

GENESEE COUNTY VACANT RENTAL PROGRAM

OWNER GRANT AGREEMENT

This Agreement is made effective as of the ____ day of ____, ____, by and between County of Genesee ("LPA"), with an office at 15 Main Street, Batavia, NY 14020, and ____ ("Owner"), residing at or having a principal place of business at ____.

WITNESSETH:

WHEREAS, LPA has entered into an Agreement with the New York State Housing Trust Fund Corporation ("HTFC") to distribute and administer funds for projects under the New York Vacant Rental Program ("Program") to eligible properties selected in accordance with Program guidelines; and

WHEREAS, LPA must administer the distribution of grant funds to the Owner, for the project in accordance with all the terms and conditions of their Grant Agreement with the HTFC, Article XXVI of the Private Housing Finance Law and the regulations promulgated thereunder, and the HTFC's applicable rules, regulations, policies and procedures, as amended from time to time.

WHEREAS, the Owner intends to complete improvements of the property located at STREET ADDRESS using funds to be provided through the Program being administered by LPA; and

NOW, THEREFORE, LPA and the Owner agree as follows:

1. **Term.**
The period of performance for all activities assisted pursuant to this Agreement shall be ten (10) years, commencing on the effective date of this Agreement and ending on ____ ("Term"), unless sooner terminated as provided for herein. The Owner is required to engage a contractor and begin construction within thirty (30) calendar days of LPA approval.
2. **Owner's Representations.**
The Owner hereby expressly represents that:
 - (a) They are the owner of the premises designated herein for improvement and rehabilitation and that, as the Owner, they have all lawful authority required to execute this Grant Agreement, which shall be binding upon the Owner and/or its successors and assigns.
 - (b) The Owner shall provide proof that the premises is insured for the full (100%) replacement value of the property including fire insurance and other insurance during the construction process as may be appropriate. The Owner further agrees to obtain flood insurance coverage if the scope of work at the premises is classified as a substantial improvement under 6 NYCRR Part 502, Floodplain Management Criteria for State Projects.

3. Project Costs.

- i) Eligible contractors shall be those selected from ~~any~~ a list maintained by the LPA. To be eligible, a contractor must provide references and proof of adequate and proper insurance coverage.
- b) At least two bids/proposals must be obtained for each separate construction project or professional service to establish the reasonableness of project costs. All bidders must have equal access to relevant information, including information on the property itself. The process shall be free of collusion or intimidation. All quotes shall be submitted directly ~~by~~ to the LPA. The LPA will verify the information contained in the quotes and the Owner of the acceptability of bids/proposed cost. If The Owner may select a contractor other than the lowest bidder, however, reimbursement will be based on the amount of the lowest bid.
- c) Proof of insurance must include general liability coverage in a minimum amount of one million dollars and workers' compensation coverage.
- d) Owners and/or family members are not eligible to bid on the project,
- e) The Owner shall not collude or intimidate during the bid process.
- f) The LPA agrees to reimburse the Owner for project costs described in the agreed upon Scope of Work attached as Attachment A. Any modification, amendment or rescission of project costs must be requested in writing and approved in writing by the LPA.
- g) The maximum amount of Program funds to be provided to the project is VRP Award Amount; however, the LPA will provide only those funds deemed necessary to complete the attached scope of work.

4. Reimbursement.

- a) Funds will be disbursed only after costs are incurred, documented, and approved by the Owner, the LPA and HTFC.
- b) Prior to a final reimbursement, a final inspection of the work will be completed by the LPA, its representative(s) or agent(s). All completed work shall comply with all applicable building codes and standards.
- c) To substantiate work costs, Owners ~~may~~ will be required to provide written contracts, bank documents, copies of invoices for materials and labor, cancelled checks, lien releases, and any other documents deemed necessary by the LPA to maintain effective internal controls. **Cash payments made to contractors will not be reimbursed.**
- d) Any payment due from the LPA on behalf of HTFC to the Owner, as a reimbursement pursuant to this Grant Agreement for work completed shall be payable within forty five (45) calendar days after all work is satisfactorily completed and sufficient supporting documentation is provided to the HTFC.

