



*Rush*

Contract# 20210625

### City of Springfield Contract Tracer Document

The purpose of this document is to provide continuous responsibility for the custody of CONTRACTS during the processing period.

**INSTRUCTIONS:** Upon receipt, please initial and write in the date of receipt. When your department has approved and signed the contract, please initial and date in the forwarding section and deliver to the next department.

DEPARTMENT	DATE RECEIVED		DATE FORWARDED TO NEXT DEPT.	
	Initials	Date	Initials	Date
Community Development			MB	3/29/21
City Comptroller	PSB	3-29-2021	PSB	3-29-2021
Law	PF	3-30	PF	3-30
CAFO	Ymm	3-31-21	Ymm	4-1-21
Mayor	LWC	4/1/21	LWC	4-1-21
City Comptroller				
Community Development				

*KB 3/29/21*

Vendor No.: 21697    Contract No.: *# 20210625*    Contract Date: 09/18/2020

Contract Amt.: \$16,154.25    Issue Date: 03/29/2020    Renewal Date:

Appropriation Code1: 26451815-530105-64516  
 Appropriation Code2:  
 Appropriation Code3:  
 Appropriation Code4:

Description of Funding Source: CDBG-NDR

Bid No.:                      Requisition No.: 21010343    PO No.:

Vendor Name: Diane Orson

Contract Type: CDBG-NDR Healthy Homes

Contract Purpose: Rehab of 6-8 Knox Street

Originating Dept.: Office of Disaster Recovery and Compliance

Expiration Date: 11/02/2025    Amendment Date:                      Extension Date:

TYPE OF DOCUMENT (Please select at least one):  
 New     Renewal     Amendment     Extension

*CD*

C# 20210625

**CITY OF SPRINGFIELD  
HEALTHY HOMES PROGRAM**

**REHABILITATION LOAN AGREEMENT  
FOR INVESTOR-OWNERS**

Whereas, the City of Springfield ("City") is providing financial assistance to Diane Orson ("Borrower") from the Healthy Homes Program in the amount of Sixteen Thousand One Hundred Fifty Four and 25/100 Dollars (\$ 16,154.25 ) to fund rehabilitation of the home located at 6-8 Knox Street, according to the terms of the agreed-upon Specs by Location/Trade, dated 09/18/2020 attached hereto as Exhibit B and in compliance with Massachusetts and City of Springfield building and health codes. The Healthy Homes program is funded by the federal Community Development Block Grant - National Disaster Resilience (CDBG-NDR) program.

**Now, therefore,** the parties agree as follows:

**Terms of the Loan**

Financial assistance is provided as a 0% interest, ten-year forgivable loan. As long as the Borrower complies with this Agreement, the principal amount of the loan shall be forgiven at an equal percentage rate of 10% per full year, plus 45 days until it is 100% forgiven after ten years, plus 45 days.

**Rental to Income-Eligible Household**

The Borrower must rent the unit(s) to an income-eligible household for a period of ten years, plus 45 days, following final payment to the contractor. In the event that the Borrower fails to make the unit(s) available to an income-eligible household for the ten-year loan term referenced above, the entire sum of the loan will become immediately due and payable.

The Borrower understands that if, during the ten-year loan term, part or all of the property is sold, transferred, or refinanced without the City's prior written consent, the City shall require payment of the amount of the loan outstanding at time of sale.

**Income-Eligibility**

Income-eligible households are those with income at or below 80% area median income (AMI). The AMI amount changes from year to year; the required income limits can be obtained from the Springfield Office of Housing.

The Borrower may not evict existing tenants without cause for a period of two years, following final payment to the contractor.

**Income Eligibility**

The Borrower certifies that he/she has provided complete, accurate, and current information regarding household income to demonstrate Borrower's eligibility to receive CDBG-NDR funds.

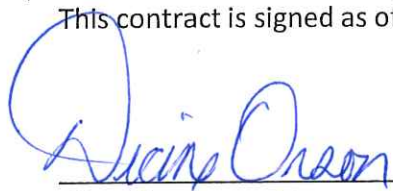
**Schedule**

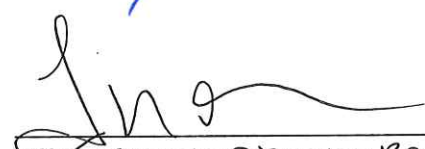
The City and the Borrower expect the rehabilitation and related activities to be completed within 150 days of the execution of this agreement.

**Enforcement**

The Borrower and the City acknowledge that the City has the right and responsibility to enforce this agreement.

This contract is signed as of the 28<sup>th</sup> day of February, 2021.

  
\_\_\_\_\_  
Diane Orson *FKA DIANE M GRECO*  
Borrower

  
\_\_\_\_\_  
Office of Housing Disaster Recovery  
CITY OF SPRINGFIELD

26451815-532005-64516 \$16,154.25

Approved as to Appropriation:

Approved as to Form:

  
\_\_\_\_\_  
Office of Comptroller  
CITY OF SPRINGFIELD

  
\_\_\_\_\_  
Law Department  
CITY OF SPRINGFIELD

APPROVED:

  
\_\_\_\_\_  
Chief Administrative and Financial Officer  
CITY OF SPRINGFIELD

  
\_\_\_\_\_  
Domenic J. Sarno, Mayor  
CITY OF SPRINGFIELD

CITY OF SPRINGFIELD  
HEALTHY HOMES PROGRAM

REHABILITATION LOAN AGREEMENT

List of Exhibits

Healthy Homes Rehabilitation Program Agreement

Exhibit A - Project Budget

Exhibit B - Itemized Repair Specs by Location/Trade

Exhibit C - Mortgage

Exhibit D - Promissory Note

Exhibit E - Section 3 Clause

Exhibit F - Tax Certification for Contracts

Exhibit G - Insurance Binder

**Exhibit A**

**Healthy Homes Rehab Project Budget**

Homeowner/Borrower: Diane Orson

Project Address: 6-8 Knox Street

<b>Project Budget</b>	<b>Amount</b>
Repair/Rehab	\$14,655.00
Lead Abatement	\$0.00
Lead Services	\$0.00
Relocation	\$0.00
Legal Fees	\$730.00
<b>Project Total</b>	<b>\$15,385.00</b>
Contingency (15%)	\$2,307.75
Sub-Total	\$17,692.75
Owner's 10% (Project Total)	\$(1,538.50)
<b>Total</b>	<b>\$16,154.25</b>

