

**Meeting Agenda  
State College Borough  
CDBG Citizens' Advisory Committee  
February 4, 2020  
Room 241 / Noon**

- I. Call to Order**
- II. Roll Call**
- III. Election of Officers**
- IV. Approval of Minutes**
- V. Chair Report**
- VI. Public Hour - Hearing of Citizens**
- VII. 2020 Conflict of Interest Memorandum**
- VIII. 2018 CAPER (Consolidated Annual Performance and Evaluation Report)**
- IX. 2020 Tentative Schedule of Federal Grant Program Activities**
- X. Review of State College Borough Housing Rehabilitation Guidelines**
- XI. Upcoming Meeting(s)**
- XII. Adjournment**

*Documents:*

*[Complete CDBG Citizens Advisory Committee Agenda - February 4, 2020.pdf](#)*

**Meeting Agenda  
State College Borough  
CDBG/Citizens' Advisory Committee (CAC)  
February 4, 2020  
Room 241 / Noon**

**I. Call to Order**

**II. Roll Call**

Selden Smith  
David Gaines  
Ian Boswell  
Alexis Burke  
Jason Olcese  
Marcia Patterson  
Bruce Quigley

**III. Election of Officers**

The CAC generally reorganizes at the first meeting held in the calendar year. The committee has a duty to elect a chair and a vice-chair.

**Action Needed:** Elect officers

**IV. Approval of Minutes – November 5, 2019**

**V. Chair Report**

**VI. Public Hour - Hearing of Citizens**

**VII. 2020 Conflict of Interest Memorandum**

On April 18, 2005, Borough Council adopted a “Conflict of Interest Policy and Code of Conduct with Regard to HUD Programs” which has been periodically updated to reflect federal requirements. Elected and appointed officials are to receive a copy of the policy at a regular meeting of their respective council, authority, board, commission or committee. The policy is attached for review.

**Attached:** Conflict of Interest Policy and Code of Conduct with Regard to HUD Programs.

**Action Needed:** Committee members acknowledge receipt of document.

**VIII. 2018 CAPER (Consolidated Annual Performance and Evaluation Report)**

The 2018 CAPER will be reviewed briefly to prepare the Committee for the public hearing for the 2019 CAPER that will take place at the CAC meeting in March.

**Action Needed:** No formal action required. Committee members will be asked to indicate to staff their preference for receiving either an electronic or printed copy of the 2019 CAPER by February 28, 2020 prior to the meeting in March.

#### **IX. 2020 Tentative Schedule of Federal Grant Program Activities**

During 2020, the following actions must be completed to continue to administer CDBG and HOME funds. The schedule is tentative.

- 2019 Consolidated Annual Performance Evaluation Report Review public hearing in March
- Budget Amendment prior to submitting 2020 Annual Action Plan – April
- Community Needs Hearing for FY 2020 Annual Action Plan (May/June)
- State College Borough Capital Improvement Plan Review (May/June)
- FY 2021 Annual Action Plan Review and Recommendation to Council (September/October)

**Action Needed:** No formal action needed.

#### **X. Review of State College Borough Housing Rehabilitation Guidelines**

One objective for 2020 is to update the guidelines that State College Borough uses to administer housing rehabilitation services for owner-occupied, first-time homebuyer and rental housing. The policy needs to reflect the Energy+ approach to rehabilitation and to be consistent with the housing rehabilitation guidelines developed by the Pennsylvania Department of Community and Economic Development (PA DCED).

**Action Needed:** No formal action needed.

#### **XI. Upcoming Meeting**

Tuesday, March 4, 2020 at Noon

#### **XII. Adjournment**

**Meeting Minutes  
State College Borough  
CDBG/Citizens' Advisory Committee  
November 5, 2019**

The State College Borough Community Development Block Grant/Citizens' Advisory Committee (CDBG/CAC) meeting was called to order by Selden Smith, Chair, on Tuesday, November 5, 2019 at 12:07 p.m. in the Municipal Building, 243 South Allen Street.