5. Inspection of Work: Unsatisfactory Work.

The Owner agrees that the LPA or designee shall at all times have access to the job site and premises for the purpose of inspecting and reviewing the renovation work. In the event that the Owner or the LPA shall determine at any time that there exists unsatisfactory work, the Owner shall notify the contractor in writing of the existence of such (sending copies to the LPA and any other interested parties), and the contractor shall correct such work within twenty (20) calendar days after receipt of said notice. In the event that the contractor fails or refuses to complete such corrections in the work within said period of time the LPA shall have the right to cancel this Grant Agreement

and, upon such cancellation, shall have no obligation to provide any reimbursement for the work completed.

6. Regulatory Period.

- a) The Owner, for a period of ten (10) years from project completion ("Regulatory Period"), shall take all necessary steps to ensure that the property improved under the Program is maintained in good condition. Residential units improved under the Program that become vacant during the Regulatory Period must be marketed, rented, and ~~made~~ rented on affordable terms, to persons of low income, which is defined as households whose incomes do not exceed <<Enter 60% or 80% depending on award type>> of the Area Median Income for the geography in which the property are located as published the U.S. Department of Housing and Urban Development (HUD). This requirement is met through (1) verifying the income of tenants at time of application; and (2) a rent limit imposed on the assisted units during the Regulatory Period. Annual Rent Limits will be communicated by the LPA to the Property Owner on an annual basis.
- b) It is essential that Owners ensure that their properties remain free of lead hazards after compliance has been documented. The property owner may elect to hire a lead inspector to perform this assessment. The Owner agrees to maintain paint in all residential spaces using lead-safe work practices for the ten-year Regulatory Period. The Owner or a representative should visually assess the property on a routine basis, and whenever the occupant reports loose, peeling or damaged paint. ~~The property owner may elect to hire a lead inspector to perform this assessment.~~
- c) The Owner of a property improved under the Program ("Assisted Property") will be required to execute a Declaration of Interest in the Property ("Declaration"), in the form attached as Attachment C, which shall be filed in the County Clerk's Office for the county in which the Assisted Property is located. The Owner agrees to maintain the Assisted Property in compliance with the terms of this Grant Agreement, throughout the Regulatory Period. The Owner shall further declare that in the event of any non-compliance, the amount of grant funds distributed shall be subject to repayment in full. The Owner further acknowledges and agrees that the LPA shall have the right, pursuant to its agreement with the HTFC, to inspect the Assisted Property to monitor the Owner's compliance with this requirement.
- d) The Declaration is expressly subject and subordinate to any primary mortgage given by the Owner for the property, whether or not such mortgage is recorded prior to the date of the Declaration. Subordination for purposes other than a primary mortgage requires approval by the LPA. The LPA will consider the risk to the investment of VRP program funds and any applicable special circumstances when reviewing subordination requests. Failure to comply with any of the above requirements could result in recapture/repayment of Grant funds.
- e) The Assisted Property shall not be sold during the Regulatory Period without prior written consent of the HTFC. The Owner must disclose the requirements imposed on the Property by this Grant Agreement and the Declaration to prospective purchasers. In the event of an approved sale or otherwise permitted transfer, the

new owner shall execute an Affirmation assuming the regulatory requirements and responsibilities in this Grant Agreement and the Declaration. Failure to execute such Affirmation may result in the full recapture of Program funds from the Owner.

7. Reports and Access to Records.

During the Term and the Regulatory Period, the LPA will require an annual inspection and confirmation of adherence to program policies and procedures including the income verification of any new tenants and charging monthly rent within the allowable limit.

The Owner further agrees to provide the LPA with reports or records in such form, content and frequency as required by the LPA and the HTFC.