CITY OF SPRINGFIELD OFFICE OF HOUSING  
1600 EAST COLUMBUS AVE  
SPRINGFIELD, MA 01105

**Bid Proposal Form**

To: City of Springfield Date Submitted: 10/16/2020  
Sean Pham Property Address: 6-8 Knox Street

The following proposal is hereby submitted as per your request dated **October 16, 2020**. This bid covers all Work shown and/or specified in the bid documents received for this job, which are:

1. General Conditions 7 Pages, Dated 10/16/20
2. Work Write-Up 7 Pages, Dated 10/16/20
3. Code Violation Notice        Pages, Dated 10/16/20
4. Performance Manual        Pages, Dated 10/16/20
5. Addenda 1 to        Pages, Dated
6. Other

The undersigned, having become thoroughly familiar with the terms and conditions of the proposed Contract Documents and with local conditions affecting the performance and costs of the Work at the place where the Work is to be completed, and having fully inspection the site in all particulars, hereby proposes and agrees to fully perform the Work within the time stated and in strict accordance with the proposed Contract Document including furnishing of any and all labor and materials, and to do all work required to construct and complete said Work in accordance with the Contract Documents, for the total sum of money.

**Base Bid:**

All labor, materials, services, and equipment necessary for the completion of the Work:

Fourteen thousand and six hundred fifty five Dollars ( \$ 14,655.00 )

ADDITIONAL SUBMISSIONS

If awarded the Contract, the Bidder agrees to present the following documents to the Owner prior to the issuance of the Notice to Proceed: valid certificates covering Property Damage, Liability, and Workers' Compensation Insurance, all necessary building permits, and a Sworn Statement for Contractor and Subcontractor to Owner listing all of the subcontractors and subcontract amounts.

RETAINAGE

It is further agreed that if awarded this contract, 10% of all requested payouts will be retained until the project is completed to the approval of the Owner and all approving agents. Completion of this project will require **60 calendar days**. This proposal is valid for a period of 90 days.

TIME

Upon request by Our Program, contractor agrees to itemize any/or all aspects of this proposal on the attached form.

ALTERNATE ITEMS TO BID

NOTE: Failure to submit line prices for each individual alternate item may exclude your entire bid proposal.

<u>Item Number</u>		<u>Line Price</u>
1).....	<u>LEAD ABATEMENT REPAIRS</u> .....	\$ _____
2).....		\$ _____
3).....		\$ _____
4).....		\$ _____
5).....		\$ _____
6).....		\$ _____
	TOTAL	\$ _____

ADDITIONAL COMMENTS, RECOMMENDATIONS, SUBSTITUTIONS, ETC.:

Estimated Start Date: November 1, 2020

Estimated Completion Date: November 30, 2020

THE CONTRACTOR FURTHER PROPOSES THE FOLLOWING CHANGES, DELETIONS OR ADDITIONS TO THE WRITE-UP:

	<u>PRICE</u>
<u>N/A</u>	\$ _____
_____	\$ _____
_____	\$ _____

Contractor: RescueRED.com LLC

[Signature]  
Signature

Address: 195 Lake Ave  
Worcester, MA 01604

Phone: [Redacted] Manager  
Title

By my signature as a Contractor or agent of the Contractor, I swear that I have fully inspected the above noted property and have received all documents as listed on the Invitation to Bid and/or Bid Form.

Signature [Signature]

Title Manager

Company RescueRED.com LLC

Date 10/16/2020



# SPECS BY LOCATION/TRADE

9/18/2020

Pre-Bid Site Visit: 10-08-2020  
 Bidding Open Date: \_\_\_\_\_  
 Bidding Close Date: \_\_\_\_\_  
 Initial: \_\_\_\_\_

Case Number: Theodore Orson  
 Project Manager: Sean Pham  
 Phone: \_\_\_\_\_

Address: <u>6-8 Knox Street</u>	Unit: <u>Unit 01</u>
Location: <u>1- General Requirements</u>	Approx. Wall SF: <u>0</u> Ceiling/Floor SF: <u>0</u>

Spec #	Spec	Quantity	Units	Unit Price	Total Price
Trade: <u>1</u>	<u>General Requirements</u>				

**10 OWNER ACCEPTS SCOPE OF WORK** 1.00 DU \_\_\_\_\_

The undersigned applicant(s) certifies that he/she has participated in the development of this Work Write Up (WWU) with the "Date Inspected" date of \_\_\_\_\_ & referred to as Exhibit 1. After careful review the applicant understands & accepts the work described & has initialed & dated each page of this WWU.

x \_\_\_\_\_ x \_\_\_\_\_  
 Applicant      Date      Applicant      Date

**14 CONTRACTOR ACCEPTS SCOPE OF WORK** 1.00 DU \_\_\_\_\_

The undersigned contractor certifies that he/she has carefully reviewed & agrees to perform the work described in this Work Write Up (WWU) with the "Date Inspected" date of \_\_\_\_\_ & referred to as Exhibit 1. The contractor shall initial & date each page of the WWU.

x [Signature] 10-10-2020  
 Contractor      Date

**28 VENTILATION--ASHRAE 62.2-GENERAL REQUIREMENTS** 1.00 GR \_\_\_\_\_

This dwelling unit must have a ventilation system that meets ASHRAE 62.2 . See <http://www.ashrae.org/technology/page/548> and <http://www.buildingscience.com/documents/reports/rr-0502-review-of-residential-ventilation-technologies/>

**30 WALL NAMING PROTOCOLS** 1.00 EA \_\_\_\_\_

Walls and attached components shall be identified with the letters A, B, C & D. Wall A is always the wall that is closest to the address elevation or the "street side" of the house. Moving clockwise, the walls are then B, C, D.

To name components, for example, a window as a subset of 4 windows on the D wall, the first would window is Window D1. The last is window D4 moving in a clockwise direction. These locational markers may also be combined with the adjectives: left, right, upper, lower. For example: Replace the right side window casing at window D3.

**31 CONSTRUCTION DEFINITIONS** 1.00 GR \_\_\_\_\_

"Install" means to purchase, set up, test and warrant a new component. "Replace" means to remove and dispose of original material, purchase new material, deliver, install, test and warrant. "Repair" means to return a building component to like new condition through replacement, adjustment and recoating of parts. "Reinstall" means to remove, clean, store and install a component.

