

CITY OF ANN ARBOR
NEIGHBORHOOD STABILIZATION (NSP) FUNDING
CONTRACT WITH
Avalon Housing, Inc.

THIS AGREEMENT, dated the _____ of _____ 2011, is between the *City of Ann Arbor*, a Michigan municipal corporation, whose address is 100 North Fifth Avenue, Ann Arbor, Michigan (“City”) and Avalon Housing, Inc., a Michigan nonprofit corporation, whose address is 1327 Jones Drive, Suite 102, Ann Arbor, Michigan, 48105 (“Contractor”).

WHEREAS, the City and the Contractor desire that the Contractor shall provide the services specified in this Agreement.

THE PARTIES AGREE AS FOLLOWS:

1. SERVICE DESCRIPTION and SPECIAL CONTRACT CONDITIONS

The Contractor agrees to utilize City of Ann Arbor Neighborhood Stabilization Program Funding (NSP) for the eligible costs of subcontracting with a demolition contractor to demolish the blighted properties found at 718, 722 and 724 N. Main Street in Ann Arbor, Michigan. The Contractor will work with the Office of Community Development to coordinate the bidding process, create demolition specifications, and ensure all Federal Regulations are strictly followed for the demolition project as set forth in Attachment B. The Contractor ensures the selected subcontractor will furnish all of the materials, equipment and labor necessary; and to abide by all the duties and responsibilities applicable to it for demolition of buildings at 718, 722 and 724 N. Main, Ann Arbor, Michigan.

Special Contract Conditions:

The Contractor agrees to comply with the Neighborhood Stabilization Program (NSP), being sections 2301 - 2304 of the Housing and Economic Recovery Act of 2008 (Public Law 110-289 (July 30, 2008)) (HERA);

2. BUDGET. If *Contractor* is in compliance with this agreement, the *City* agrees to pay to, or on behalf of the contractor any costs directly related to the demolition of 718, 722 and/or 724 North Main up to the following amount

<u>Program</u>	<u>Amount</u>
NSP Demolition Funding	\$33,292

3. TERM. This contract shall commence on May 19 , 2011 and shall terminate May 19, 2012 as to services performed and payments to be made.

4. NONDISCRIMINATION. The *Contractor* agrees to comply, and to require subcontractors to comply, with the nondiscrimination provisions of MCL 37.2209 as well as the provisions of the Federal Immigration Reform and Control Act of 1986. The *Contractor* further agrees to comply with the nondiscrimination

provisions of Chapter 112 of the Ann Arbor City Code and to assure that applicants are employed and treated during employment in a manner which provides equal employment opportunity.

5. **LIVING WAGE.** If the *Contractor* is a “covered employer” as defined in Chapter 23 of the Ann Arbor City Code, the *Contractor* agrees to comply with the living wage provisions of Chapter 23 of the Ann Arbor City Code. The contractor agrees to pay those employees providing Services to the *City* under this Agreement a “living wage,” as defined in Section 1:815 of the Ann Arbor City Code, as adjusted in accordance with Section 1:815(3); to post a notice approved by the *City* of the applicability of Chapter 23 in every location in which regular or contract employees providing services under this agreement are working; to maintain records of compliance; if requested by the *City*, to provide documentation to verify compliance; to take no action that would reduce the compensation, wages, fringe benefits, or leave available to any employee or person contracted for employment in order to pay the living wage required by Section 1:815; and otherwise to comply with the requirements of Chapter 23.
6. **COMPLIANCE WITH LAWS.** *Contractor* agrees to comply with all federal, state and local laws applicable to services provided under this contract.

The *Contractor* warrants, represents and agrees that it and all of its agents, employees and contractors are sufficiently and properly trained and licensed to competently and lawfully perform any activity any one of them may perform under this contract.

7. **CONTRACT AMENDMENTS/BUDGET TRANSFERS.** This Agreement may be amended only by a written agreement approved by the City Council and the *Contractor's* Board of Directors.