8. Termination.

In the event the Program or the LPA shall for any reason cease to exist or terminate prior to the completion of the work to be performed as specified in this Agreement, or in the event the Owner shall die, or the ownership of the building changes prior to the completion of such work, the LPA may at its discretion terminate its obligation(s) hereunder to the Owner by reimbursing the Owner (or its heirs or successors) for the work satisfactorily completed prior to the date of any such termination, death, or change in ownership. Upon such reimbursement to the Owner, and the LPA shall each be released and discharged from any further claim or obligation pursuant to this Grant Agreement. Any remaining project grant funds held by the LPA shall be released and discharged from any further claim on behalf of the Owner, and returned to the HTFC.

9. Compliance with Local Laws and Codes.

Any contract or agreement to be executed relative to the work contemplated by this Grant Agreement shall require that the Owner give all notices required by, and comply with, all applicable laws, ordinances, regulations and codes of the City/Town/Village of _____, the State of New York, and the United States, and shall at its own expense, secure and pay the fees or charges for all permits required for the performance of the work.

10. Notice of Investigation or Default.

The Owner shall notify the LPA within five (5) calendar days after obtaining knowledge of: (i) the commencement of any investigation or audit of their activities by any governmental agency; or (ii) the alleged default by the Owner under any mortgage, deed of trust, security agreement, loan agreement or credit instrument executed in connection with the project; or (iii) allegation of ineligible or prohibited activities. Upon receipt of such notification, the LPA and the HTFC may, in its discretion, withhold or suspend payment of Program funds for a reasonable period of time while a review of activities and expenditures is conducted.

11. Default.

(a) If an Event of Default as defined below shall occur, all obligations on the part of the LPA to make any further payment of Program funds shall, if the LPA so elects, terminate and the LPA may, in its discretion, exercise any of the remedies set forth herein; provided, however, that the LPA may make any payments after the

- happening of an Event of Default without thereby waiving the right to exercise such remedies, and without becoming liable to make any further payment.
- (b) The following shall constitute an Event of Default hereunder:
- (i) if the Owner fails, in the opinion of the LPA, to comply with or perform any provision, condition or covenant contained in this Agreement, any applicable State or federal law or regulation, or the Program policies and procedures established by the HTFC or the LPA;
 - (ii) if at any time any representation or warranty made by the Owner shall be incorrect or materially misleading;
 - (iii) if the Owner has failed to commence the improvements within 30 days as specified in Attachment A- Scope of Work or has failed to complete such improvements within the Term.
- (c) Upon the happening of an Event of Default, the LPA may, in its discretion, exercise any one or more of the following remedies, either concurrently or consecutively, and the pursuit of any one of such remedies shall not preclude the LPA from pursuing any other remedies contained herein or otherwise provided at law or in equity:
- (i) Terminate this Agreement, provided that the Owner is given at least ten (10) business days prior written notice.
 - (ii) Withhold or suspend payment of Program funds.
 - (iii) Recapture any Program funds disbursed to the Owner.
 - (iv) Exercise any corrective or remedial action, to include, but not be limited to, advising the Owner to suspend, discontinue or refrain from incurring costs for any activities in question or requiring the Owner to reimburse the LPA and the HTFC for the amount of Program funds expended or used in an unauthorized manner or for an unauthorized purpose.
- (d) In the event this Agreement is terminated by the LPA for any reason, or upon the closeout of the Program, the LPA shall have no further liability or obligation under this Agreement; provided, however, that nothing herein is intended to relieve the LPA of its obligation to pay for services properly performed by the Owner prior to such termination. Notwithstanding any such termination or closeout, the Owner shall remain liable to the LPA for any unspent Program funds, the expenditure or use of Program funds in a manner or for a purpose not authorized by this Agreement, or damages as a result of any breach of this Agreement by the Owner. The LPA shall have the right, at any time prior or subsequent to any such termination or closeout, to pursue any and all available remedies, including seeking injunctive or other equitable relief, to enforce the provisions of this Agreement and to recover Program funds which are unspent, expended or used in an unauthorized manner or for an unauthorized purpose.

