



City of Springdale  
Community Development Block Grant  
201 Spring Street  
Springdale, Arkansas 72764  
Phone (479) 750-8175

## Community Development Block Grant Program Housing Services Program

### Housing Rehabilitation Contract

Revised 01/21/14

Grant Number: B- -MC-05-0002

This Contract is between homeowner's names (referred to in this Contract as the "property owner(s)") and contractor's first and last name doing-business-as contractor's business name (referred to in this Contract as the "contractor") warranting itself to be licensed and qualified to perform the work specified herein. This Contract is for the housing rehabilitation of the property located at homeowner's street address, Springdale, Arkansas (referred to in this Contract as the "Property").

**In consideration of their mutual promises, the parties agree as follows:**

#### PART 1 SPECIFIC TERMS

1. **Effective Date:** This document shall have no force or effect unless and until executed by the property owner(s) and contractor, approved by the City of Springdale, Community Development Block Grant Manager, (referred to in this Contract as the "City"), and a properly executed and approved copy is mailed to the contractor at the address shown above. The date on which the copy is mailed shall be referred to as the "Effective Date". If a properly executed and approved copy of this Contract is not mailed on or before the execution date, the contractor is not bound by the terms of this Contract. If however, a properly executed and approved copy of this Contract is mailed after that date, and the contractor subsequently performs work on or delivers materials to the property, the contractor shall be bound by this Contract. The contractor shall not be compensated under this Contract for work commenced or materials delivered to the property before the Effective Date.
2. **Contract:** This Contract consists only of this Part I (Specific Terms), Part II (Standard Terms), and the following attachments:
  - a. Description of Work / contractor's bid proposal
  - b. Payment Schedule
3. **Time for Commencement and Completion:** The contractor agrees time is of the essence, and to commence, or cause to be commenced, the actual work described in the Description of Work within ( ) **Calendar Days** after the Effective Date. The contractor agrees to complete, free of liens or rights of liens of contractors, mechanics, material men or laborers, all work listed in the Description of Work within ( ) **Consecutive Calendar Days** after a Notice to Proceed is issued, subject to extensions approved by the property owner(s) and the City for the period of excusable delays (including strikes, acts of God or other reasons beyond the control

of the property owner(s) or contractor. The contractor agrees that time is of the essence of this Contract. If work has not been completed by such date, subject to extensions approved by the property owner(s) and the City for the period of any excusable delays (including strikes, acts of nature or other reasons beyond the control of the property owner(s) or contractor, the contractor shall be assessed liquidated damages in favor of the City in the amount of fifty dollars (\$50.00) per day for each calendar day in excess of the number of days, as provided herein, unless the act from a source, as determined by the property owner(s) or the City, is found to be beyond the contractor's control caused the such delay in completing the project. If for any cause, the contractor fails to fulfill in a timely and proper manner the obligations under this contract, the property owner(s) or City shall have the right to terminate this Contract by given written notice to the contractor of such termination and specifying the effective date of such termination. Upon termination of a Contract, the work accomplished in the specified manner under said Contract shall be compensated for in a manner based upon the itemized bid submitted by the contractor prior to the initiation of said Contract. Upon termination of a Contract or if the work has not been started by said date, this Contract may be considered null and void, all housing assistance contracts of the contractor, approved but for which Notices to Proceed have not been issued, may be considered null and void, and the "City" will have the right to consider the contractor ineligible to bid future projects.

4. **Contract Price:** The contractor agrees to accomplish the work as described in the Description of Work in accordance with each and every term and condition of this Contract, for a total contract price of **contractor's written bid amount Dollars (\$00)**. The price of specific items of work is stated in the Contractor's Bid Proposal Form.
  
5. **Progress Payments:** The contractor agrees that the total Contract price shall be paid as specified in the Payment Schedule; one payment 100% completion, or two payments 50% progress and 100% completion, based upon the value of the work completed at the time the progress payment is requested. Such progress payments shall be disbursed at the time and in the amounts specified in the Payment Schedule (attachment B), after inspection and approval of the work by the property owner(s) and the City. Any and all approved funded change orders will be processed with the final check. Final payment shall be due upon satisfactory completion and acceptance of the work as in compliance with this Contract by the property owner(s) and the City, permit sign-off, submission of satisfactory wavier(s) of liens satisfactory to the property owner(s) and the City indemnifying the property owner(s) against any lien, and submission of all warranties and guarantees. The property owner(s) shall not withhold payment to the contractor except for noncompliance with the terms of this Contract, and shall not request the Contractor to perform work outside the scope of this Contract as a condition of receiving payment. The contractor acknowledges that it is a material breach of this Contract to request or accept a progress or final payment which is in excess of the price of the work completed at the time such payment is requested.