**Members Present**

Selden Smith, Chair; Alexis Burke; David Gaines, Vice-Chair; Marcia Patterson; and Bruce Quigley

**Members Absent**

Jason Olcese

**Others Present**

Maureen H. Safko, Senior Planner; Elizabeth S. Eirmann, Planner-Housing Specialist; Isabel Storey, Planner; and Denise L. Rhoads, Administrative Assistant

**Approval of Minutes**

A motion was made by Ms. Patterson and seconded by Mr. Gaines to approve the September 3, 2019 minutes as submitted. The vote was unanimously in favor.

**Chair Report**

Selden Smith, Chair, had nothing to report.

**Public Hour**

No one from the public was in attendance.

**Draft 2020 CDBG/CAC Meeting Calendar**

The 2020 draft of the CDBG/CAC meeting calendar was discussed briefly.

A motion to approve the calendar as submitted was made by Ms. Burke and seconded by Ms. Patterson. The vote was unanimously in favor.

## 2019 PA DCED HOME Grant Applications

### Acquisition/Rehabilitation - Rental

Ms. Safko stated the request for approximately \$750,000 was for the purchase and rehabilitation of a multi-family rental property with less than 10 units to be owned and developed in partnership between the Temporary Housing Foundation, Inc. (THF) and the State College Community Land Trust (SCCLT). The Old Boalsburg Road Townhomes at 803-817 Old Boalsburg Road had eight units with three bedrooms each and separate exterior entrances.

Ms. Safko noted the SCCLT agreed to provide \$300,000 in SCCLT funds toward the purchase this property.

Property sellers agreed to enter into a sales agreement with a term of one year with THF and SCCLT. Ms. Safko stated that this length of time would be necessary to secure the funding.

She noted this was an endeavor to partner the SCCLT, which would own the land and the THF, which would own the improvements. She stated the case management and housing counseling expertise of THF increased the impact the housing could have on traditionally underserved and at-risk populations in the community.

Ms. Safko noted one meeting with social service agencies was held. Two or three of those agencies had expressed interest in leasing at least one apartment to be occupied by the clients that they serve.

She discussed the Energy+ Partnership. This initiative came out of the Green Build project and seeks to reduce the cost burden of housing by making energy efficiency improvements to housing. Many people from the community came together to bring many resources. She noted the primary purposes from a social services perspective was:

- To improve housing affordability
- To be good stewards of the planet

A land development plan had been finalized to include options of constructing an additional building on the property.

Ms. Safko discussed the funding sources briefly which included:

- |   |           |
|---|-----------|
| • THF HUD HOME - 2019   | \$310,000 |
| • THF DCED HOME - applying December 2019  | \$750,000 |
| • State College Borough (SCB) / Inclusionary Housing (IH) Funds   | \$250,000 |
| • SCCLT   | \$100,000 |
| • PHARE 2020 (asking the state for this funding)  | \$250,000 |
| • Centre County Housing Trust Fund  | \$100,000 |
| • SCB planned to ask West Penn Power (WPP) to help with the energy efficiency portion of the project – WPP had not committed yet. |           |

Ms. Safko noted there would be a public hearing regarding this project at the first Borough Council meeting in December.

#### CAC comments

- Ms. Burke asked what the model would look like. Ms. Safko stated THF had been using the fair market rent model. She noted efforts are being made to increase affordability beyond this.
- Mr. Smith asked, because this was a unique project, would that prevent this type of project from being duplicated in the future. Ms. Safko stated that the SCCLT and THF may choose to repeat the partnership based on this experience.
- Ms. Burke asked if roommates would be allowed. Ms. Safko stated she did not know how it would be handled by THF. Ms. Eirmann stated, at Kemmerer Road, there had been three different graduate students in one apartment, each with their own lease. Mr. Quigley stated if vouchers were involved that would bring on a different level of restrictions which would be regulated by the Housing Authority.
- Mr. Gaines asked how the revenues from the project would be handled. Ms. Safko stated some would go to THF, and some would go to SCCLT to pay taxes. With THF, any funds that came in would be used only for HOME eligible projects.
- Mr. Gaines asked if there were any other types of projects of this kind. Mr. Quigley stated he was sure there were.
- Mr. Quigley suggested using a part of the funds to start a local permanent rental assistance fund.

