

## MEMORANDUM OF UNDERSTANDING

RE: Community Development Block Grant – Administration  
Gila County – City of Globe  
FY-2009 CDBG Application – Housing Rehab, Activity #2

This memorandum is written in compliance with the Intergovernmental Agreement between the County of Gila and City of Globe ("IGA") dated the 23<sup>rd</sup> day of September 1992, and recorded in Docket 886, pages 201-206.

The City has applied for Community Development Block Grant funds for housing rehabilitation within the City. A copy of said grant application with supporting documents, is attached hereto and by reference made a part hereof as Exhibit "A". Said documents include the grant, cover sheet, the summary sheet, activity budget sheets, activity description, census information, maps, application certifications and resolutions of the City of Globe. The County, through its Community Services Division, has participated in the preparation of said documents and is prepared to assist the City in the administration of the grant to comply with all obligations imposed upon the City when grant funds are received, all in conformance with the IGA which is fully incorporated herein. The City will receive and disburse funds from the grant pursuant to an IGA with the Governor's Office of Housing Development and will be required to comply with rules and regulations with regard to the receipt, disbursement, and close-out of said funding program.

- A) Pursuant to all the provisions of the IGA, the City will:
1. Complete and file service area Environmental Review Report (ERR).
  2. Market grant funds by notifying public of purpose and availability.
  3. Disburse funds in compliance with the grant obligation.
  4. Provide services for grant close-out.
- B) Pursuant to the IGA, the County, through the Community Services Division, will provide professional, technical assistance, as well as inspections for rehabilitation services anticipated under the grant. The County will also:
1. Provide assistance in administration and keep the City staff informed of all requirements regarding receipt and maintenance of grant funds.
  2. Be responsible for intake, ERR for each specific structure, specifications and bids, rehabilitation, and approval of all project related costs prior to payment by the City.
  3. Provide final inspection and approval for approximately three (3) housing rehabilitation projects anticipated under the grant funds.
  4. Review and comply with all provisions of any rules or regulations of the Governor's Office of Housing Development or Intergovernmental Agreement related to the CDBG funds received.
  5. Notify the City of any need to take action pursuant to the City's obligations under any Agreement with Housing or applicable rules or regulations.

6. Administer the grant project to insure compliance with all CDBG and Governor's Office of Housing Development requirements.
7. Keep a copy of all warranty information in project file for each approved and completed project.

As full and complete compensation, the County shall be paid \$15,000.00 for administration of the grant and the sum of \$23,095.00 for rehabilitation services provided pursuant to this Agreement. The County shall be paid in installments upon billing and approval by the City Financial Advisor, Teresa Williams, based on a percentage of completion of the services provided in compliance with CDBG requirements.

The remaining obligations of the County and City shall be as provided in the IGA of September 23, 1992, which is fully incorporated herein.

DATED this 23<sup>d</sup> day of March, 2011.

  
\_\_\_\_\_  
Kane Graves, City Manager  
City of Globe

\_\_\_\_\_  
Community Services Division

Michael A. Pastor  
\_\_\_\_\_  
Printed Name

Chairman, Gila County Board of  
\_\_\_\_\_  
Title Supervisors

\_\_\_\_\_  
Date

Approved as to form:

\_\_\_\_\_  
Signature

Bryan B. Chambers  
\_\_\_\_\_  
Printed Name

Chief Deputy County Attorney  
\_\_\_\_\_  
Title

\_\_\_\_\_  
Date





**FORM 2**  
**COMMUNITY DEVELOPMENT BLOCK GRANT**  
**GENERAL ADMINISTRATION SUMMARY**

1. Applicant: City of Globe

ITEM		a. CDBG \$	b. Non-CDBG \$*	c. Total
2. TAAP. Total costs for COG Technical Assistance and Application Preparation, as per local government/ COG Agreement		\$5,000		\$5,000
3. Salaries, Wages, Fringe Benefits	% or Hours			
3.1 Position #1 Title: Administrative Asst	7 %	\$15,000		\$15,000
3.2 Position #2 Title:				
3.3 Position #3 Title:				
3.4 Position #4 Title:				
4. Professional Services (Contractual)				
4.1 For:				
4.2 For:				
4.3 For:				
5. Travel		\$100		\$100
6. Office Supplies and Equipment		\$100		\$100
7. Advertising/Publications		\$100		\$100
8. Indirect Costs (% documented by cost allocation plan)				
9. Other Operating Expenses (specify)				
9.1 Item 1:				
9.2 Item 2:				
9.3 Item 3:				
9.4 Other (Fair Housing, Section 504, etc.)		\$100		\$100
10. TOTALS		\$20,400		\$20,400

\* Indicate in parentheses if the amount is Leverage (L), Program Income (PI), or Other (O). If the amount is a mixture of different types of funds, indicate the amount for each type.