Line item budget transfers which do not affect the Agreement's Service Description and Performance Targets or amendment of the termination date must be requested in advance in writing by the *Contractor* and approved in advance in writing by the City Administrator or his/her designee.

8. **FINANCES, AUDITS, AND INSPECTIONS.** The *Contractor* shall supply documentation of all City NSP Funding expenditures to the *City*. Documentation shall include payments for purchases, vouchers and other official documentation that show in proper detail the nature and propriety of such expenditures. All documents must be clearly identifiable and readily accessible. Where any expenditure is allocable only in part to services under this Agreement, the *Contractor* shall maintain and make available on request sufficient documentation to demonstrate the reasonableness of the allocation.

The *Contractor* agrees to securely maintain these records for a period of five (5) years after the *City's* final disbursement to the *Contractor*. The *Contractor* shall inform the *City* and permit examination by the *City*. The *City* may, at a reasonable time after giving reasonable notice, cause an audit of the records of the *Contractor*.

The *Contractor* agrees to complete and submit to the *City* within twelve months of the close of the *Contractor's* fiscal year annual audited financial statements and management letter(s) prepared by an independent auditing firm.

9. COMPENSATION. The *City* agrees to make payments on forms supplied by the *City*. Ten percent (10%) of the general operations funds will be held until all terms of the contract are completed. If at the end of the term of this Agreement there are unexpended portions of the contract amount stated in paragraph 2, the unexpended funds will be retained by the *City* for reallocation to other purposes.

No funds shall be disbursed under this Agreement by the *Contractor* or any other subcontractor except under a written contract and unless the subcontractor is in compliance with all *City* requirements with regard to fiscal matters and civil rights to the extent these requirements are applicable. The *Contractor* shall provide the *City* with copies of the contracts with subcontractors.

10. INSURANCE COVERAGE. The *Contractor* shall secure and maintain insurance policies, including those stated below, as will protect the Contractor, any of its subcontractors and, unless otherwise specified, the *City* from all claims for bodily injuries, death or property damage which may arise under this contract; whether the actions are made by the Contractor or by any subcontractor or anyone employed by them directly or indirectly. The following insurance policies are required:

- (a) Worker's Compensation Insurance under the provisions of the Michigan Worker's Compensation Act and all applicable state and federal statutes.
- (b) General Liability Insurance in an amount not less than \$500,000 for injuries, including accidental death to any one person. The City of Ann Arbor shall be named as an additional insured.
- (c) Automobile Liability Insurance including all owned or non-owned vehicles used for service delivery. The City of Ann Arbor shall be named as an additional insured.
- (d) Professional Liability Insurance, if providing medical, dental, accounting or legal service under this contract.
- (e) Property Insurance if *contractor* owns a building or buildings for which City funds under this contract assist in its operations or program delivery.

Insurance certificates shall be filed with the *City* giving satisfactory evidence of insurance before the work under this contract is begun. The certificates shall be maintained during the life of the contract. All insurance certificates shall also provide that the city shall be given 30 days prior notification of the insurance company's intent to cancel or materially change the policy. Any disclaimer or any other language that negates Company responsibility for the 30 days notice will not be acceptable. The insurance company must be acceptable to the City Attorney and shall also name the *City* as an insured party.

The *Contractor* shall notify the *City* in writing within two days of any cancellation or lapse of insurance coverage required by this Agreement. Failure to do so will be considered a material breach of the Agreement. Termination of this agreement shall not relieve the *Contractor* of the obligation to maintain insurance with respect to services provided under this Agreement for the period the Agreement was in effect.