**32 SUBSTITUTION APPROVAL PROCESS** 1.00 GR \_\_\_\_\_

Any requests for substitutions of specified proprietary items must accompany the initial proposal and shall include: the manufacturer's specifications; full installation instructions and warranties. The agency and owner will notify the contractor of decision at contract award.

**34 LINE ITEM BREAKDOWN** 1.00 DU \_\_\_\_\_

The apparent winning bidders shall provide the owner with a line item cost breakdown within 3 working days of a request.

**35 VERIFY QUANTITIES/MEASUREMENTS** 1.00 GR \_\_\_\_\_

All Quantities stated in the attached specifications for this address using Units of Measure other than Each (EA), Room (RM) or Dwelling Unit (DU) (e.g. SF of Drywall) are for the contractor's convenience and must be verified by the contractor at a mandatory site inspection prior to bid submission. All quantities stated in the Units of Measure Each (EA), Room (RM) or Dwelling Unit (DU) are as stated. Discrepancies in Quantities found by the contractor must be communicated to the Housing Rehabilitation Specialist prior to the submission of a bid. Claims for additional funds due to discrepancies in Quantities shall not be honored if submitted after the bid submission.

Address: 6-8 Knox Street Unit: Unit 01

Location: 1 - General Requirements Approx. Wall SF: 0 Ceiling/Floor SF: 0

Spec #	Spec	Quantity	Units	Unit Price	Total Price
<b>Trade: 1 General Requirements</b>					
40	<b>ALL PERMITS REQUIRED</b> The contractor shall apply for, pay for, obtain and forward copies of the following indicated permits to the agency: _____ Plumbing; _____ Electric; _____ HVAC; _____ Building; <input checked="" type="checkbox"/> Zoning; _____ Lead Abatement; _____ Asbestos Abatement. CONTRACTOR MUST CHECK OFF ALL PERMITS THAT APPLY TOWARDS PROJECT	1.00	AL	_____	_____
45	<b>CONTRACTOR PRE-BID SITE VISIT</b> The contractor must inspect the property. Submission of a bid is presumptive evidence that the bidder has thoroughly examined the site and is conversant with the requirements of the local jurisdiction.	1.00	DU	_____	_____
55	<b>WORK TIMES</b> Contractors and their Subcontractors shall schedule working hours between 8:00am and 6:00pm Monday through Friday. Requests to work on weekends and before or after these hours must be approved by the homeowner.	1.00	GR	_____	_____
77	<b>NEW MATERIALS REQUIRED</b> All materials used in connection with this work write-up are to be new, of first quality and without defects - unless stated otherwise or pre-approved by Owner and Construction Specialist.	1.00	GR	_____	_____
78	<b>WORKMANSHIP STANDARDS</b> All work shall be performed by mechanics both licensed and skilled in their particular trade as well as the tasks assigned to them. Workers shall protect all surfaces as long as required to eliminate damage.	1.00	GR	_____	_____
85	<b>CLOSE-IN INSPECTIONS REQUIRED</b> Call the agency for inspection of all work that will be concealed from view before it is closed in. This type of inspection frequently includes, but is not limited to footings, roof sheathing & flashing prior to installation of new felt & shingles, and repaired framing & decking prior to installation of underlayment & floor coverings, prior to insulation and prior to drywall.	1.00	GR	_____	_____
90	<b>1 YEAR GENERAL WARRANTY</b> Contractor shall remedy any defect due to faulty material or workmanship and pay for all damage to other work resulting therefrom, which appear within one year from final payment. Further, contractor shall furnish owner with all manufacturers' and suppliers' written warranties covering items furnished under this contract prior to release of the final payment.	1.00	DU	_____	_____
<b>Location Total:</b>					_____

Location: 2 - Exterior Approx. Wall SF: 0 Ceiling/Floor SF: 0

Spec #	Spec	Quantity	Units	Unit Price	Total Price
<b>Trade: 4 Site Work</b>					
465	<b>TRIM BACK TREE BRANCHES</b> Cut and remove tree branches back from house to a min. 10' distance, to legal dump. LEFT SIDE OF HOUSE	1.00	EA	<u>1750</u>	<u>1750</u>
<b>Trade: 10 Carpentry</b>					
3522	<b>WOOD STAIR HANDRAIL--REPLACE EXT</b> Secure and tighten up existing railings. Install preservative treated code approved grabbable handrail supported by 4"x 4" treated posts, 4' on center. Rail to be free from cracks, splinters, and rough edges. Set first post in a 12"x 8"x 12" concrete sleeve, bolt remaining posts to stringer with 7" lags. FRONT STEPS AND #8 SIDE PORCH STEPS	18.00	LF	<u>40</u>	<u>720</u>
3560	<b>PORCH--REBUILD</b> Remove deteriorated porch. Construct 10" concrete piers, 2"x 10" joists with 1/2" tongue and groove flooring to support child-proof wood railing and 4"x 4" posts. Construct a preservative treated pine railing using 2"x 4" top and bottom rails, and 2"x 2" balusters face nailed 4" on center. Create a 3'6" high railing between 4"x 4" end posts. Install preservative treated code approved grabbable handrail supported by 4"x 4" treated posts, 4' on center. Frame opening with 1"x 4"	40.00	SF	<u>110</u>	<u>440</u>

Address: 6-8 Knox Street Unit: Unit 01

Location: 2 - Exterior Approx. Wall SF: 0 Ceiling/Floor SF: 0

Spec #	Spec	Quantity	Units	Unit Price	Total Price
--------	------	----------	-------	------------	-------------

Trade: 10 Carpentry

preservative treated pine with vertical members 24" on center. Install 1/4"x 2" pine lattice on frame. Structural lumber and deck shall be preservative treated.

#6 KNOX STREET

Trade: 15 Roofing

4567	ROOF--REPAIR SHINGLES	2.00	SQ	<u>400</u>	<u>800</u>
------	-----------------------	------	----	------------	------------

Carefully remove any damaged shingles without damaging any surrounding roof components. Replace missing or damaged shingles with matching shingles. When installing under existing shingles higher on the roof fasten the new shingles by gently prying up existing shingles. Add roofing felt under the repaired area as necessary to maintain a continuous layer maintaining a waterfall installation. The finished repair will be water tight.