11. a. Indicate who will be in charge of the financial record keeping (give name and title):  
 Teresa Williams, Globe Finance Director

b. Provide the street address for the location of the financial records:  
 150 N. Pine Street, Globe, AZ 85501





**FORM 3**  
**COMMUNITY DEVELOPMENT BLOCK GRANT**  
**ACTIVITY BUDGET**

1. Applicant: City of Globe	2. Activity Name: Owner Occupancy Housing Rehab		
	<b>a.</b> CDBG \$	<b>b.</b> Non-CDBG \$	<b>c.</b> TOTAL \$
3. Environmental Review Record Check box if included in Administration <input checked="" type="checkbox"/>	\$0.00		\$0.00
4. Design/Engineering/Inspection (or other Professional Services related to project)  Previously Procured <input type="checkbox"/> Procure <input type="checkbox"/> In-House <input type="checkbox"/>			
5. Construction Contract Work (include materials and DB wage rates)	\$93,151.00		\$93,151.00
6. Fixed Asset Equipment			
7. Land Acquisition (includes easements) ( <i>must comply with the Uniform Relocation Act</i> )			
8. Rehabilitation Services (if this exceeds 20% of total activity costs, attach a rationale) Procure <input checked="" type="checkbox"/> In-House <input type="checkbox"/>	\$23,095.00		\$23,095.00
9. Other (specify or attached as page ):  			
10. For City/Town, County or Other Construction			
10.1 Purchase of materials			
10.2.a Employees (documentation attached as page regarding number of employees, wages, number of hours, etc.)			
10.2.b Offenders			
10.2.c Volunteers			
10.3 Equipment (Use vs. Purchase) (documentation attached regarding rental rates, number of hours to be used, type of equipment, etc.)			
10.4 Other (attached as page )			
<b>11. TOTALS</b>	<b>\$116,246.00</b>		<b>\$116,246.00</b>



**FORM 8**  
**COMMUNITY DEVELOPMENT BLOCK GRANT**  
**ACTIVITY DESCRIPTION:**  
**HOUSING ACTIVITIES**

1. **Applicant:** City of Globe

2. **Activity Name:** Owner Occupancy Housing Rehab

3. **Map(s) attached as page(s)** 14,15,16

Examples of eligible housing activities include: private housing rehabilitation, public housing rehabilitation and modernization, infrastructure in support of new housing, new construction by eligible sub-recipients, housing services, property acquisition or conversion.

4. **Type of Housing Activity (check all which apply):**

- a.  Single family unit, owner-occupied residential rehabilitation (Housing Rehab Guidelines required)
- b.  Residential rental rehabilitation, one or two units (one of which must be occupied by low and moderate income persons) (Guidelines required)
- c.  Residential rental rehabilitation, more than two units (51% low and moderate income persons)
- d.  New housing construction (only eligible if executed by a sub-recipient)  
Proforma attached as page
- e.  Acquisition or conversion of property for housing  
Proforma attached as page
- f.  Housing services
- g.  Lead-based paint hazard evaluation and reduction
- h.  Infrastructure related to a proposed housing project  
Proforma attached as page
- i.  Home Ownership Assistance (Home Ownership Assistance Guidelines required)
- j.  NRS Area (If the activity will take place in an approved NRS area, persons do not need to be income qualified. However, the applicant must also complete Form 13 and attach to application as page .)
- k.  Commercial Rehabilitation
- l.  Other (describe):

5. **WHAT ARE YOU GOING TO DO?**

Describe the activity and what is intended to be accomplished. See instructions.

**This activity is rehabilitation of single-family owner occupied housing units. The program will be conducted within the incorporated limits of the City of Globe and will serve approximately three (3) homes and approximately 6 low-to- moderate income persons. See attached waiting list (page 59). Gila County Rehabilitation Services will provide the services to complete this project. They will be responsible for maintaining the records and conducting the income qualifying and verification of income with each applicant. Any owner occupied rehabilitation project that exceeds \$15,000, including change orders, shall be provided to the participant in the form of a forgivable non-interest bearing deferred payment loan. All assistance \$14,999 and below shall be in the form of a grant. No more than \$40,000 of CDBG funds will be**

spent on each house. These services will bring the houses up to HUD Standards by utilizing the HUD Housing Quality Standards and following the CDBG and the City of Globes Rehabilitation Standards. Competitively procured Contractors that are qualified licensed contractors according to the CDBG and City purchasing policies will complete all construction. Improvements will benefit approximately 6 persons, of whom about 100% or 6 are low and moderate income

