

**CITY OF SPARKS, NEVADA  
GRANT PROGRAM CONTRACT  
CARES ACT FUNDED RENTAL ASSISTANCE PROGRAM**

THIS AGREEMENT TO USE FUNDS FROM THE CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT (“Agreement”) is made and entered by and between Reno Housing Authority (“RHA”), and the City of Sparks (“City”), collectively the (“Parties”).

WHEREAS, Title V of the CARES Act (“CARES Act”) established a \$150 billion Coronavirus Relief Fund to provide assistance to state, local and tribal governments to cover expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (“COVID-19”); and

WHEREAS, the state of Nevada will receive approximately \$836,051,100 from the Coronavirus Relief Fund; and

WHEREAS, it is anticipated that the state of Nevada will allocate approximately 19 million dollars from the Coronavirus Relief Fund to the City; and

WHEREAS, the Governor of the state of Nevada and the City Council of the City of Sparks have determined that providing rental assistance to households affected by COVID-19 pandemic is necessary to prevent eviction of households struggling financially and has made funding available to the City for the purposes of developing of a residential rental assistance program; and

WHEREAS, the City has determined a need for rental assistance and is responsible for the planning, administration, implementation, and evaluation of a CARES Housing Assistance Program (“Program”) which provides money for rent in order to prevent evictions and ensure the health of people during the COVID-19 pandemic; and

WHEREAS, the RHA is a quasi-municipal corporation of the state of Nevada and provides rental assistance to households in this State residing in Washoe County; and

WHEREAS, the City desires to assist RHA by providing funds from CARES Act (“Funds”) to assist with RHA’s Program; and

NOW, THEREFORE, in consideration of the foregoing premises, be it agreed between the City and RHA that Coronavirus Relief Funds will immediately be made available to RHA, subject to rights and responsibilities of the Parties, and the following conditions and limitations:

**I. Scope of Services**

A. The City will provide RHA Funds not to exceed the total of \$2,000,000 to assist eligible residential tenants with rental assistance to households in this State residing within the corporate boundary of the City of Sparks. Households eligible to receive assistance under the Program must have a documented loss of income as a result of COVID-19 pandemic and a household income at or below 120% of area median income for the specific county the eligible residential tenant lives in. Additional Program requirements are further described in Exhibit A. **All Funds must be expended**

**or incurred between March 30, 2020, and December 11, 2020, (“Expenditure Date”).**

B. RHA agrees that any program costs, unless otherwise specified, exceeding the \$2,000,000 provided by the City pursuant to this Agreement, will be the responsibility of RHA. An amount not to exceed ten percent (10%) of the Funds conveyed pursuant to this Agreement may be used for Program delivery costs. RHA may expend \$100,000 as up-front Program delivery costs, and may, on or after September 30, 2020, submit a written request to the City for approval to expend the remaining \$100,000 of Funds for Program delivery costs. The City, in its sole discretion, may approve the expenditure of such Funds for Program delivery costs. Any ongoing Program costs, such as maintenance and operations, shall be the sole responsibility of RHA or if delegated, subgrantees, but in any event not that of City. As used in this section, “Program delivery costs” include, without limitation, costs that can be directly related to COVID-19; such as increasing staff to carry-out the Program. To the extent that RHA can carry out the Program without needing to increase its staff or rent additional space, those costs would not be Program delivery costs.

C. RHA agrees that all families receiving assistance must have incomes at or below 120% of area median income as determined annually by the Department of Housing and Urban Development as of April 1, 2020.

D. Changes in the Scope of Services as outlined herein must be made by written amendment to this Agreement and approved by both Parties.

## **II. City General Conditions**

A. RHA has requested the financial support of the City that is provided for in this Agreement to enable RHA to provide rental assistance under the Program. The City shall have no relationship whatsoever with the services provided, except the provision of financial support, monitoring, and the receipt of such reports as are provided for herein. To the extent, if at all, that any relationship to such services on the part of the City may be claimed or found to exist, RHA shall be an independent contractor only.

B. RHA agrees to abide by all applicable federal, state, and local codes, regulations, statutes, ordinances, and laws. RHA further agrees that RHA will be the sole entity undertaking the Program under this Agreement.

C. RHA will provide the City with client usage records on a monthly basis during the period of this Agreement. Calendar month reports will be provided via electronic mail to the designated City employee no later than 15 days after the end of the previous month. These records will contain, but are not limited to, the following data:

1. Total clients served;
2. Racial breakdown of clients served including Black or African American, White, American Indian or Alaskan Native, Asian and Native Hawaiian or other Pacific Islander;
3. If client is or is not Hispanic;
4. Number and percentage of low- and very low-income clients.
5. Number of handicapped clients served;

6. Number of senior citizens served;
7. Number of female head-of-households served;
8. Name of each head of household served;
9. Number of persons in each household served; and
10. Rent charged each household served.
11. Address of each household served.