12. Indemnification.

Any contract or agreement to be executed in furtherance of this Grant Agreement shall require the contractor to defend, indemnify and hold harmless the Owner, the LPA, the City/Town/Village of _____ and the HTFC from liability for any claim for injury or damages to persons including the contractor and his/her employees, subcontractors and agents, or property, resulting from any work performed under this Agreement.

13. Assignment.

The Owner shall not assign this Grant Agreement without the prior written consent of the LPA and any such request for assignment of said Grant Agreement must be

addressed to the LPA, County of Genesee Vacant Rental Program, 7 Main Street, Batavia, NY 14020.

14. Waiver of Liability.

Nothing in this Agreement nor any act of the LPA, HCR or the HTFC, including but not limited to, an inspection of work, approvals given, permits issued or payments made, shall be construed as a warranty for the work performed under this Grant Agreement, and the Owner hereby expressly waives any such claim.

15. Photograph Release.

The Owner agrees to complete a written consent, in the form attached as Attachment D to permit the LPA and the HTFC to publish photographs of assisted properties for promotional or public relations purposes.

16. Modification and Amendment.

This Agreement shall be construed under the laws of the State of New York, and may be modified or amended only by a written instrument executed by both the Owner and the LPA.

17. Severability.

Should any part, term, or provision of this Agreement be decided by a court of competent jurisdiction to be invalid, unenforceable, illegal, or in conflict with any law, the validity, legality, and enforceability of the remaining portions shall not be affected or impaired.

18. Disputes.

Any disputes will be resolved through the LPA Dispute Resolution Policy attached to this agreement (Attachment B).

19. Acknowledgements

The Owner hereby acknowledges the following:

- a) The Owner has the right to select the eligible tenants for assisted units;
- b) The Owner understands the applicable Fair Housing Laws in New York State and agrees to adhere to these laws, including in selecting tenants for assisted units;
- c) The Owner furthermore understands specifically that it is unlawful to discriminate against a household that pays rents with public assistance in New York State and the Owner agrees not to unlawfully discriminate against a prospective or current tenant that is a housing voucher holder or otherwise uses public or other source of income to pay rent; and
- d) The Owner will advertise available units in accordance with Fair Housing Laws and understands that LPA reserves the right to advertise assisted units in any lawful manner it chooses, including to local housing agencies and authorities.

20. Attachments:

The following attachments are hereby incorporated into this Agreement and the Owner shall adhere to the provisions contained therein.

Attachment A – Project Scope of Work

Attachment B – Project Dispute Resolution Policy

Attachment C – Draft Declaration of Interest

Attachment D – Photograph Release Form

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year set forth above.

Owner Name: _____

Owner Title: _____

Owner Signature: _____ **Date:** _____

LPA Representative: _____

LPA Title: _____

LPA Rep Signature: _____ **Date:** _____

ATTACHMENT A

GENESEE COUNTY (LPA) VACANT RENTAL PROGRAM *SCOPE OF WORK*

ADD SCOPE OF WORK TEMPLATE TO BE USED

ATTACHMENT B

GENESEE COUNTY (LPA) VACANT RENTAL PROGRAM PROJECT DISPUTE RESOLUTION POLICY

Purpose:

This policy establishes a structured process for resolving disputes arising during residential construction projects, including issues related to project timelines, scope of work, workmanship quality, owner obligations, project completion, and contractor payment.

1. Scope

This policy applies to all parties involved in the residential construction project, including:

- Genesee County ("LPA") and/or designee
- Property Owner ("Owner")
- General Contractor ("Contractor")
- Subcontractors
- Consultants, Designers, and Architects
- Suppliers and Vendors, where applicable

2. Guiding Principles

All parties shall:

1. Act in good faith and cooperate toward project completion.
2. Communicate concerns promptly and professionally.
3. Maintain written documentation of disputes, decisions, and corrective actions.
4. Attempt resolution at the lowest level possible before escalation.