Ms. Safko stated PHARE applications were due in November. She drafted a letter to Pennsylvania Housing Finance Agency (PHFA) and asked if the committee wanted to sign it today or wait and make some changes.

A motion was made by Ms. Patterson and seconded by Mr. Quigley to approve a letter of support for the PHARE application. The vote was unanimously in favor.

#### Acquisition/Rehabilitation – First Time Home Buyer

Ms. Safko stated the request for approximately \$280,000 was for the purchase and rehabilitation of one single-family home to be sold to an income eligible First-Time Home Buyer. This funding would be paired with proceeds from the SCCLT and IH funds from the Borough.

#### CHDO Operating – State College Community Land Trust (SCCLT)

Ms. Safko noted the request for approximately \$50,000 in operating funds was for the SCCLT from the PA DCED HOME Program in an amount equal to 50% of the organization's 2018 operating budget and not to exceed \$100,000.

#### CHDO Operating – Temporary Housing Foundation (THF)

Ms. Safko noted the request for approximately \$80,000 in operating funds was for the THF from the PA DCED HOME Program in an amount equal to 50% of the organization's 2018 operating budget and not to exceed \$100,000.

### CAC's comments

- Mr. Quigley suggested staff ask the SCCLT to reach out to the Section 8 community.

Ms. Eirmann stated that she is a member of the Centre County Housing Authority's Family Self-Sufficiency (FSS) board. Mr. Quigley stated that if voucher recipients had FSS help, they also needed to participate in budget counseling with the thought of eventually becoming a homeowner.

### **Affordable Rentals in State College Borough**

Ms. Safko started a discussion on outreach to landlords of the State College Borough to create more affordable rental units through rental housing rehabilitation opportunities which included:

- She asked if the committee had any suggestions/questions on how to reach landlords.

### CAC's comments

- Mr. Quigley stated he thought that a sudden increase in supply will result in lower rents.
- Mr. Gaines asked if Centre Region Code Administration could be asked for assistance in reaching out to landlords.
- Ms. Patterson asked if rental management companies would be willing to help.
- Mr. Smith stated if instead of asking these companies what they could do for us, we could ask them what we could be doing to inform them.
- Mr. Quigley suggested targeting income eligible buyers other than big developers. Ms. Eirmann stated staff tried working with our local PHFA lender especially for duplexes and it had not been successful. The lender stated the buyer would have to be able to afford the entire cost.

Mr. Smith asked if there were any updates on the vacant committee position. Ms. Safko stated there had not been any news yet of any applicants.

### **Upcoming Meeting**

The next scheduled meeting is Tuesday, December 3, 2019 at Noon.

### **Adjournment**

With no further business to discuss, the meeting was adjourned at 1:07 p.m. by Mr. Gaines and seconded by Ms. Patterson. The vote was unanimously in favor.

Respectfully submitted,

Denise L. Rhoads  
Administrative Assistant

## STATE COLLEGE

### REHABILITATION PROGRAM GUIDELINES

Over the next year the State College Borough intends to undertake a Borough-wide Owner-Occupied Housing Rehabilitation effort.

#### I. Program Eligibility

Homeowners residing in the Borough of State College may be eligible for housing rehabilitation assistance if they meet the following criteria:

##### A. Income Guidelines

The Borough shall provide services on a first-come, first-served basis to low-income households whose total household income does not exceed the limits as identified below.

##### LOW:

Persons per Household	1	2	3	4	5	6	7	8
Maximum Income	\$34,550	\$39,500	44,400	\$49,350	\$53,300	\$57,250	\$61,200	\$65,150

When determining the annual income of a household, the Borough will use the 24 CFR Part 5 definition. Annual income is defined as the gross amount of income of all adult household members that is anticipated to be received during the coming 12-month period.