D. RHA will not use any portion of the allocated Funds for costs not expressly authorized by this Agreement.

E. If costs are expended on non-qualified Program costs without the prior written approval of the City, RHA shall, upon the request of City, repay to the City, without interest, the amount of Funds expended on the non-qualified cost.

F. RHA may not assign or delegate any of its rights, interests, or duties under this Agreement without the prior written consent of the City. Any such assignment or delegation made without the required consent shall be voidable by the City, and may, at the option of the City, result in the forfeiture of all financial support provided herein.

G. Reserved.

H. RHA shall allow duly authorized representatives of the City, with 24-hour advance written notice, to conduct such occasional reviews, audits and on-site monitoring of RHA as the City deems to be appropriate in order to determine:

1. Whether the objectives of the program are being achieved;
2. Whether the program is being conducted in an efficient and effective manner;
3. Whether management control systems and internal procedures have been established to meet the objectives of the Program, namely the provision of rental assistance to households affected by the COVID-19 pandemic where necessary to prevent eviction of households struggling financially;
4. Whether the financial operations of the program are being conducted properly;
5. Whether the periodic reports to the City contain accurate and reliable information; and
6. Whether the activities of the program are conducted in compliance with the provisions of Federal and State laws and regulations and this Agreement.

I. Visits by the City shall be announced in writing, 24 hours in advance of those visits and shall occur during normal operating hours. The representatives of City may request, and, if such a request is made, shall be granted, access to all of the records of RHA which relate to the Program. The representatives of the City may, from time to time, interview recipients of the housing services of the program who volunteer to be interviewed.

J. At any time during normal business hours, with 24 hour advance written notice, RHA's records with respect to the program shall be made available for audit, examination and review by the City, the Nevada or US Attorney General's Office, contracted independent auditors, the Inspector General of the Department of the Treasury, the Comptroller General of the United States, or any combination thereof.

K. Subject to NRS Chapters 41 and 354, RHA will protect, defend, indemnify, and save and hold harmless the City from and against any and all liability, damages, demands, claims, suits, liens, and judgments of whatever nature arising out of and in connection of the agreement, including but not limited to claims for contribution or indemnification for injuries to or death of any person or persons, caused by the negligence, gross negligence or intentional act of RHA or its agents pursuant to this Agreement.

L. RHA will not use any funds or resources which are supplied by the City in litigation against any person, natural or otherwise, or in its own defense in any such litigation and also to agree to notify City of any legal action arising out of and in connection of the agreement, which is filed by or against it.

M. This Agreement will commence upon its approval and signature by all parties.

N. Notice must be served on the City by RHA on December 15, 2020 of any Funds not expended or incurred by December 11, 2020. Unspent or un-incurred funds must be returned to the City by December 30, 2020.

O. RHA agrees, as it relates to the project, that no Commissioner of the Board or employee of RHA may seek or accept any gifts, service, favor, employment, engagement, emolument or economic opportunity which would tend improperly to influence a reasonable person in that position to depart from the faithful and impartial discharge of the duties of that position.

P. RHA agrees, as it relates to the project, that no Commissioner of the Board or employee of RHA may use his or her position to secure or grant any unwarranted privilege, preference, exemption or advantage for himself or herself, any member of his or her household, any business entity in which he or she has a financial interest or any other person.

Q. RHA agrees that no, as it relates to the project, Commissioner of the Board or employee of RHA may participate as an agent of RHA in the negotiation or execution of any contract between RHA and any private business in which he or she has a financial interest.

R. RHA agrees, as it relates to the project, that no officer or employee of RHA may suppress any report or other document because it might tend to affect unfavorably his or her private financial interests.

S. RHA shall keep and maintain in effect at all times any and all licenses, permits, notices and certifications which may be required by any county ordinance or state or federal statute.

T. RHA, as it relates to these Funds, shall be bound by all county ordinances and state and federal statutes, conditions, regulations and assurances which are applicable to the entire Program or are required by the Internal Revenue Service, City, or any combination thereof.

U. Any material breach of this section may in the discretion of City, result in forfeiture of all unexpended or un-incurred Funds received by RHA pursuant to this Agreement, or any part thereof.

V. RHA agrees that, as it relates to the project, no officer, employee or agent of the City shall have any interest, direct or indirect, financial or otherwise, in any contract or subcontract or the proceeds thereof, for any of the work to be performed pursuant to the project during the period of service of such officer, employee or agent, for one year thereafter.

