

**INDEPENDENCE HOMEOWNER/AGENCY REPAIR PROGRAM
CONTRACT**

Address of Project # 5: 805 7th Avenue SW, Independence

Amount of Contract: \$6,950.00

NOTICE TO PROCEED

The Contractor shall not proceed with or begin any work on this project until such time as a Notice to Proceed form has been signed by all parties.

WORK SPECIFICATION

The only work to be completed is what is outlined in the attached bid specification. Any additional work that is completed will be the sole responsibility of the Contractor and the Homeowner and will not be reimbursed by the City.

PAYMENT

The Contractor agrees that payment for work shall not be due until all the work is completed and the "Final Acceptance and Completion Form" has been signed by all parties to this contract. The City may need three additional weeks upon receipt of the form to process the check.

PERMITS & LICENSING

The Contractor shall obtain and pay for all permits and licenses necessary for the execution of the work to be performed and meet all State and local licensing requirements.

CLEAN PREMISES AND COOPERATION

The Contractor shall keep the premises clean and orderly during the course of the work and remove all debris at the completion of the work. Materials and equipment that are removed and replaced as part of the work shall belong to the Contractor, unless other arrangements are made at the time this Contract is signed. In addition, since the premises will be occupied during the course of the project, the Homeowner will cooperate with the Contractor by ensuring that the Contractor has adequate access to the work area.

MODIFICATIONS AND SUB-CONTRACTORS

The Contractor shall not assign or modify this Contract. If a Sub-Contractor is going to be utilized, the Sub-Contractor must also be a signing party to this Contract and it shall be the sole responsibility of the Primary Contractor to ensure that the Sub Contractor is paid. Change Orders to this Contract will not be allowed.

MANUFACTURER & SUPPLIER GUARANTEES

There is no guarantee on the work that is completed. Upon the signing of the "Final Acceptance and Completion Form" the work shall be considered to be accepted and completed "as is". The Contractor shall furnish the Homeowner all manufacturers' and suppliers' written guarantees and warranties covering materials and equipment furnished under this Contract.

SAFETY & UTILITIES

By executing this Contract, the Contractor is stating that he has or shall identify any hazards or special conditions that might arise during the course of the work. Water and electricity will be connected to the

premises during the course of the project and the Homeowner shall permit the Contractor to use those services, within reason and without charge, to facilitate the performance of the work.

INSPECTIONS

The City reserves the right to inspect the work at any time during the course of the project, including entering the property. Generally, the only scheduled inspection will be at the end of the project to ensure that the work has been completed in accordance with the bid specification and to generate a signed “Final Acceptance and Completion Form”.

DAMAGE CLAIMS

The Contractor will defend, indemnify and hold harmless the Homeowner and the City and its officers, commissioners and employees from liability and claims for damages because of bodily injury, death, property damage, sickness, disease or loss and expense arising from any of the Contractor’s actions under this Contract. This includes any claims for unpaid work, labor or materials.

DISPUTES

A dispute arising between the Homeowner, Agency, and the Contractor will be brought to the attention of the City and the City shall gather the facts concerning the situation and make a written decision.

AWARD STIPULATIONS

The award made shall be in the form of a five-year forgivable loan, which will be repaid to the City by the homeowner should the buyer choose to sell or surrender ownership of the housing unit in question. Repayment to the City prior to the five-year loan period being completed shall be repaid in the following schedule:

| Home Sold During Year: | Repayment Percentage: |
|-------------------------------|------------------------------|
| 1 | 100% |
| 2 | 80% |
| 3 | 60% |
| 4 | 40% |
| 5 | 20% |

This loan will be secured by the City in a means that is acceptable to the City and their attorney, including but not limited to property liens, promissory notes, and/or second mortgages.

CONTRACT TERMINATION

If the Contractor defaults or neglects to carry out the work in accordance with this Contract, or fails to perform any provision of this Contract, the City may, after seven (7) days written notice to the Contractor and without prejudice to any other remedy it may have, make good such deficiencies by reassigning the work to a different Contractor and deduct the cost thereof from the payment due to the original Contractor.

In addition, the City reserves the right to terminate this Contract for reasonable cause. Reasonable cause shall be generally defined as any action that demonstrates an unwillingness on the part of the Contractor or the homeowner to carry out the provisions of this Contract in a timely and professional manner with a minimum of inconvenience to the other party.

The City shall be the interpreter of the conditions of termination of this Contract and the sole judge of its performance.

Contractor Signature

Date

Homeowner/Agency Signature

Date

City Signature

Date

DRAFT