FRONT OF HOUSE NEAR GUTTERS

Location Total: 5920

Location: 3 - #6 Kitchen Approx. Wall SF: 0 Ceiling/Floor SF: 0

Spec #	Spec	Quantity	Units	Unit Price	Total Price
--------	------	----------	-------	------------	-------------

Trade: 10 Carpentry

2980	WINDOW--VINYL DBL HNG DBL GLZ	1.00	EA	<u>425</u>	<u>425</u>
------	-------------------------------	------	----	------------	------------

Field measure, order and install a vinyl, double hung, double glazed, one-over-one window and jamb including screen, caulk, interior casing and exterior trim. Install half screen.

3765	COUNTER TOP--CUSTOM	1.00	AL	<u>50</u>	<u>50</u>
------	---------------------	------	----	-----------	-----------

Secure countertop to top of base cabinets with cabinets screws.

Trade: 16 Conservation

4811	WEATHERSTRIP DOOR--SPRING VINYL	1.00	EA	<u>90</u>	<u>90</u>
------	---------------------------------	------	----	-----------	-----------

Weatherstrip metal door with vinyl V-flex Polypropylene door jab weatherstripping with adhesive back such as M-D Building Products V-Flex Weatherstrip and a vinyl door sweep.

Location Total: 575

Location: 4 - #6 Living room Approx. Wall SF: 0 Ceiling/Floor SF: 0

Spec #	Spec	Quantity	Units	Unit Price	Total Price
--------	------	----------	-------	------------	-------------

Trade: 10 Carpentry

2980	WINDOW--VINYL DBL HNG DBL GLZ	1.00	EA	<u>425</u>	<u>425</u>
------	-------------------------------	------	----	------------	------------

Field measure, order and install a vinyl, double hung, double glazed, one-over-one window and jamb including screen, caulk, interior casing and exterior trim. Install half screen.

3065	DOOR--REWORK EXTERIOR	1.00	EA	<u>75</u>	<u>75</u>
------	-----------------------	------	----	-----------	-----------

Plane, sand, adjust and/or repair exterior door and jamb to assure weathertight, smoothly operating door and lock set. Install new door weatherstripping.

Trade: 23 Electric

7752	ENERGY STAR INTERIOR CEILING FIXTURE	1.00	EA	<u>150</u>	<u>150</u>
------	--------------------------------------	------	----	------------	------------

Install an Energy Star approved, flush mounted ceiling light fixture using a GU24 Base lamp such as the Efficient Lighting model EL-815-123-W.

IN FRONT OF STAIRCASE TO 2ND FLOOR

Address: 6-8 Knox Street

Unit: Unit 01

Location Total:

1050

Location: 6 - #8 Kitchen

Approx. Wall SF: 0

Ceiling/Floor SF: 0

Spec #	Spec	Quantity	Units	Unit Price	Total Price
<b>Trade: 10 Carpentry</b>					
3075	DOOR CASING--REPLACE	1.00	AL	<u>225</u>	<u>225</u>
Dispose of all cracked, split or damaged door casing. Install casing to match existing as closely as possible. Include drip cap.					
EXTERIOR DOOR TRIM					
3765	COUNTER TOP--CUSTOM	1.00	LF	<u>50</u>	<u>50</u>
Secure countertop to top of base cabinets with cabinets screws.					

**Trade: 19 Paint & Wallpaper**

5485	PREP & PAINT SURFACE--FLAT	144.00	SF	<u>5.15</u>	<u>742</u>
Remove or cover hardware and accessories not to be painted. Scrape loose, peeling, cracked and blistered areas. Clean oil, grease, fungus, dirt and dust from surfaces. Fill holes and cracks. Prime all new materials and spot prime existing with acrylic latex. Top coat with owner's choice of premixed acrylic latex. Replace or uncover hardware, fixtures and accessories.					
KITCHEN CEILING					

**Trade: 23 Electric**

7583	REPLACE RECEPTACLE WITH GFCI DEVICE	1.00	EA	<u>150</u>	<u>150</u>
Replace existing Defective Gfci receptacle with an Ivory surfaced mounted ground fault circuit interrupt receptacle with Ivory cover plate.					

Location Total:

1167

Location: 6 - #6 Bathroom

Approx. Wall SF: 0

Ceiling/Floor SF: 0

Spec #	Spec	Quantity	Units	Unit Price	Total Price
<b>Trade: 22 Plumbing</b>					
6880	COUNTERTOP--SECURE TO VANITY	1.00	EA	<u>50</u>	<u>50</u>
Secure existing countertop to top of vanity cabinet to prevent movement.					
7012	COMMODE--REPLACE--1.28 GPF	1.00	EA	<u>600</u>	<u>600</u>
Install a maximum 1.28 GPF white WaterSense® Certified, vitreous china commode tested through the latest edition of the "Maximum Performance" (MaP) testing project that has shown to score 800 or better on the MaP Flush Performance test (grams of solid waste removed in a single flush), such as the American Standard FloWise Compact Cadet 3 EL 2568.128. See the following link for the MaP Test Results: <a href="http://www.cuwcc.org/WorkArea/showcontent.aspx?id=14058">http://www.cuwcc.org/WorkArea/showcontent.aspx?id=14058</a>					
Include a manufacturer's approved plastic or pressed wood white seat, supply pipe, shut-off valve, and wax seal.					

**Trade: 23 Electric**

7823	EXHAUST FAN--CONTINUOUS MODULATING-MOTION DETECTOR SWITCH	1.00	EA	<u>750</u>	<u>750</u>
Replace existing fan. Install a ceiling mounted ENERGY STAR qualified exhaust fan fixture with a modulating DC motor capable of 80 CFM operating at less than .3 Sones, switched by a built in motion detector and night light, the capacity to run continuously at a preset CFM rating, a time delay feature for the boost setting, vented w/ damper to exterior. Install 4" galvanized metal duct (not flex duct) and vent to the exterior ideally through a wall or gable end using a 4" hooded vent with damper. All duct seams and connections shall be sealed with duct mastic. Insulate ductwork in unconditioned space with vinyl or foil faced R 8 minimum duct insulation. Slope duct runs to the exterior at 1/4" per foot. Repair any damage to the ceiling installation and air seal fan/light assembly to the ceiling with low VOC caulk. Set the continuous level of ventilation to meet ASHRAE 62.2 and set the time delay switch to 20 minutes.					

