

ATTACHMENT N 8

**SUMMARY OF LEGAL REQUIREMENTS FOR  
HOUSING SUCCESSOR AGENCY (HSA) FUNDS  
AND PROJECT-BASED VOUCHERS**

1. **Fair Housing.** The Borrower shall affirmatively further fair housing in accordance with California Fair Employment and Housing Act (FEHA) (Gov. Code §§ 12900 et seq.) and 24 CFR 92.351, as applicable. 24 CFR 5.105 (a) and Section 504 of the federal Rehabilitation Act.
2. **Civil Rights.**
  - a. **Compliance.** The Borrower agrees to comply with Unruh Civil Rights Act (Section 51 of the California Civil Code, and the California Fair Employment and Housing Act (Chapter 7 (commencing with Section 12960) of Part 2.8 of Division 3 of Title 2 of the Government Code); Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 109 of Title I of the Housing & Community Development Act of 1974, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and with Executive Order 11246 as amended by Executive Order 11375 and 12086, as applicable.
  - b. **Nondiscrimination.** The Borrower shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age or marital status with regard to public assistance. The Borrower will take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include, but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruiting advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
  - c. **Rehabilitation Act.** The Borrower agrees to comply with any federal regulations issued pursuant to compliance with Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. 706) which prohibits discrimination against the handicapped in any federally assisted program. The County shall provide the Borrower with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.
3. **Affirmative Action.**
  - a. **Approved Plan.** The Borrower agrees that it shall be committed to carry out pursuant to the County specifications an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1965.
  - b. **Employment Restrictions.**
    - i. **Labor Standards.** To the extent applicable, the Borrower agrees to comply with the requirements of the California Department of Industrial Relations Prevailing Wage Requirements and the Secretary of Labor in accordance with the Davis-Bacon Act as amended, the provisions of

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Contract Work Hours, the Safety Standards Act, the Copeland “Anti-Kickback” Act (40 U.S.C. 276, 327-333) and all other applicable federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The Borrower shall maintain documentation, which demonstrates compliance with hour, and wage requirements of this part. Such documentation shall be made available to the County for review upon request. The Borrower agrees that, except with respect to the rehabilitation or construction of residential property designed for residential use for less than twelve (12) units, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair of any building or work financed in whole or in part with assistance provided under this Agreement, shall comply with federal requirements adopted by the County pertaining to such contracts and with the applicable requirements of the regulations of the U.S. Department of Labor, under 29 CFR, Parts 1, 3, 5, 7 and 1926 governing the payment of wages and ratio of apprentices and trainees to journeymen; provided, that if wage rates higher than those required under the regulations are imposed by state or local law, nothing herein is intended to relieve the Borrower of its obligation, if any, to require payment of the higher rate. The Borrower shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph, for such contracts in excess of \$10,000.00.

ii. “Section 3” Clause.

1. **Compliance.** To the extent applicable, compliance with the provisions of Section 3, the regulations set forth in 24 CFR 135, and all applicable rules and orders issued herein prior to the execution of this Agreement, shall be a condition of the federal financial assistance provided under this Agreement and binding upon the Borrower and any sub-contractor. Failure to fulfill these requirements shall subject the Borrower and any sub-contractor, their successors and assigns, to those sanctions specified by the contract through which federal assistance is provided. The Borrower certifies and agrees that no contractual or other disability exists which would prevent compliance with requirement.

All Section 3 covered contracts, as applicable, shall include the following clause (referred to as the Section 3 Clause):

“(1) The work to be performed under this contract may be 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

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persons, particularly persons who are recipients of HUD assistance for housing.

(2) 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.

(3) The contractor agrees to send to each labor organization or representative or 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.

(4) 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.

(5) 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.

(6) 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.

(7) 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

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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 to the maximum extent feasible, but not in derogation of compliance with section 7(b).”

2. **Notifications.** To the extent applicable, the Borrower agrees to send to each labor organization or representative of workers with which it has a collective bargaining contract or other contract or understanding, if any, a notice advising said labor organization or worker’s representative of its 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.
  3. **Subcontracts.** To the extent applicable, the Borrower will include a Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the sub-contractor is in violation of regulations issued by the County. The Borrower will not subcontract with any sub-contractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR 135 and will not let any subcontract unless the sub-contractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.
  4. **Selection Process.** The Borrower shall undertake to ensure that all subcontracts awarded in the performance of this Agreement shall be awarded on a fair and open competition basis. Executed copies of all contracts shall be forwarded to the County along with documentation concerning the selection process if requested by County.
- c. **Conduct.**
- i. **Assignment/Transfer.** The Borrower shall not assign or transfer any interest in this Agreement without the prior written consent of the County thereto; provided, however, that claims for money due or to become due to the Borrower from the County under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the County.
  - ii. **Hatch Act.** The Borrower agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Title V United States Code Section 1501 et seq.
  - iii. **Conflict of Interest.** The Borrower agrees to abide by the provisions of 24 CFR 92.356 with respect to conflicts of interest, and covenants that it presently has no financial interest and shall not acquire any financial

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interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Agreement. The Borrower further covenants that in the performance of this Agreement no person having such a financial interest shall be employed or retained by the Borrower herein. These conflict of interest provisions apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the County or any designated public agency or Borrower's which are receiving funds under the Veterans Affairs Supportive Housing Project Based Voucher Program.

- iv. Drug Free Workplace. Borrower certifies that it will maintain a drug-free workplace as defined by HUD on project(s) funded by this Agreement.
- v. Religious Organization. The Borrower agrees that funds provided under this Agreement will not be utilized for religious activities, to promote religious interest, or for the benefit of a religious organization in accordance with federal regulations specified in 24 CFR 92.257.

**4. Environmental Conditions.**

- a. Air and Water. The Borrower agrees to comply with the following regulations insofar as they apply to the performance of this Agreement:
  - i. Clean Air Act, 42 U.S.C., 1857, et seq.
  - ii. Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251, et seq., as amended 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.
  - iii. Environmental Protection Agency (EPA) regulations pursuant to 40 CFR, Parts 50 and 58, as amended.
  - iv. National Environmental Policy Act of 1969.
  - v. HUD Environmental Review Procedures (24 CFR, Part 58).
- b. Flood Disaster Protection.

The Borrower agrees to comply with the requirements of the Flood Disaster Protection Act of 1973 (P.L. 2234), including as applicable any regulations set forth in 24 CFR Part 55 (implementing Executive Order 11988), in regard to the sale, lease or other transfer of land acquired, cleared or improved under the terms of this Agreement, as it may apply to the provisions of this Agreement.(c)
- c. Lead-Based Paint.

The Borrower agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 92.355, and 24 CFR Part 35, and in particular Sub-Part B thereof. Such regulations pertain to all HUD-assisted housing and require that all owners, prospective owners, and tenants or properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning.

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d. Historic Preservation.

The Borrower agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR, Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, State, or local historic property list.

SAMPLE