11. INDEMNIFICATION. To the fullest extent permitted by law, the *Contractor* shall indemnify, defend and hold the *City*, its officers, employees and agents harmless from all suits, claims, judgments and expenses including attorney's fees resulting or alleged to result, to its proportionate extent, from any negligent, grossly negligent, reckless and/or intentional wrongful or tortuous acts or omissions by the *Contractor* or its employees and agents occurring in the performance of or in breach of this agreement.
12. REPORTS, MONITORING AND EVALUATION. The *Contractor* agrees to cooperate fully with the *City* to evaluate and monitor the requirements and performance of programs financed with City General funds. The *Contractor* agrees to provide such information and reports, oral or written, as may reasonably be required or requested during the term of this Agreement on matters relating to program activities, performance, contract compliance and evaluations of programs receiving City General funds.

The *Contractor* and Subcontractor if applicable, agrees to complete and submit to the *City* in a timely manner performance reports or other reports as determined by the *City*. Reports shall include data on the services provided, number of beneficiaries and progress on the Contractor's achievement of outcome measures and indicators of program success as specified in Attachment 1. Report forms are to be provided by the *City* along with a schedule of report submission dates. Reports along with Board minutes and Treasurer's Reports are to be submitted along with performance reports. Funding will be withheld until the *City* receives the required reports including Board minutes and financial reports.

13. USE OF PROPERTY. NSP funds shall not be used, in whole or in part, for the purchase of equipment or personal property.
14. POLITICAL ACTIVITIES. None of the funds, materials, property, or services provided directly or indirectly under this Agreement shall be used for any partisan political activities or to further the election or defeat of any candidate for office.
15. CONFLICT OF INTEREST. No employee, officer or elected or appointed official of the *City*, and no immediate relative (spouse, parent, sibling, or child) of any such person, has or shall have any financial interest in this Agreement. Except for salaries and expenses which may be paid with funds provided under this agreement, no employee, officer or director of the *Contractor* and no immediate relative (spouse, parent, sibling or child) of any such person has or shall have any financial interest in this agreement.
16. SUSPENSION/TERMINATION. If *Contractor* fails to comply with the terms of this Agreement the *City* may declare it suspended or terminated. Thereafter, the

City shall have no obligation to provide further funds to the *Contractor*. The termination shall not relieve the *Contractor* of its obligations to prepare or preserve its records and to make them available for audit or inspection. The *City* shall provide reasonable notice to the *Contractor* indicating the reasons for its actions before suspension or termination.

17. BOARD OF DIRECTORS. The *Contractor* warrants that it has supplied the *City* with the most current copies of its Charter, Articles of Incorporation, Bylaws and/or other documents designating the method of electing or appointing the members of its Board of Directors. The *Contractor* shall also keep on file with the *City* a current list of its Board members, its officers, and their addresses. Any changes in membership shall be promptly reported to the *City*.

All of the *Contractor's* board members shall be volunteers, not employees of the *Contractor*. Board members of the *Contractor* shall serve without compensation (except for reimbursement of verified expenses for fulfilling the responsibility of Board membership).

The *Contractor* shall hold regularly scheduled board meetings and be accountable for the actions of its agency. The Board shall allow time on its agenda, when reasonably requested by the *City*, for consideration of matters related to this contract.

18. PERSONNEL. Documentation relating to the following requirements shall be available to the *City* upon request:

The *Contractor* shall have direct control of all personnel providing contracted services and shall provide necessary training and supervision. The *Contractor's* personnel and volunteers shall operate under Board-approved written personnel policies that are periodically reviewed and revised as necessary and communicated to all staff. The *Contractor* shall have a well-defined classification and pay plan, including job descriptions for each position in the agency which outlines qualifications, duties and responsibilities of employment. The *Contractor* shall maintain personnel records substantiating time worked and compensation of all employees.

19. SEVERABILITY OF PROVISIONS. Whenever possible, each provision of this Agreement will be interpreted in a manner as to be effective and valid under applicable law. However, if any provision of this Agreement or the application of any provision to any party or circumstance is prohibited by or invalid under applicable law, that provisions will be ineffective to the extent of the prohibition or invalidity without invalidating the remainder of the provisions of this Agreement or the application of the provision to other parties and circumstances.