All income shall be verified from the source. In the case of self-employment, staff shall accept a Schedule C or other applicable Federal schedules and/or a notarized statement from the self employed applicant.

An updated income will be necessary if more than six months has transpired from the initial verification to the execution of the construction contract. See Attachment A for Income Inclusions and Attachment B for Income Exclusions.

##### B. Location

For this program homeowners residing only within the Borough of State College will be considered eligible.

##### C. Inspections

The homeowner agrees to allow a representative of the Borough of State College or its agent to conduct a complete (interior and exterior) housing/building inspection as per the Borough's most recently adopted Building Maintenance Code and other codes as applicable.

##### D. Ownership Criteria

The homeowner must occupy their housing unit at the time of application to participate in the housing rehabilitation program.



1. Any of the following will satisfy or fulfill this requirement of ownership:
  - (a) Full marketable title.
  - (b) An undivided or divided interest in the property to be repaired when not all of the owners are occupying the property. Program assistance may be made in such cases when:
    - (i) The grantee has no reason to believe the occupant's position of owner/occupant will be jeopardized as a result of the improvements to be made with program funds; and
    - (ii) The co-owner(s) sign the security instrument whenever possible.
  - (c) A life estate, with the right of present possession, control and beneficial use of property. Life estate must be recorded in the deed or a signed notarized affidavit.
  - (d) Maintains a 99-year leasehold interest in the property.
2. The following items may be accepted as evidence of ownership if a recorded deed cannot be provided:
  - (a) Any legal instrument, whether or not recorded, which is commonly considered evidence of ownership.
  - (b) Evidence that the program recipient is listed as the owner of the property by the local taxing authority and that real estate taxes, if any, for the property are paid by the recipient.
  - (c) Affidavits by others in the community that the recipient has occupied the property as the apparent owner for a period of not less than ten years, and is generally believed to be the owner.
- E. The homeowner is current in all payments of county, borough, and school property taxes, personal taxes, and municipal utility bills. At the time of application, if it is determined that the applicant is not current with the above-mentioned payments, they shall have 30 days to bring payments current.
- F. The after rehabilitation value of the property is modest and does not exceed 95% of the median purchase price of housing in the County.
- G. Homeowner must provide proof of homeowner insurance.

If the applicant does not meet all of the eligibility criteria as listed in A – G above, then the applicant shall be deemed ineligible for services. In the future, if they are able to fulfill all of the program criteria, the applicant will be allowed to reapply for services. At this time, they will be placed at the bottom of the waiting list.

## II. Funding Assistance

The Borough will provide up to \$20,000, as a no-interest loan, which will be forgiven if the property is not sold or transferred for at least eight years after the rehabilitation is complete. The property must remain the applicant's primary dwelling place during this time. In the event the base bid should exceed the \$20,000 limit, then the homeowner shall be responsible to escrow with the Borough the difference. The Borough shall also provide, if

applicable, an additional \$10,000 grant that will be used to reduce and stabilize lead-based paint.

### III. Eligible Activities

#### A. Eligible Activities

The intent of the Borough of State College's Housing Rehabilitation Program is to correct housing code deficiencies and comply with all applicable local codes. Housing code deficiencies will be defined by way of the most recently adopted Building Maintenance Code and other codes as applicable, with the priority on health and safety problems. Therefore, property owners will only receive assistance if there are code deficiencies that need to be corrected.

The property must have at least \$1,000 in improvements in order to receive funding assistance. Other activities which may be considered include:

1. Reduction and/or stabilize lead-based paint.
2. Energy conservation measures such as attic insulation, storm windows/doors, caulking around windows/doorways and insulation of basement sill plates.
3. Handicapped barrier removal.
4. When applicable, alterations of the housing unit interior (i.e., opening up of space), which will alleviate chronic overcrowding conditions.