Address: 6-B Knox Street

Unit: Unit 01

Location Total: 1400

Location: 7 - # 8 Bathrooms

Approx. Wall SF: 0

Ceiling/Floor SF: 0

Spec #	Spec	Quantity	Units	Unit Price	Total Price
Trade: 19	Paint & Wallpaper				
5485	PREP & PAINT SURFACE--FLAT	55.00	SF	<u>5.15</u>	<u>283</u>
Remove or cover hardware and accessories not to be painted. Scrape loose, peeling, cracked and blistered areas. Clean oil, grease, fungus, dirt and dust from surfaces. Fill holes and cracks. Prime all new materials and spot prime existing with acrylic latex. Top coat with owner's choice of premixed acrylic latex. Replace or uncover hardware, fixtures and accessories.					
2ND FLOOR BATHROOM CEILING					

Trade: 22 Plumbing

6880	COUNTERTOP--SECURE TO VANITY	1.00	EA	<u>50</u>	<u>50</u>
Secure existing countertop to top of vanity cabinet to prevent movement.					
1ST FLOOR BATHROOM					
6930	SHOWER DIVERTER--SINGLE CONTROL	1.00	EA	<u>640</u>	<u>640</u>
Replace existing diverter with a new single lever, metal shower diverter and water saving shower head with 15 year drip-free warranty.					
2ND FLOOR BATHROOM					

Trade: 23 Electric

7555	COVER PLATE	1.00	EA	<u>10</u>	<u>10</u>
Install an ivory, metal receptacle, switch, or blank cover plate.					
MISSING LIGHT SWITCH COVER PLATE					
7823	EXHAUST FAN--CONTINUOUS MODULATING-MOTION DETECTOR SWITCH	1.00	EA	<u>750</u>	<u>750</u>
Replace existing fan. Install a ceiling mounted ENERGY STAR qualified exhaust fan fixture with a modulating DC motor capable of 80 CFM operating at less than .3 Sones, switched by a built in motion detector and night light, the capacity to run continuously at a preset CFM rating, a time delay feature for the boost setting, vented w/ damper to exterior. Install 4" galvanized metal duct (not flex duct) and vent to the exterior ideally through a wall or gable end using a 4" hooded vent with damper. All duct seams and connections shall be sealed with duct mastic. Insulate ductwork in unconditioned space with vinyl or foil faced R 8 minimum duct insulation. Slope duct runs to the exterior at 1/4" per foot. Repair any damage to the ceiling installation and air seal fan/light assembly to the ceiling with low VOC caulk. Set the continuous level of ventilation to meet ASHRAE 62.2 and set the time delay switch to 20 minutes.					
2ND FLOOR BATHROOM					

Location Total: 1733.

Location: 8 - #6 Bedrooms

Approx. Wall SF: 0

Ceiling/Floor SF: 0

Spec #	Spec	Quantity	Units	Unit Price	Total Price
Trade: 20	Floor Coverings				
5955	RESILIENT FLOORING--CUSTOM	185.00	SF	<u>10</u>	<u>1850</u>
Remove existing laminated floating flooring. Install new Vinyl plank laminated flooring per manufactures instructions with threshold molding and quarter round trim along baseboards. Including closet area.					
INCLUDING CLOSET AREA					

Location Total: 1850.

Location: 9 - # 8 Bedrooms

Approx. Wall SF: 0

Ceiling/Floor SF: 0

Address: 6-8 Knox Street Unit: Unit 01

Location: 9 - #8 Bedrooms Approx. Wall SF: 0 Ceiling/Floor SF: 0

Spec # Spec Quantity Units Unit Price Total Price

Trade: 10 Carpentry

3345 DOOR--FLUSH INT, HOLLOW CORE 1.00 EA 200 200  
Install flush, hollow core, masonite door on existing jamb. Include privacy lockset and 2 butt hinges.

FRONT BEDROOM

3375 DOOR--WOOD BIFOLD 1.00 EA 300 300  
Hang a flush, hollow core, wood bifold door including overhead track, all hardware and casing on one side, plumb and centered within the opening.

REAR BEDROOM CLOSET DOOR

Location Total: 500

Location: 10 - #6 Basement Approx. Wall SF: 0 Ceiling/Floor SF: 0

Spec # Spec Quantity Units Unit Price Total Price

Trade: 22 Plumbing

6785 GAS DRYER HOOK UP WITH VENT 1.00 EA 260 260  
Install 4" rigid galvanized vent tubing from the specified dryer location to a 4" wall mounted dryer vent hood with a backflow preventer and NO screening. Fasten sections of pipe to each other with with pop rivets compatible with galvanized metal. Do not fasten with nails, screws or other fasteners that protrude into the interior of the exhaust duct. Seal all seams in the system with duct mastic or aluminum foil tape, not duct tape. Secure duct and hood to the structure.

Trade: 23 Electric

7752 ENERGY STAR INTERIOR CEILING FIXTURE 1.00 EA 150 150  
Install an Energy Star approved, flush mounted ceiling light fixture using a GU24 Base lamp such as the Efficient Lighting model EL-815-123-W.

BASEMENT CEILING

Location Total: 410

Location: 11 - #8 Basement Approx. Wall SF: 0 Ceiling/Floor SF: 0

Spec # Spec Quantity Units Unit Price Total Price

Trade: 10 Carpentry

3345 DOOR--FLUSH INT, HOLLOW CORE 1.00 EA 200 200  
Install flush, hollow core, masonite door on existing jamb. Include privacy lockset and 2 butt hinges.

Trade: 22 Plumbing

6785 GAS DRYER HOOK UP WITH VENT 1.00 EA 260 260  
Install 4" rigid galvanized vent tubing from the specified dryer location to a 4" wall mounted dryer vent hood with a backflow preventer and NO screening. Fasten sections of pipe to each other with with pop rivets compatible with galvanized metal. Do not fasten with nails, screws or other fasteners that protrude into the interior of the exhaust duct. Seal all seams in the system with duct mastic or aluminum foil tape, not duct tape. Secure duct and hood to the structure.