20. CHOICE OF LAW AND FORUM. This Agreement will be governed and controlled in all respects by the laws of the State of Michigan, including interpretation, enforceability, validity and construction. The parties submit to the jurisdiction and venue of the Circuit Court for Washtenaw County, State of Michigan, or, if original jurisdiction can be established, the United States District Court for the Eastern District of Michigan, Southern Division, with respect to any action arising, directly or indirectly, out of this Agreement or the performance or

breach of this Agreement. The parties stipulate that the venues referenced in this Agreement are convenient and waive any claim of non-convenience.

21. EXTENT OF AGREEMENT. This Agreement, together with any affixed attachments, schedules or other documentation, constitutes the entire understanding between the City and the *Contractor* with respect to the subject matter of the Agreement and it supersedes all prior representations, negotiations, agreements or understandings whether written or oral. Neither party has relied on any prior representations, of any kind or nature, in entering in to this Agreement. This Agreement may be altered, amended or modified only by written amendment signed by the *Contractor* and the City.

The undersigned have executed this Agreement as of the day and year first above written.

CONTRACTOR:
Michael Appel, Associate Director, Avalon
Housing, Inc.

CITY:
CITY OF ANN ARBOR, a Michigan Municipal
Corporation

By: _____
Printed Name: _____
Its: _____

By: _____
John Hieftje
Mayor

By: _____
Jacqueline Beaudry
City Clerk
Approved as to Substance:

By: _____
Roger W. Fraser

City Administrator

By: _____
Sumedh Bahl
Community Services Administrator

Approved as to Form:

By: _____
Stephen K. Postema
City Attorney

ATTACHMENT A: FEDERAL REGULATIONS

WHEREAS, the CITY receives funds from the Michigan State Housing Development Authority, through the United States Department of Housing and Urban Development (HUD) pursuant to the Neighborhood Stabilization Program (NSP), being sections 2301 - 2304 of the Housing and Economic Recovery Act of 2008 (Public Law 110-289 (July 30, 2008)) (HERA);

The CONTRACTOR agrees to comply with all of the requirements now or hereafter in effect of the Neighborhood Stabilization Program (NSP), being sections 2301 - 2304 of the Housing and Economic Recovery Act of 2008 (Public Law 110-289 (July 30, 2008)) (HERA) and Title II of the Cranston-Gonzalez National Affordable Housing Act, the HOME program, and the regulations appearing at Section 24, Part 92 of the Code of Federal regulations (24 CFR 92 et seq.), including, but not limited to, the assurances and certifications contained in this Agreement, and Subpart F, Subpart H, and other Federal requirements, as applicable to the use of NSP funds.

1. **LABOR:** Contractor agrees to comply with all Federal laws and regulations as set forth in 24 CFR 92.354 as it pertains to labor. It is Contractor's responsibility to comply with all requirements of these Acts unless Contractor has obtained a prior written determination from the United States Department of Housing and Urban Development (HUD) that one or more of these Acts are inapplicable to Contractor.
 - A. Contractor certifies that each contract for the construction or demolition of housing that includes more than eight (8) units assisted with CDBG or NSP funds must contain a provision requiring the payment of not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act [40 USC 276(a)(1)-276(a)(5)], to all laborers and mechanics employed in the development of any part of the housing. Such contracts must also be subject to the overtime provisions, as applicable, of the Contract Work Hours and Safety Standards Act (40 USC 327-332).
 - B. Contractor agrees to comply with the Federal Fair Labor Standards Act.
 - C. Contractor agrees to comply with the Copeland "Anti-Kickback" Act (40 USC 276 et. seq.).
 - D. In accordance with the Drug-Free Workplace Act of 1998 and the rules found at 24 CFR Part 24, subpart F, Contractor agrees that it will provide a drug-free workplace.
 - E. Contractor agrees to ensure that all subcontracts awarded under this Agreement will be awarded on a fair and open competition basis and in accordance with the Office of Community Development Procurement Policy.