3. Disputes Regarding Project Timeline

3.1 Schedule Compliance

The Contractor shall provide a project schedule identifying:

- Start date
- Major milestones
- Estimated completion date
- Critical path activities

3.2 Delay Notification

Any party causing or anticipating a delay shall provide written notice within:

- 5 business days of becoming aware of the issue

The notice shall include:

- Cause of delay
- Expected impact
- Proposed mitigation plan

3.3 Resolution of Schedule Disputes

The parties shall:

1. Meet within 5 business days of notice.
2. Review project records.
3. Develop a revised schedule if warranted.

If no agreement is reached, the matter proceeds to the escalation process described in Section 8.

4. Disputes Regarding Scope of Work

4.1 Contract Documents Control

The following documents shall govern project scope in order of precedence:

1. Signed construction agreement
2. Approved change orders
3. Plans and specifications
4. Written project directives

4.2 Scope Clarification Process

When disagreement arises regarding whether work is included:

1. Written request for clarification shall be submitted to LPA and/or designee.
2. Supporting documentation shall be exchanged.
3. All parties shall meet within 5 business days.

4.3 Change Orders

No additional work shall proceed until:

- Scope is defined
- Cost impact is identified
- Schedule impact is identified
- Written approval is obtained from Owner and LPA

Except in emergencies involving health, safety, or property protection.

5. Quality of Work Disputes

5.1 Standards

Work shall conform to:

- Contract documents
- Applicable building codes
- Manufacturer requirements
- Industry standards for residential construction

5.2 Deficiency Reporting

The Owner may submit a written notice identifying:

- Defective work
- Incomplete work
- Nonconforming work

Supporting photographs and documentation should be included.

5.3 Inspection Process

Within 5 business days:

1. Contractor shall inspect the reported issue.
2. Parties shall jointly review findings.
3. A written corrective action plan shall be developed if deficiencies are confirmed.

5.4 Independent Evaluation

If disagreement remains regarding quality:

- An independent licensed inspector, architect, engineer, or construction consultant may be retained by owner and contractor alike.
- Costs shall be allocated as agreed or determined through dispute resolution.

6. Failure to Fulfill Contractual Obligations

6.1 Notice of Non-Performance

When a party fails to perform contractual obligations, the affected party shall issue:

- Written Notice of Default – Use Template

The notice shall identify:

- Specific obligation not performed
- Relevant contract provision
- Required corrective action
- Cure period

6.2 Cure Period

Unless otherwise stated in the contract:

- 10 calendar days shall be allowed to cure the default.

6.3 Continued Non-Performance

If the default is not cured:

The non-defaulting party may:

- Suspend affected work
- Withhold applicable payments
- Obtain substitute services
- Seek mediation
- Pursue contractual termination rights

7. Project Completion and Final Sign-Off

7.1 Substantial Completion

Substantial Completion occurs when:

- The project is usable for its intended purpose.
- Required inspections are completed.
- Major contract work is complete.

7.2 Punch List – Use Template

A joint walkthrough shall be conducted with the LPA and/or designee, Owner, and Contractor.

A written Punch List shall identify:

- Incomplete items
- Corrective work
- Completion deadlines

7.3 Final Completion

Final completion shall occur when:

- Punch list items are completed.
- Required permits are closed.
- Final inspections are approved.
- Required documentation is delivered to LPA and/or designee.

7.4 Owner Completion Sign-Off

A Final Completion Certificate shall include signatures from:

- Owner
- Contractor
- Applicable project representative (if any)

The certificate shall acknowledge:

- Completion status
- Remaining warranty obligations
- Acceptance of work

Owner acceptance shall not waive rights relating to concealed defects, fraud, or warranty claims.

8. Dispute Escalation Process

Step 1 – Informal Resolution

Parties shall meet within 5 business days of dispute notice.

