeownership project. Funds will be paid to the City only after it has met the commitment requirements as set forth in 24 C F R § 92.2 (1) and (2), respectively, and is prepared to commence rehabilitation within twelve months.

Funds for rehabilitation are obligated by completing a detailed set of specifications (work write-up) and completing a detailed rehabilitation cost estimate based upon those specifications. The cost estimate may include a contingency for construction change orders. The developer must inspect each property prior to occupancy and at project completion to ensure compliance with applicable standards and codes. Each property must be free from any defects that pose a danger to the health and safety of occupants and must meet written rehabilitation standards and local codes and ordinances at project completion. Copies of the final inspection report must be retained in the project files and submitted to the City upon submitting a completion report.

When the property is re-sold to a new low-income homebuyer, the developer will self-certify to the City that the property meets health and safety standards, written rehabilitation standards, and local codes and ordinances.

Completed homes will be sold to eligible low-income first-time homebuyers. Properties will be acquired using the developer's line credit, following completion of environmental review requirements.

In addition to the requirements set forth in Section 4 (Compensation), the developer will execute a Deed of Trust and Note provided by the Administrator and naming the City as the Beneficiary in order to secure any funds provided to the developer as reimbursement for acquisition costs

Upon sale of the property to an eligible buyer, the Administrator will provide a Deed of Release and Re-conveyance (By Beneficiary) for the secured acquisition funds

Resale provisions will be used to ensure compliance with the period of affordability required by HUD at 92.254 of the HOME regulations. The affordability restrictions shall be secured by a Community Land Trust Ground Lease and a Declaration of Affirmative Land Use Restrictions

Completed units shall be sold through the CLT program and under which the buyer shall purchase only the improvements and shall enter a 99-year CLT Ground Lease. The CLT Ground Lease shall contain provisions that require that the housing to be used as the buyer's principal residence. The Ground Lease also shall restrict resale/transfer only to Low-Income buyers. In addition, the CLT Ground Lease shall contain a shared appreciation provision that limits the sale price of the housing and helps ensure affordability for future buyers. A Memorandum of Ground Lease and Right of First Refusal shall be recorded. A "Performance" Deed of Trust also shall be recorded with the developer as the beneficiary, this is to ensure the developer is notified in the event the owner of the home attempts to refinance or transfer the property.

The shared appreciation provision shall conform to Maricopa HOME Consortium's Recapture/Resale Provisions. "Fair Return" for leasehold properties is defined as the homebuyer's purchase price, plus 25% of the homebuyer's share of the increase in leasehold value at time of resale based on a leasehold valuation performed by a duly licensed appraiser.

Upon sale to an eligible homebuyer, a Declaration of Affirmative Land Use Restrictive Covenant for HOME Project shall be executed between the City and the developer and recorded against the land to secure the Period of Affordability as required by HUD. The Period of Affordability shall be based on the total amount of HOME funds invested in the housing.

Eligible buyers will be required to complete an approved homebuyer education class and homeownership counseling. Eligible buyers also will be required to complete a CLT orientation, at which time the ground lease, resale restrictions, shared equity, and all other provisions of the CLT program shall be fully explained.

- 2.2 Project Purpose The Project will create homeownership opportunities for a low- to moderate-income household that is rated as a high priority in the Consolidated Plan

- 2.3 Project Beneficiaries Two (2) first-time homebuyers at or below 80% of the area median income will benefit from this Project. Beneficiaries' income eligibility will be verified by the City's staff and will comply with 24 C F R § 92.203(d)(1)
- 2.4 Eligible homebuyers will be required to complete an approved homebuyer education class and homeownership counseling
- 2.5 Project Staff The City shall maintain staff qualified to perform the duties of the project. The City shall immediately notify the County regarding any changes in staff committed to the project. The County reserves the right to review the qualifications of new staff committed to the project after the execution of this Agreement. The City will be responsible for all communications with the Maricopa HOME Consortium, providing all updates and as needed reporting. In addition, any complaints will be the responsibility of the City
- 2.6 Subcontractors The City will oversee every aspect of the project. This oversight includes, but is not limited to, day-to-day operations, preparing budgets, managing the budget, timeline, and change orders, issuing a Request for Proposal and selecting the general contractor and Subcontractors. The City shall select Subcontractors in accordance with the Administrative Requirements of this Agreement. The City shall contract with responsible and qualified Subcontractors to perform the duties of the project. The City shall verify the qualifications of each Subcontractor through license verification, references, and SAM.gov
- 2.7 Project Affordability The family or individual acquiring the housing must qualify as low-income, as defined in 24 C F R § 5.609, and maintain the housing as the principal residence throughout the period of affordability, which shall be for a period of 15 years from the date that the completion report is entered into HUD's Integrated Disbursement and Information System (IDIS). Resale provisions will be used to ensure compliance with the period of affordability required by HUD at 24 C F R § 92.254 of the HOME regulations