W. Upon the revocation of this Agreement or the expiration of its terms, RHA shall transfer to the City any un-incurred Funds on hand at the time of expiration or revocation and any accounts receivable attributable to the use of Funds.

### **III. Financial Management**

A. RHA agree, that all costs of any recipient receiving funds pursuant to this Agreement, shall be recorded by budget line items and be supported by checks, payrolls, time records, invoices, contracts, vouchers, orders and other accounting documents evidencing in proper detail the nature and propriety of the respective charges, and that all checks, payrolls, time records, invoices, contracts, vouchers, orders or other accounting documents which pertain, in whole or in part, to the Program shall be thoroughly identified and readily accessible to the City.

B. Not more than 15 days after the City receives the Funds and after the commencement of this Agreement, the City shall advance to RHA \$1,000,000 for the purpose of providing RHA working capital to effectively administer the Program. If the first installment of \$1,000,000 is not paid to the RHA by September 10, 2020, the RHA may, at its sole option, terminate this Agreement. The City shall advance the remaining \$1,000,000 immediately upon the sooner of notice by the RHA that it has spent or incurred obligations of \$900,000 out of the first \$1,000,000 or October 31, 2020 whereupon the entire \$2,000,000 will have been remitted to the RHA. RHA agrees to submit a cashless monthly draw that accounts for all Program expenses incurred by RHA for the previous reporting period as described in Paragraph D of Section II. All Funds disbursed pursuant to this Agreement shall be deposited into a noninterest bearing account.

C. RHA agrees that it may not request disbursement of funds under this Agreement until required Agreements are signed.

D. RHA agrees that excerpts or transcripts of all checks, payrolls, time records, invoices, contracts, vouchers, orders and other accounting documents related to or arguably related to the Program will be provided upon request to the City.

E. RHA agrees that at any point prior to December 11, 2020, the City may, at its sole discretion, reallocate any unspent and un-incurred amount of the \$2,000,000 to another entity for continuation of the Program. All funds not incurred by RHA by December 11, 2020, shall be returned to the City by December 30, 2020.

### **IV. Modification or Revocation of Agreement**

A. The City and RHA will amend or otherwise revise this Agreement should such modification necessary by a written amendment signed by the Parties, or as otherwise set forth in the

terms of the Agreement. It is not intended for the benefit of any third parties.

B. In the event that any of the Funds for any reason are terminated or withheld from the City or otherwise not forthcoming, the City or RHA may revoke this Agreement.

C. Either Party may suspend or terminate this Agreement if the other Party fails to comply with any of its terms. If a Party determines that the other Party has failed to comply with any terms of this Agreement, it will provide notice of such failure to said Party. Such Party shall have 15 days to cure said failure. If said Party has failed to cure the failure, the noticing Party may terminate the Agreement.

D. This Agreement constitutes the entire Agreement between the Parties.

E. RHA shall comply with the Single Audit Act and 2 CFR Part 200, Subpart F, and shall provide the City with a copy of the complete audit report. When complying with the Single Audit Act and 2 CFR Part 200, Subpart F, the audit must include funds that were disbursed from the Account and require all subgrantees and subrecipients who must comply with the Single Audit Act to include Coronavirus Relief Funds.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be signed and intend to be legally bound thereby, this \_\_\_\_\_ day of \_\_\_\_\_, 2020. The undersigned certifies that it will not contract services of any debarred, suspended or ineligible contractors or allow any of its members to contract services of any debarred, suspended or ineligible contractors.

By: \_\_\_\_\_  
Amy Jones, Executive Director

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF NEVADA )  
 ) ss  
WASHOE COUNTY )

On \_\_\_\_\_, 2020 before me, \_\_\_\_\_, Notary Public, personally appeared, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

Signature: \_\_\_\_\_ (Seal)

**CITY OF SPARKS**, a municipal corporation of the State of Nevada

By: \_\_\_\_\_  
Ronald E. Smith, Mayor

ATTEST:

By: \_\_\_\_\_  
Lisa Hunderman, City Clerk

APPROVED AS TO FORM

By: \_\_\_\_\_  
Chester H. Adams, City Attorney



**Exhibit A**

**CARES HOUSING ASSISTANCE PROGRAM  
(CHAP)**

**Policy Manual**

Reno Housing Authority for the  
City of Sparks

August 10, 2020

**August 2020**

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# **CARES HOUSING ASSISTANCE PROGRAM**

The CARES Housing Assistance Program (CHAP) serves residents of the city of Sparks who have suffered substantial financial hardship and now lack sufficient income or resources available to pay their housing costs because of the COVID-19 emergency or the response to that emergency.