Goal:

- Clarify facts
- Review documents
- Negotiate resolution and create written summary of resolution

Step 2 – Written Resolution Meeting

If unresolved:

- Formal meeting within 10 business days
- Written summary issued

Step 3 – Mediation

If dispute continues:

- Parties shall participate in mediation before litigation.
- Mediator shall be mutually selected by Owner and Contractor.
- Costs shared equally between Owner and Contractor unless otherwise agreed.

Step 4 – Arbitration or Litigation

If mediation fails:

- Disputes shall proceed according to the governing contract and applicable law.
- Venue shall be in the jurisdiction of Genesee County.

9. Contractor Payment Disputes

9.1 Progress Payments

Payments shall be made according to the contract schedule.

Contractor shall provide:

- Invoice
- Supporting documentation
- Change order records
- Lien waivers if required

9.2 Owner Payment Objections

If payment is disputed:

The Owner shall provide written notice within:

- 7 business days of invoice receipt

The notice shall specify:

- Amount disputed
- Basis for dispute
- Supporting documentation

9.3 Undisputed Amounts

Undisputed portions of invoices shall be paid according to contract terms.

9.4 Withholding Payment

Payment may be withheld only for documented reasons including but not limited to:

- Defective work
- Incomplete work
- Contract violations
- Unapproved change orders
- Failure to satisfy legal requirements

9.5 Final Payment

Final payment shall be released upon meeting all conditions listed below:

- Final completion
- Completion sign-off
- Delivery of required closeout documents
- Submission of final lien waivers where applicable

10. Documentation Requirements

All parties shall maintain records including:

- Contracts
- Change orders
- Correspondence
- Meeting notes
- Inspection reports
- Photographs
- Payment records
- Completion certificates

Documentation shall be retained for a minimum of three years after project completion, or longer if required by law.

11. Policy Acknowledgment

By signing the construction agreement or participating in the project, all parties acknowledge their agreement to follow this Conflict Resolution Policy and to make reasonable efforts to resolve disputes promptly, fairly, and in good faith.

Owner Name: _____

Owner Signature: _____ **Date:** _____

LPA Representative: _____ **Date:** _____

LPA Rep Signature: _____

ATTACHMENT C

**GENESEE COUNTY (LPA) VACANT RENTAL PROGRAM
DECLARATION of INTEREST**

ADD DECLARATION OF INTEREST HERE

ATTACHMENT D

GENESEE COUNTY (LPA) VACANT RENTAL PROGRAM PROJECT PHOTO RELEASE FORM

A. Property/Business Photo Release

I, _____ (print name), give to the New York State Housing Trust Fund Corporation ("HTFC") and NYS Homes & Community Renewal, the unrestricted right to use, for any lawful purpose, any photographs taken of the property or business (circle one) listed below, which I own and/or for which I have the authority to grant such permission, and to use my name in connection therewith if it so chooses.

I release and discharge HTFC from any and all claims or causes of action arising from the use of such photographs, including, without limitation, claims for libel or invasion of privacy.

I am eighteen years of age or older. I have read this release and understand its contents. This release is binding upon me, my heirs, successors, and assigns.

Property Street Address _____

Business Name (if applicable) _____

Signature _____

Date _____

Project Name _____

Project Number _____

Complete Model Photo Release on Page 2 if a person appears in photo(s)

B. Model Photo Release

(to be completed if photograph(s) includes a person. A model release is required for each individual in photograph)

I, _____ (print subject's name), give to the New York State Housing Trust Fund Corporation ("HTFC") and NYS Homes & Community Renewal, the unrestricted right to use, for any lawful purpose, any photographs taken of me by the County of Genesee and/or Designee, and to use my name in connection therewith if it so chooses.

Select One:

☐

I am eighteen years of age or older

☐

This release is for a minor under eighteen years of age (consent must be completed below)

SIGNATURE _____ DATE: _____

Consent (if applicable)

I am the parent or guardian of the minor named above and have the legal authority to execute this release, which I have read and fully understand. This release is binding upon me and my heirs.

SIGNATURE _____ DATE: _____