Location Total: 460

Unit Total for 6-8 Knox Street, Unit Unit 01: \_\_\_\_\_

Address Grand Total for 6-8 Knox Street: \$14,655

Bidder: RescueRED.com LLC

## MORTGAGE

### City of Springfield Healthy Homes Rehabilitation Program

THIS MORTGAGE is made as of February 23, 2021, between Diane Orson FKA DIANE M GREGG whose address is 158 Feeding Hills Road, Southwick MA 01077 ("Borrower"), and the **City of Springfield**, a municipal corporation with the address 36 Court Street, Springfield, Massachusetts ("City").

WHEREAS, the Borrower and the City entered into a **HEALTHY HOMES REHABILITATION PROGRAM AGREEMENT** dated February 23 2021 in the sum of \$16,154.25 (the Principal Amount"), together with interest of 0%, (this indebtedness is called the "Note", a copy of which is attached to this Mortgage as **Schedule A**); and

WHEREAS, to secure the performance of all the terms, covenants, agreements, conditions and obligations of the Note and this Mortgage, the Borrower wishes to grant to the City its rights, title, and interest in the property located at 6-8 Knox Street in Springfield, Massachusetts and described on the attached **Schedule B** (the "Mortgaged Property").

NOW THEREFORE, in consideration of the loan for the Principal Amount made by the City to the Borrower, the Borrower and the City hereby agree as follows:

1. **Purpose.** This Mortgage and the Note are to secure a loan made by the City to the Borrower for the purpose of making home improvements to the Mortgaged Property, as detailed in the **Work Write-Up Specifications** dated 09/18/2020. The Borrower is responsible for making the improvements, and the City shall only make payment of Principal for such improvements as it inspects and verifies that the improvements have been completed.
2. **Conditions of the Loan.**
  - a. **Due Upon Sale or Transfer.** If the Borrower sells or transfers the Mortgaged Property before the final maturity date, the amount of the loan still owing at the time of sale or transfer will be immediately due and payable to the City.
  - b. **Owner Occupancy.** If the Borrower is an owner-occupant at the time this loan is entered into, the Borrower must continue to live in the Mortgaged Property as his/her principal place of residence during the term of the loan.
  - c. **Rental Unit Affordability.** If the Borrower (including a Borrower who lives in one



unit of a multi-unit property) rents out units in the Mortgaged Property to others, the Borrower must rent all units in the Mortgaged Property to households with income at or below 80% of the area median income<sup>1</sup> during the term of the loan.

**3. Terms of the Loan**

Loan Type:	Forgivable loan, due upon default or upon sale or transfer of property prior to final maturity
Interest Rate:	0%
Payment Schedule:	No monthly payments
Final Maturity Date:	10 years from date of execution
Forgiveness:	An equal amount of the loan will be forgiven for each year that passes from the date the loan is entered, until the loan is fully forgiven at the final maturity date. (For example, a 10-year loan is forgiven 10% per year.)
Prepayment penalty:	None

- 4. Completion of Agreed-Upon Improvements.** If construction required to meet the Work Write-Up Specifications is discontinued or not carried out with reasonable diligence, the City after due notice to the Borrower is authorized to enforce or carry out existing contracts between the Borrower and other parties to make contracted improvements, to make and enter into additional contracts and incur obligations for the purposes of completing the improvements, and to pay and discharge all debts, obligations and liabilities incurred by reason of any action taken by the City, the cost of which shall be payable from the Borrower to the City on demand and shall be secured by this Mortgage.
- 5. Compliance with Building and Health Codes.** The improvements shall comply with all applicable municipal and state ordinances, laws, regulations, and rules made or promulgated by lawful authority, and upon their completion shall comply therewith and with the rules of the Board of Fire Underwriters having jurisdiction.
- 6. Payment of Property Taxes and Other Charges.** The Borrower will pay when due all taxes, assessments, water & sewer charges, and other governmental charges, fines and impositions, now or hereafter imposed, on the Mortgaged Property and will pay when due every amount of indebtedness secured by any lien on the Mortgaged Property.

---

<sup>1</sup> The area median income (AMI) for the Springfield Metropolitan Area is established annually by the U.S. Department of Housing and Urban Development. The Springfield Office of Housing will provide the current AMI for the Springfield Metropolitan area upon request.

7. **Maintenance and Repair.** The Borrower shall maintain the Property and shall not allow the property to deteriorate or decrease in value due to its condition. If the Property is damaged, the Borrower shall promptly repair the Property to avoid further deterioration or damage, unless repair or restoration is not economically feasible. The Borrower shall not commit waste or permit others to permit actual, permissive, or constructive waste on the Property.

8. **Property Insurance.**

a. **Maintenance of Insurance.** The Borrower shall keep the Property insured against loss by fire, earthquakes, floods, hazards included within the term "extended coverage," and any other hazards for which the City requires insurance. The insurance amounts (including deductible levels) and periods and the insurance carrier shall be subject to the City's approval. Unless otherwise required by the City, all such insurance shall be effected by Standard Fire and Extended Coverage Insurance policies, in amounts not less than necessary to comply with the coinsurance clause percentage of the value applicable to the location and character of the property to be covered.

All such property insurance shall be in such form and shall have attached loss payable clauses in favor of the City. All such policies and attachments shall be delivered promptly to the City, unless they are required to be delivered to the holder of a lien of a mortgage or similar instrument to which this Mortgage is expressly subject, in which case a certificate of insurance shall be delivered to the City. The Borrower will pay any and all premiums on such insurance promptly when due.

b. **City Rights to Payment for Loss or Damage.** In the event of loss or damage to the mortgaged property, the Borrower will give to the City immediate notice of the event and the City may make and file proof of loss if not made otherwise promptly by or on behalf of the Borrower. Each insurance company issuing any such policy is authorized and directed to make payment under the policy for such loss to the Borrower and the City jointly, unless the amount of loss is payable first to the holder of a lien under a mortgage or similar instrument to which this Mortgage is expressly subject. Insurance proceeds received by the City may be applied, at the City's option, either in reduction of the indebtedness secured by this Mortgage, or to the restoration or repair of the damaged Mortgage Property.