- 6. Warranty:** The contractor warrants that all improvements, hardware and fixtures of whatever kind or nature to be installed or constructed on the property by the Contractor or the Contractor's subcontractors will be of good quality, suitable for their purpose and free from defects in workmanship or materials, or other deficiencies. The Contractor agrees that before final payment is made on a completed and approved project, the contractor will furnish the property owner(s) and City, (1) manufactures warranties and/or guarantees on all warrantable products and materials installed in the project, including but not limited to: asphalt shingles, water heaters, and furnaces and other heating equipment and (2) Contractor's warranty which is valid for one (1) year from the date of final inspection. The contractor agrees to remedy any defects in the Contractor's work and materials and any damage resulting there from which may appear within a period of one (1) year from the date of final acceptance of the work which is the date upon which final inspection was performed.
- 7. Parties to Contract:** The property owner(s) and Contractor agree that they are the sole parties to this Contract and are solely responsible for its performance. The parties agree that the City of Springdale or the United States Department of Housing and Urban Development assumes any liability or responsibility whatsoever for the performance of any term of this Contract. The property owner(s) will not perform or hire another contractor to perform any type of construction related repairs, improvements, or modifications to his/her/their home as of the date of this Contract through the final inspection phase which will be performed by the City's Building Inspection Department or the Planning & Community Development Department. Failure to comply with this section will cause this project to be placed on hold until the unauthorized repairs, improvements, or modifications have been completed. The property owner(s) agrees that only the items listed in the Contractor's Description of Work are to be accomplished under this contract. The property owner(s) agrees that he/she/they will provide notice of defects in workmanship or materials installed in the project within a reasonable period of time (30 calendar days). The Contractor will not be responsible for defects caused by acts of the occupants, by occupant's abuse, neglect or inadequate maintenance, or by Acts of God. It is recognized by the parties that the City shall make a grant and/or loan to the property owner(s) which shall be used to pay in whole or in part the cost of the Contract, subject to additions and deductions in written and signed change orders, as provided in the Description of Work and Housing Rehabilitation Specifications of the Contract. The property owner(s) and contractor agrees that the Community Development Block Grant Program Manager shall have the right to act for the property owner(s) in taking all actions necessary to insure the full and complete performance of the obligations of the contractor under this Contract, and the contractor agrees to hold the City harmless from and indemnify and the City against any and all claims from the property owner(s) or any third persons arising from the action of the contractor with reference to this contract.
- 8. Contract Limits:** This Contract shall be deemed to be the entire Contract and no other work shall be done or monies paid for such work unless advance notice

thereof is given to the City of Springdale's Community Development Block Grant Program Manager and the specific procedures set forth in the General Conditions for Housing Rehabilitation are followed.

9. **Statement of Work:** The contractor does hereby agree that, according to this Contract and for the price set forth hereinabove, he will furnish supervision, technical, personnel, labor, materials, tools, equipment, fixtures and services including transportation services, and perform and complete all work required in an efficient and workmanlike manner for the rehabilitation of the property listed above.

## **PART II STANDARD TERMS**

1. **Insurance:** During the continuance of work under this Contract, the contractor and all subcontractors shall:
  - a. Maintain worker's compensation and employer's liability insurance in amounts required by the City or sufficient to protect themselves and the property owner(s) from any liability or damage for injury (including death) to any of their employees, including any liability or damage which may arise by virtue of any statute or law in force or which may hereafter be enacted.
  - b. Maintain public liability insurance in amounts sufficient to protect themselves and the property owner(s) against all risks of damage or injury (including death) to property or persons wherever located, resulting from any action or operation under this Contract or in connection with the work.
  - c. The contractor agrees to provide evidence to the City of such insurance prior to commencement of work. Failure to provide evidence of insurance or failure to maintain the insurance as required by this section shall be grounds for terminating this Contract at the option of the property owner(s).
2. **Assignment:** The contractor agrees not to assign this Rehabilitation Contract without prior written consent by the property owner(s) and the City and said request for assignment of the Contract shall be submitted to the City of Springdale's Community Development Block Grant Program Manager.
3. **Change Order:** The contractor agrees not to make any changes to the Schedule of Work or the Description of Work without written authorization by the property owner(s) and the City.
4. **Permits and Codes:** The contractor agrees to secure and pay for all necessary permits and licenses required for the contractor's performance of this Contract in compliance with applicable local requirements, including local building and housing codes, where applicable, whether or not specified in the Description of Work or General Specifications.