NOTE: If the local code enforcement officer or the program's housing rehabilitation specialist agree that it is not feasible to eliminate all the major housing code deficiencies (which affect the health and safety of its occupants) and lead hazards with the financial resources that are made available, then it shall be the Borough's policy not to improve that specific housing structure.

5. Housing components that are not necessarily deemed code deficient, but if replacement or repair does not occur within the near future, the Housing component has a high probability of failing.

#### B. Ineligible Activities

Eligible improvements will not include work that does not contribute to the health, safety and welfare of the homeowner's family or do not materially contribute to the structural integrity or long-term preservation of the unit. Specific ineligible activities for funds will include, but not be limited to:

1. Assisting in the construction or completion of a new dwelling.
2. Refinancing of debts.
3. Landscaping when it does not contribute to management of storm water.
4. Improvements to barns, out buildings and garages (unless the structure is attached and is posing a direct threat to the main habitable unit).
5. Cosmetic improvements that are not related to code repairs.

NOTE: The Borough has the right to deem other activities ineligible.

IV. Repayment Stipulations

The primary focus of the Borough of State College's Housing Rehabilitation Program is to offer assistance to homeowners which provides them with a safe and comfortable place to live. However, the program is not intended to have homeowners receive such assistance for the purpose of speculative sales of their property. Therefore, as a measure to discourage this type of activity, it will be the Borough Council's policy that total principal of any outstanding loans shall be called due in the event of a sale in accordance with the following schedule:

SELL WITHIN	REPAY
1-3 years after receipt of assistance	100%
4 years after receipt of assistance	80%
5 years after receipt of assistance	60%
6 years after receipt of assistance	40%
7 years after receipt of assistance	20%
thereafter	0%

NOTE: The Borough has the right to waive in a case by case basis the repayment stipulation in the case of hardship. The Borough will enforce this program stipulation through the recording of a municipal lien.

Right of First Refusal

In consideration for the loan, the homeowner grants to the Borough of State College a right of first refusal to purchase the property during the eight (8) years of the loan period. Homeowner understands that if homeowner obtains a bona fide offer to purchase the property during this period, homeowner will notify the Borough of State College, in writing, of homeowner's intent to sell the property and provide a copy of the bona fide offer to purchase. The Borough of State College or its assignee shall have 45 days after such notification, within which to exercise its right to purchase the property at the price and upon the terms set forth in the bona fide offer. The Borough of State College or its assignee shall have an additional thirty (30) days thereafter to close, notwithstanding anything to the contrary in the bona fide offer. In the event the right of first refusal is not exercised and the bona fide offerer does not purchase the property, the right of first refusal shall continue to apply. Nothing contained herein shall affect the repayment provisions set forth above.

V. Bidding

All projects shall be bid by contractors that have been pre-approved by the Borough of State College. The Borough shall provide funding assistance for the lowest reasonable bid (up to the maximum \$20,000 program limit and \$10,000 for lead reduction work). Prior to bidding, the Borough shall allow the homeowner to eliminate any contractor from bidding on the project so long as they are able to provide written documentation that they have "just cause."

For contracts over \$10,000, the successful contractor will be required to escrow with the Borough an amount equal to 10 percent of their bid in the form of cash or certified check which shall be used by the Borough if the contractor fails to perform his or her contractual duties. In lieu of cash or certified check the Borough will accept an Irrevocable Letter of Credit. Upon successfully completing all work, the funds shall be released to the contractor.

VI. Change Orders

Change orders will be allowed up to 15 percent of the original bid amount and shall be paid with program fund. Change orders shall be incorporated into the final mortgage document.

VII. Binding Nature of Construction Agreement

In the event of death of owner/occupier after the commencement of construction, the construction agreement shall remain in effect and shall insure to the benefit of the owner's heirs, successors, and assignees.

VIII. Access to Public Information

Citizens who wish to gain knowledge regarding the residents who have received assistance under the Borough of State College's Housing Rehabilitation Program may do so by requesting this information in writing from the Director of Planning and Community Development. This information is limited to the beneficiary's name and address, the dollar value of rehabilitation assistance received, and a summary of improvements. However, personal financial information on the applicant/beneficiary, such as sources of income and amounts, will not be disclosed.