<b>Section 1</b>	<b>Covered Services</b>
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CHAP funds are specific to the payment of only rent and is limited to rent for eligible households between March 30, 2020 and December 30, 2020. Payments for rent are made directly to a landlord. Assistance may be provided for up to nine months contingent upon the availability of funds. There is no cap on the amount of financial assistance that a household can receive for the rental assistance program listed below.

**1.1 Rent Assistance**

Rental assistance may be provided for rent that is due within fifteen (15) days of application for assistance. Past due rent and late fees may also be paid. In cases where eviction is not preventable, assistance may be provided for first month’s rent and/or deposits for a new residence. If the household is unable to secure new housing prior to foreclosure, emergency lodging may be provided. The payment of rental assistance includes the following:

- Payment of current month’s rent due within fifteen (15) calendar days of the application for assistance
- Payment of past due rent, including associated late fees, starting as early as March 30, 2020
- First month’s rent may be paid for individuals required to move or for individuals who are being evicted or foreclosed upon and must secure new housing
- Deposits may be paid in circumstances where CARES Housing Assistance Program funds are used to pay the first month’s rent
- Weekly and month-to-month housing is also eligible and may be paid on a monthly basis.
- Rental assistance may be provided for multiple months via a single payment
- Recipients Housing Choice Voucher, Public Housing, and Multi-family Section 8 are not eligible.
- Rental assistance may be paid for future months depending on assessment of the household’s probable need, resources, and CHAP funding.

Some specific things related to rental assistance that can be paid include:

Application Fee	Renter’s Insurance	Moving Costs
Cleaning Fee	Vacancy Payment	
Damages	Security Deposit	
End of Lease	Rent	
Prepayment	Rent Arrears	

<b>Section 2</b>	<b>Eligibility Requirements</b>
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Application for assistance must be made by the individual or head of household requesting the assistance, or an authorized representative of the individual or head of household. Applicants must demonstrate a need for assistance by providing the required documents necessary to determine eligibility.

### **2.1 COVID-19 Financial Impact**

Individuals/households must demonstrate the financial impact of COVID-19 on the household which in turn impacted the ability of the household to pay rent. Including, outstanding late payments that are a result of financial impact to income that has been resolved (I.E. Individual has returned to work fulltime.) Examples of financial impact include (list not all inclusive):

- Reduction in work hours
- Loss of employment
- Furlough from employment during Stay at Home order
- Reduction in salary due to reduced business income

### **2.2 Residence within the city of Sparks**

CHAP funds cannot be used to assist with payments for a residence outside the corporate boundary of the City of Sparks.

### **2.3 Household Composition**

A household is defined as all individuals living in the housing unit regardless of relationship.

- Legal residence in the United States is not required. Individuals who are undocumented are included in the household and are eligible for assistance if all other criteria are met.
- If an individual/household is residing in the same housing unit as another individual/household, but holds a separate lease agreement, the two households are considered separate for eligibility purposes.

### **2.4 Income**

The individual/household income cannot exceed 120% of the Area Median Income for the current year.

## 2020 120% Income Limits

120% AMI	HH1	HH2	HH3	HH4	HH5	HH6	HH7	HH8
annual	66,960	76,440	86,040	95,520	103,200	110,880	118,560	126,120
monthly	5,580	6,370	7,170	7,960	8,600	9,240	9,880	10,510

### 2.5 Resources

Individuals/households with liquid resources (I.E. combined Checking and/or Savings account) in excess of \$3000 are not eligible for assistance. Other assets that are not readily available as cash are not considered when determining eligibility. Exceptions to resource limits include:

- If resources exceed \$3000, but are less than the amount of assistance being requested, the client must pay the excess toward rent and/or utilities. The remaining amount requested may be paid through CARES Housing Assistance Program. (For example, if a person has \$4000 in their checking account and their rent is \$1200, they will need to pay \$1000 toward their rent, and the remaining balance will be paid through CHAP funds.)

### 2.6 Documents Required

In order to complete a determination of eligibility, the required documents must be provided:

- Photo Identification, regardless of state origin
  - Identifying information may be redacted (name, address, etc.) for victim service providers
- Social Security Card or other proof of Social Security Number
- Copy of the most recent bank statement
- Verification of household members through lease agreement or identification
- For Rental: Copy of current lease in the name of the person (or other household member) requesting assistance.
- Documentation to support COVID-19 financial impact that resulted in:
  - Loss of employment
  - Reduction in work hours
  - Furlough from employment
  - Reduction in income/salary due to reduced business revenue

- Documentation may include but is not limited to:
  - Past paystubs prior to COVID-19 and current paystubs to demonstrate loss in income
  - Proof of Unemployment Insurance Benefits (UIB)
  - Bank Statements indicating a loss in income
  - Other documents that indicate a loss/reduction in income related to COVID-19
- Participating Landlord Agreement Letter