9. **Rights of City as Lender.** If the Borrower fails to carry out the covenants and agreements set forth in this mortgage, the City may do and pay for whatever is necessary to protect the value of and the City's rights in the property, and any amounts so paid shall be added to the Principal amount due to the City hereunder
10. **Inspection.** The City shall have the right to inspect the Mortgaged Property from time to time at any reasonable hour of the day.
11. **Acceleration upon Default.** If any condition of this Mortgage shall be in default, the entire outstanding balance of the Principal Amount shall become immediately due and payable at the option of the City. The City shall be entitled to collect all costs and expenses, including reasonable attorney's fees incurred. If the City exercises its option to require Immediate payment of the balance of funds secured by this Mortgage, the City shall give Borrower notice of acceleration. This notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all remaining sums secured by the Mortgage.

The following "events of default" will cause the Note to be immediately due and payable:

- a. The Borrower's nonperformance of any covenant, agreement, term, or condition of this Mortgage or of the Note, after the Borrower has been given due notice by the City of such nonperformance;
  - b. The Borrower's failure to perform any covenant, agreement, term, or condition in any Mortgage or instrument creating a lien upon the Mortgaged Property, which lien shall have priority over the lien of this mortgage;
  - c. The City's discovery that the Borrower failed to disclose in the Borrower's application for funds any fact deemed to be material by the City, or that the Borrower made any misrepresentations in the application or in any agreements entered into between the Borrower and the City (including but not limited to, the Note and this Mortgage);
  - d. The sale, lease or other transfer of any kind or nature of the Mortgaged Property, or any part thereof, without the prior written consent of the City.
12. **No waiver.** No party shall be deemed to have waived any provision of this Mortgage or the exercise of any rights under this Mortgage unless such waiver is made expressly and

in writing. Waiver by any party of a breach or violation of any provision of this Mortgage shall not constitute a waiver of any other subsequent breach or violation.

13. **Surrender after Default.** If the Borrower defaults, and upon demand from the City, the Borrower shall immediately surrender possession of the Mortgaged Property to the City, and the City may enter such property, rent out and collect rent from Mortgaged Property units, and apply rental income to the indebtedness secured by this Mortgage. The City may also dispossess, by usual summary proceedings, any tenant defaulting in the payment of any rent to the City. The Borrower shall cooperate and facilitate any summary process proceedings under this paragraph.

If the Borrower continues to occupy the Mortgaged Property after default and City demand to surrender, such possession shall be as a tenant of the City, and the Borrower shall pay in advance upon demand by the City, a reasonable monthly use and occupancy fee for the premises occupied by the Borrower, and upon the failure of the Borrower to pay such monthly fee, the Borrower may also be disposed by the usual summary proceedings applicable to tenants.

This covenant shall become effective immediately upon the happening of any such default, as determined in the sole discretion of the City, who shall give notice of such determination to the Borrower; and in the case of foreclosure and the appointment of a receiver of the rents, the within covenant shall insure to the benefit of such receiver.

14. **Notice of Change of Ownership.** The Borrower will give immediate notice by certified mail, return-receipt requested, to the City of any conveyance, transfer or change in ownership of such property, or any part thereof.

15. **No Assignment of Rents.**

The Borrower will not assign the rents, if any, in whole or in part, from the mortgaged property, or any part thereof, without the prior written consent of the City.

16. **Notice.** Notice and demand or request shall be made in writing and may be served in person or by mail.

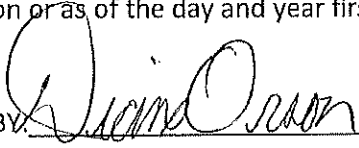
17. **Waiver of Homestead Exemption.** The Borrower hereby waives the benefit of all homestead exemptions, as to the debt secured by this Mortgage and as to any expenditure for insurance, taxes, levies, assessments, dues or charges incurred by the City pursuant to any provision of this Mortgage.


18. **City Right to Nonjudicial Foreclosure.** This Mortgage is upon the **STATUTORY CONDITION**, for any breach of which, or for breach of any of the aforementioned provisions or conditions, the City may declare all sums secured hereby immediately due and payable, and the City shall have the **STATUTORY POWER OF SALE**.

19. **Joint and several liability.** If the Borrower, as defined herein, consists of two or more parties, this Mortgage shall constitute a grant and mortgage by all of them jointly and severally, and they shall be obligated jointly and severally under all the provisions hereof and under the Note.

20. **Discharge.** Upon payment in full by the Borrower of the Note and any other instruments secured by this Mortgage, this Mortgage shall be terminated, and the City shall provide the Borrower the appropriate notice of termination.

IN WITNESS THEREOF this mortgage has been duly signed and sealed by the Borrower on or as of the day and year first above written.

BY:   
Diane Orson *FKA DIANE M GREGG*  
Borrower

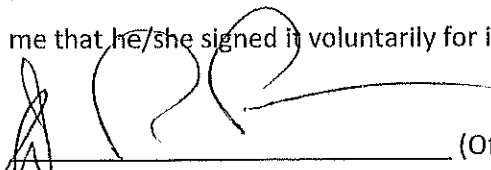
  
Witness

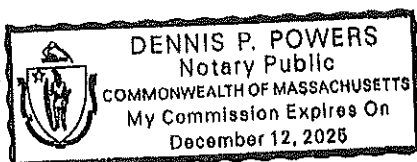
Commonwealth of Massachusetts

Hampden, ss

*Feb 23,* 2021

On *Feb 23, 2021*, before me, *FKA DIANE M GREGG*, the undersigned notary public, personally appeared, *Diane Orson* proved to me through satisfactory evidence of identification, which was *Dr Lic*, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he/she signed it voluntarily for its stated purpose.

 (Official signature and seal of notary).



Notary Public:  
My Commission Expires:

The note secured by this Mortgage has:

A principal sum of \$ 16,154.25

A rate of interest of Zero (0%) percent.

The sum of \$ 16,154.25 with interest thereon at a rate of Zero (0.00%) per annum, is due and payable upon sale, lease or other transfer of any kind of the above-referenced property, or any part thereof without the prior written consent of the City, other than a transfer by will or by operation of the laws of descent and distribution.

SCHEDULE A  
PROMISSORY NOTE

Springfield, Massachusetts

Property Address: 6-8 Knox Street, Springfield, MA 01105

**1. BORROWERS' PROMISE TO PAY**

In return for a loan that I have received, I, Diane Orson *AKA 'DINE M GLEU* ("Borrower"), promise to pay \$ 16,154.25 (this amount is called "Principal"), without interest, to the **City of Springfield**, a Massachusetts municipal corporation with a usual address of 36 Court Street, Springfield, Massachusetts 01103 ("City").