- 5. Hold Harmless:** The property owner(s) and contractor agree that they are the sole parties to this Contract and are solely responsible for its performance. The parties agree that the “City”, the United States Department of Housing and Urban Development assumes any liability or responsibility whatsoever for the performance of any term of this Contract. The contractor agrees to defend, indemnify, and hold harmless the property owner(s) the “City” and the United States Department of Housing and Urban Development from any liability or claim for damages because of bodily injury, death, property damage, sickness, disease or loss and expenses arising from the Contractor’s performance of this Contract. Each contractor and subcontractor is acting in the capacity of an independent contractor with respect to the property owner(s). The contractor further agrees to protect, defend and indemnify the property owner(s) from any claims by laborers, subcontractors and material-men for unpaid work labor performed or materials supplied in connection with this Contract.
- 6. Eligibility:** The contractor represents that he or she is not listed on the Disbarred and Suspended Contractor’s List of the United States Department of Housing and Urban Development. The contractor agrees not to hire or utilize as a subcontractor or supplier any person or firm that is so listed.
- 7. Condition of Premises:** The contractor agrees to keep the premises broom clean and orderly and remove all debris as needed during the course of work, in order to maintain work conditions which do not cause health or safety hazards.
- 8. Lead-based Paint:** The contractor agrees to use no lead-based paint in the Contractor’s performance of this Contract, including the performance of any subcontractors. “Lead-based Paint” means any paint containing more than six one-hundredths (6/100) of one percent (1%) lead by weight (calculated as lead metal) in the total nonvolatile content of the paint or the equivalent measure of lead in the dried film of paint already applied. The City shall schedule and pay for a Lead-based Paint Clearance Test at the completion of the project, if however the Lead-based Paint Clearance Test fails, the Contractor shall be responsible to schedule and pay for the second and any subsequent Lead-based Paint Clearance Test that may be required. The Contractor shall use the same Lead-based Paint Contractor that performed the first Clearance Test.
- 9. Termination:** The contractor agrees that the property owner(s) shall have the right to declare the contractor in default if the contractor fails to furnish materials or perform work in accordance with the provisions of this Contract. In such event, the property owner(s) shall be responsible for providing written notice to the contractor by registered mail of such default. If the contractor fails to remedy such default within fifteen (15) days of such notice, the property owner(s) shall have the right to select one or more substitute contractors acceptable to the City. If the expense of finishing the work exceeds the balance not yet paid to the contractor on this Contract, the contractor shall pay the difference to the property owner(s).

**10. Inspection:** Designees from the United States Government, City of Springdale, United States Department of Housing and Urban Development shall have the right to inspect all work performed under this Contract. The contractor and property owner(s) will take all steps necessary to assure that designees from the United States Government, City of Springdale, United States Department of Housing and Urban Development are permitted to examine and inspect the property, and all contracts, materials, equipment, payrolls and conditions of employment pertaining to the work, including all relevant data and records. By such inspection, the United States Government, City of Springdale, and United States Department of Housing and Urban Development assume no responsibility to the property owner(s) for defective material or work under this Contract or to either party for any breach of this Contract by the other.

**11. Interest of Federal, State, or City Personnel:** The contractor agrees that no officer or employee of the City or State who exercises any function or responsibility in connection with the administration of the Community Development Block Grant Program or any member of the governing body of the City or State have any interest or benefit, direct or indirect, in this Contract.

**12. Equal Opportunity:** The contractor agrees to abide by all Federal, State, and/or Local regulations relative to equal opportunity to all persons, without discrimination as to race, color, creed, religion, national origin, sex, marital status, age, and status with regard to public assistance or disability.

**Homeowner** \_\_\_\_\_ **Date** \_\_\_\_\_

**Homeowner** \_\_\_\_\_ **Date** \_\_\_\_\_

**Contractor** \_\_\_\_\_ **Date** \_\_\_\_\_

Approved by the City, mailed to contractor and effective date  , 2013

Community Development Block Grant Manager: \_\_\_\_\_

SUBSCRIBED AND SWORN before me, a Notary Public this  day of ,

\_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_