- F. Contractor agrees to comply with all applicable OSHA/MIOSHA requirements.
 - G. Contractor agrees to comply with Executive Orders 11625, 12432, and 12138 to ensure the inclusion, to the maximum extent possible, of minorities and women and entities owned by minorities and women in all contracts.
2. **POLITICAL ACTIVITIES:** None of the funds, materials, property, or services provided directly or indirectly under this Agreement shall be used for any partisan political activities or to further the election or defeat of any candidate for public office.
- A. In accordance with 24 CFR 91.225, no Federal appropriated funds will be paid, by or on behalf of Contractor, 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.
 - B. If any funds other than Federal appropriated funds have been paid or will be paid 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 this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. **EQUAL OPPORTUNITY CLAUSE (EXECUTIVE ORDER 11246):** During the performance of this contract, the contractor agrees as follows:
- A. The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
 - B. The contractor will, in all solicitations or advancements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

- C. The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
 - D. The contractor will comply with all provisions of Executive Order No. 11246 of Sept. 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
 - E. The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
 - F. In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of Sept. 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
 - G. The contractor will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States." [Sec. 202 amended by EO 11375 of Oct. 13, 1967, 32 FR 14303, 3 CFR, 1966-1970 Comp., p. 684, EO 12086 of Oct. 5, 1978, 43 FR 46501, 3 CFR, 1978 Comp., p. 230]
4. **SECTION 3:** Contractor agrees to the following, and all contractors and subcontractors and the City itself when acting as a contractor shall be asked to indicate a good faith effort to meet the Section 3 requirement by signing contracts which contain the clause set forth in 24 CFR 135.20(b) as follows:

- A. The work to be performed under this contract is on a project assisted under a program providing direct Federal financial assistance from the Department of Housing and Urban Development and 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 requires that to the greatest extent feasible opportunities for training and employment be given lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the area of the project.
 - B. The parties to this contract certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.
 - C. The contractor will send to each labor organization or representative of workers with which he has a collective bargaining agreement or other contract or understanding, if any, a notice advising the said labor organization or workers' representative of his commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.
 - D. The contractor will include this Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the application for or recipient of Federal financial assistance, take appropriate action pursuant to the contract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development 24 CFR Part 135. The Contractor will not subcontract with any subcontractor where it has notice of knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.
 - E. Compliance with the provisions of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of the Department issued thereunder prior to the execution of the contract, shall be a condition of the Federal financial assistance provided to the project, binding upon the applicant or recipient for such assistance its successors, and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its contractors and subcontractors, its successors, and assigns to those sanctions specified by the grant or loan agreement or contract through which Federal Assistance is provided, and to such sanctions.
5. **Environmental Regulations:** Pursuant to 24 CFR Part 58, the City agrees to comply with the National Environmental Policy Act of 1969, the Clean Air Act, and the National Historic Preservation Act of 1966, regarding environmental review, decision making, and actions and responsibilities related to the execution of all federally-funded projects. Contractor must comply with the National Emission Standards for Hazardous Pollutants (NESHAP, 40 CFR Part 61, Sub part M) as

delegated to the State of Michigan Air Quality Division by the U.S. EPA. This includes, but not limited to the Pre-Work State notification for review and complete removal of asbestos, where applicable, per State and Federal requirements for such activity. Contractor will be required to:

- A. Complete the “**Notification of Intent to Renovate/Demolish**” form prior to any asbestos abatement and demolition activities. The notification form must be postmarked or hand delivered at least **ten working days** prior to beginning any abatement or demolition activities on the project site.
 - B. Dispose of asbestos and other hazardous material found on the project site in accordance with Federal, State, and local laws. All asbestos containing material regulated by any state or federal regulations must be disposed of in a Type II (municipal solid waste) landfill. Asbestos containing material that is non-friable AND is not in poor condition or will not become friable at any time can be disposed of in a Type III (construction and demolition) landfill. In addition, all contractor(s) will be required to provide landfill receipts of asbestos and other hazardous materials being transported from the demolition project site.
 - C. Comply with all Michigan Occupational Safety and Health Administration (MIOSHA) Asbestos requirements for training and project site safety.
 - D. Employ pollution control measures by using water sprinkling, temporary enclosures, and/ or other suitable or required methods to limit dust and dirt rising and scattering in air as necessary to comply with local, state and federal requirement. The contractor will comply with all governing regulations pertaining to the EPA clean air act, as amended, 42 UCS 1857 et seq., and the regulations of the Environmental Protection Agency with the respect thereto, at 40 CFR Part 15, as amended.
 - E. Lead-based paint. Pursuant to 24 CFR 570.608, Contractor agrees to comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at part 35, subparts A, B, J, K, and R of this part apply to activities under this program.
6. **Use of debarred, suspended or ineligible contractors or subcontractors is prohibited.** Pursuant to 24 CFR 570.609, the requirements set forth in 24 CFR part 5 apply to this program. By signing this Contract, the City agrees that it will comply with Federal Regulation 45 CFR Part 76 and certifies that to the best of its knowledge and belief the Contractor and any subcontractors retained by Contractor:
- 1. Are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any federal department or contractor;
 - 2. Have not within a three-year period preceding this Contract been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local)

transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property;

3. Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state or local) with commission of any of the offenses enumerated in section 2, and;
 4. Have not within a three-year period preceding this Contract had one or more public transactions (federal, state or local) terminated for cause or default.
7. **Ineligible Activities:** The contractor expressly agrees to not use City of Ann Arbor Neighborhood Stabilization Program Funding for the following prohibited uses: (a) purchasing equipment (b) using the funds for operating and maintenance expenses, (c) demolishing buildings that do not meet the requirement of blighted and vacant, or foreclosed.
8. **Definition of Blighted:** The Contractor must provide evidence all structures being demolished meet the definition of "Blighted." A Blighted property must meet one of the following conditions:
- The property has been declared a public nuisance in accordance with a local housing, building, plumbing, fire, or other related code or ordinance.
 - The property is an attractive nuisance because of physical condition or use.
 - The property is a fire hazard or is otherwise dangerous to the safety of persons or property.
 - The property has had the utilities, plumbing, heating, or sewerage disconnected, destroyed, removed, or rendered ineffective for at least one year so that the property is unfit for its intended use.
 - The property is tax reverted property owned by a qualified local governmental unit, by a county, or by the state. (The property would retain its "blighted" status, after a sale, lease, or transfer of tax reverted property by a local governmental unit, county, or the state.)
 - The property is owned or under the control of a Land Bank Fast Track Authority, whether located within a qualified local governmental unit as that term is defined in the Brownfield Redevelopment Financing Act. (The property would retain its "blighted" status, after a sale, lease, or transfer of the property by the Land Bank Fast Track Authority for purposes of the statute.)
 - The property is improved real property that has remained vacant for five consecutive years and that is not maintained in accordance with applicable local housing or property maintenance codes or ordinances.
 - The property has code violations posing a severe and immediate health or safety threat and has not been substantially rehabilitated within one year after the receipt of notice to rehabilitate from the appropriate code enforcement agency or final determination of any appeal, whichever is later.
 - The existence of any structure or part of such structure which, because of fire, wind or other natural disaster or physical deterioration, is no longer

habitable as a dwelling, nor useful for any other purpose for which it may have been intended or lawfully used.

- The existence of any vacant dwelling, garage or other accessory building, unless the same is securely locked, with windows intact or neatly boarded up, and otherwise protected to prevent entrance thereto by unauthorized persons.
- The existence of any partially completed structure, unless such structure is in the course of construction in accordance with a valid and subsisting building permit issued by the city and unless such construction is completed within the time specified by existing ordinances.