**2. INTEREST**

Interest will not be charged on unpaid principal.

**3. TIME AND PLACE OF PAYMENTS**

No monthly payments are due. If there is no default on the loan, the Principal shall be forgiven at an equal percentage rate per year until it is 100% forgiven at the end of the tenth year.

**4. BORROWER'S RIGHT TO PREPAY**

I have the right to make payments of principal at any time before they are due. A payment of principal only is known as a "prepayment." When I make a prepayment, I will tell the City in writing that I am doing so.

I may make a full prepayment or partial prepayments without paying any prepayment charge. The City will use all of my prepayments to reduce the amount of principal that I owe under this Note. If I make a partial prepayment, there will be no changes in the due date or in the amount of my payment unless the City agrees in writing to those changes.

**6. BORROWER DEFAULT**

**(A) Default** If I am in default of or breach of the Healthy Homes Rehabilitation Program Agreement ("Program Agreement") or the Mortgage, both dated the same date as this Note, and if I do not cure any default or breach within any applicable cure period, then I will be in default of this Note.

**(B) Notice of Default** If I am in default, the City may send me a written notice telling me that if I do not come into compliance with the Program Agreement and Mortgage by a certain date, the City may require me to pay immediately the full amount of principal I owe.

**(C) No Waiver by City** Even if, at a time when I am in default, the City does not require me to pay immediately in full as described above, the City will still have the right to do so if I am in default at a later time.

**(D) Payment of City's Costs and Expenses** If the City has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees, court costs and witness fees, including but not limited to expert witness fees.

## **7. GIVING OF NOTICES**

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or mailing it by first class mail to me at the Property Address above or at a different address if I give the City a notice of my different address.

Any notice that must be given to the City under this Note will be given by mailing it by first class mail to:

Director  
City of Springfield Office of Housing  
1600 E. Columbus Ave.  
Springfield, MA 01103

with a copy simultaneously mailed by first class mail to:

City Solicitor  
City of Springfield Law Department  
36 Court Street  
Springfield, MA 01103

## **8. OBLIGATIONS OF PERSONS UNDER THIS NOTE**

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or



endorser of this Note, is also obligated to keep all of the promises made in this Note. The City may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owned under this Note. This Note is binding on me and my executors, administrators, heirs, successors and assigns.

#### 9. WAIVERS

I and any other person who has obligations under this Note waive the rights of presentment and notice of dishonor. "Presentment" means the right to require the City to demand payment of amounts due. "Notice of dishonor" means the right to require the City to give notice to other persons that amounts due have not been paid.

#### 10. UNIFORM SECURED NOTE

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the City under this Note, a Mortgage dated the same date as this Note protects the City from possible losses which might result if I do not keep the promises which I make in this Note. That Mortgage describes how and under what condition I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

**Due Upon Sale or Transfer.** If all or any part of the Property or any interest in it is sold or transferred without the City's prior written consent, the City may, at its option, require immediate payment in full of all sums secured by the Mortgage.

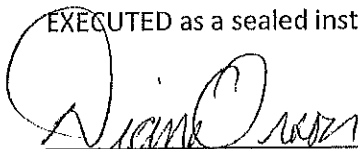
**Owner Occupancy.** If the Borrower is an owner-occupant at the time this loan is entered into, and the Borrower ceases to live in the Mortgaged Property as his/her principal place of residence during the term of the loan, the City may, at its option, require immediate payment in full of all sums secured by the Mortgage.

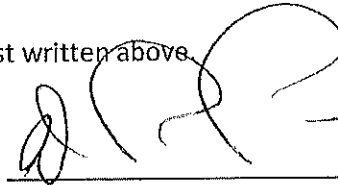
**Rental Unit Affordability.** If the Borrower (including a Borrower who lives in one unit of a multi-unit property) rents out units in the Mortgaged Property to others, and the Borrower rents units to households with income above 80% area median income, the City may, at its option, require immediate payment in full of all sums secured by the Mortgage.

If the City exercises its option to require immediate payment of the balance of funds secured by the Mortgage, the City shall give Borrower notice of acceleration. This notice shall provide a

period of not less than 30 days from the date the notice is delivered or mailed within which Borrower must pay all remaining sums secured by the Mortgage.

EXECUTED as a sealed instrument as of the date first written above.

  
\_\_\_\_\_  
Diane Orson *FKA DIANE M GREGG*

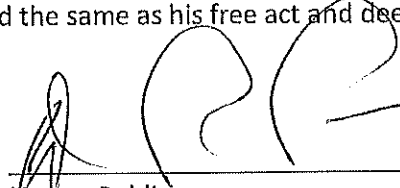
  
\_\_\_\_\_  
Witness

\_\_\_\_\_  
Witness

COMMONWEALTH OF MASSACHUSETTS

HAMPDEN, SS

On this 23<sup>rd</sup> day of February, 2021, before me, the undersigned Notary Public, personally appeared the above-named Diane Orson, proved to me through satisfactory evidence of identification, which was DR Lic, to be the person whose name is signed on the preceding or attached document, and acknowledge that he signed it voluntarily for its stated purpose, and acknowledged to me that he executed the same as his free act and deed.

  
\_\_\_\_\_  
Notary Public  
My Commission Expires:

SCHEDULE B  
PROPERTY DESCRIPTION

**Property Address: 6-8 Knox Street, Springfield, MA**

The land in Springfield, Hampden County, Massachusetts, being known and designated as Lot #33 (thirty-three) Windsor Street, and shown on a plan in Book of Plans 446, Page 601, in Hampden County Registry of Deeds, and supposed to contain about 4864 square feet situated on the Southerly side of said street; being property described in instrument of Taking dated November 3, 1953 and recorded in the Hampden County Registry of Deeds, Book 2277, Page 152.

Being the same premises conveyed to the Mortgagor herein by Deed recorded with the Hampden County Registry of Deeds in Book 14878, Page 429.

**Exhibit E:**  
**SECTION 3 CLAUSE**

"All section 3 covered contracts shall include the following clause (referred to as the section 3 clause):

- A. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.
- C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- D. The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.
- E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.
- F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
- G. With respect to work performed in connection with section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).