Upon sale to an eligible buyer, a Declaration of Affirmative Land Use Restrictions (LURA) will be executed to secure the Period of Affordability and require the housing to be used as the buyer's principal residence, as required by HUD. The LURA will include a due on sale clause to ensure that funds are recaptured if the property is sold during the Affordability Period

**3.0 OBJECTIVES AND OUTCOMES:**

OBJECTIVE	OUTCOMES		
	AVAILABILITY/ ACCESSIBILITY	AFFORDABILITY	SUSTAINABILITY
<b>DECENT HOUSING</b>	<input type="checkbox"/> Single-Family Housing Rehab and Emergency Rehab, Homebuyer Assistance	<input checked="" type="checkbox"/> Homebuyer Activities, Acq/Rehab of rental housing, Acq/New Construction of rental housing, Expansion of assisted rental units in the private marketplace	<input type="checkbox"/> Housing Activities in a targeted revitalization area

**4.0 LOGIC MODEL: PERFORMANCE INDICATORS:**

INPUTS/ RESOURCES	OUTPUTS		OUTCOMES	OBJECTIVES
	ACTIVITIES	PARTICIPATION		
Development Staff, Funding and Contractors	Acquire and rehabilitate two (2) units of Affordable Housing to be held in the CLT	Two (2) Households	Increased affordable housing for a low-income family Increased homeownership Improved neighborhoods and quality of life	Decent and affordable housing

**5.0 PERFORMANCE REPORTING GOALS/TIMELINE OF ACTIVITIES:**

MILESTONES: Tasks to be Performed	COMPLETION DATE
Application/market study	January 2022
Execute City Agreement with Maricopa County	December 2022
Environmental Review approval	January 2023 – December 2023
Acquisition of properties	February 2023 – June 2024
RFP for rehabilitation activities	March 2023 – August 2024
Homeownership counseling/buyer preparation	March 2023 – August 2024
Rehabilitation	June 2023 – October 2024
Sale of Unit	June 2023 – October 2024
Homebuyer financing secured	June 2023 – October 2024
Expend Proceeds	January 2024 – October 2024
Final Close-out /Project Completion Form	December 2024

Any change to the Timeline will need to be approved by the County

**6.0 ACTIVITY BUDGET SUMMARY:**

ACTIVITY	PY 2022 HOME FUNDS	OTHER RESOURCES Table 7 & 8	TOTAL ACTIVITY BUDGET
Acquisition	\$258,324	\$650,276	\$908,600
Rehabilitation		\$60,000	\$60,000
Developer Fee		\$80,000	\$80,000
Closing costs		\$20,000	\$20,000
Other Soft Costs		\$5,000	\$5,000
Administration-City of Peoria	\$17,222		\$17,222
<b>TOTALS</b>	<b>\$275,546</b>	<b>\$815,276</b>	<b>\$1,090,822</b>

Note A total of \$3,000 per activity will be withheld as retainage from the total amount of HOME funds obligated to each activity until a completion report is submitted to the County

**7.0 SOURCE AND AMOUNT OF OTHER RESOURCES**

OTHER RESOURCES	AMOUNT
City of Peoria Program Income	\$5,000
Newtown Line of Credit	\$810,276

**8.0 ACTIVITY MATCH:**

AMOUNT	FORM OF MATCH	SOURCE
\$65,831	WISH / IDA Match Funds	Federal Home Loan Bank of SF

*Match commitment must equal 25% of the HOME funds requested Documentation is due at the time of each request for payment*

**9.0 SALES PRICE:**

9 1 To ensure the homes are affordable for the target income group, the sales price shall be calculated so that each buyer's monthly housing expenses (including principal, interest, property taxes, and home insurance) does not exceed 35% of the homebuyer's gross monthly household income, unless there are documented compensating factors In addition, the housing will have an initial purchase price or estimated after rehabilitation that does not exceed 95% of the median purchase price for the area, as described in 24 C F R § 92 254 (a)(2) Refer to Attachment 3 to this Agreement

9 2 The homebuyer must obtain a mortgage loan with a fixed term and interest rate and lender fees may not exceed 5% of the mortgage amount The income of the homebuyer shall be determined according to the requirements at 24 C F R § 92 203

**10.0 PROGRAM INCOME:**

All proceeds generated from the development activities shall be considered Program Income and subject to the Program Income requirements set forth in HOME Program regulations as defined in 24 C F R § 92 Program Income shall be retained and expended by the City for the acquisition and rehabilitation of additional properties under this Agreement Program Income shall be tracked by the City and reported to the County with each Request for Reimbursement and at the request of the County

**11.0 CONVERSION TO RENTAL:**

If the home has not been sold to an eligible homebuyer within nine (9) months after the receipt of a Certificate of Occupancy, then it must be converted to a HOME rental unit that complies with all HOME requirements for the period of affordability applicable to such rental units, according to 24 C F R § 92 254(a)(3) If the vacant property is not converted, then HOME funds must be repaid to the County