IX. Conflict of Interest

A. Definitions

1. Conflicts Prohibited – No person(s) described in Paragraph 2 of this section who exercises or has exercised any functions or responsibilities with respect to activities assisted with HOME or CDBG funds or who is in a position to participate in a decision-making process or gain inside information with regard to these activities may obtain a financial interest or benefit from a HOME- or CDBG-assisted activity, or has an interest in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.
2. Persons Covered – The conflict provisions of Paragraph 1 of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the participating jurisdiction, state recipient, or subrecipient who is receiving HOME or CDBG funds.
3. Exceptions: Threshold Requirements – Upon the written request of the participating jurisdiction, the U.S. Housing and Urban Development (HUD) or its successor, may grant an exception to the provisions of Paragraph 1 of this section on a case-by-case basis when it determines that the exception will serve to further the purpose of the HOME Investment Partnership Program or CDBG and the effective and efficient administration of the participating jurisdiction's program or project. An exception may be considered only after the participating jurisdiction has provided the following:
  - a. A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and
  - b. An opinion from the Borough's attorney that the interest for which the exception is sought would not violate state or local laws.
4. Factors to be Considered for Exceptions – In determining whether to grant a requested exception after the participating jurisdiction has satisfactorily met

the requirements of Paragraph 1 of this section, HUD, or its successors, will consider the cumulative affect of the following factors, where applicable:

- a. Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available;
- b. Whether the person affected is a member of a group or class of low-income persons intended to be the beneficiary of the assisted activity, and the exception will permit such person(s) to receive generally the same interests or benefits as are being made available or provided to the group or class;
- c. Whether the affected person(s) has withdrawn from his/her functions or responsibilities or the decision-making process with respect to the specific assisted activity in question;
- d. Whether the interest or benefit was present before the affected person was in a position as described in Paragraph 2 of this section;
- e. Whether undue hardship will result either to the participating jurisdiction or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and
- f. Any other relevant considerations.

**Attachment A**

Income Inclusions

1. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal service;
2. The net income from operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the Family;
3. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as a deduction in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the Family. Where the Family has net Family Assets in excess of \$5,000, Annual Income shall include the greater of the actual income derived from Net Family Assets or a percentage of the value of such Assets based on the current passbook savings rate, as determined by HUD;
4. The full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability, or death benefits and other similar types of periodic receipts, including a lump-sum payment for the delayed start if a periodic payment;
5. Payments in lieu of earnings, such as unemployment, worker's compensation and severance pay (but see paragraph (3) under income Exclusions);
6. Welfare Assistance. If the Welfare Assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the Welfare Assistance agency with the actual cost of shelter and utilities, the amount of Welfare Assistance income to be included as income shall consist of:
  - (i) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus
  - (ii) The maximum amount that the Welfare Assistance Agency could in fact allow the Family for shelter and utilities. If the Family's Welfare Assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage;
7. Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from persons not residing in the dwelling;
8. All regular pay, special pay and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is head of the Family, spouse, or other person whose dependents are residing in the unit (but see paragraph (7) under Income Exclusions);
9. Any earned income tax credit to the extent it exceeds income tax liability.

**Attachment B**

Income Exclusions

1. Income from employment of children (including foster children) under the age of 18 years;
2. Payments received for the care of foster children;
3. Lump-sum additions to Family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (but see paragraph (5) of Income Inclusion);
4. Amounts received by the Family that are for, or in reimbursement of, the cost of Medical Expenses for any Family member;
5. Income of a live-in aide;
6. Amounts of educational scholarships paid directly to the student or the educational institution, and amounts paid by the Government to a veteran, for use in meeting the costs of tuition, fees, books, equipment, materials, supplies, transportation, and miscellaneous personal expenses of the student. Any amounts of such scholarships or payments to a veteran not used for the above purpose that is available for subsistence are to be included in income;
7. The special pay to a Family member serving in the Armed Forces who is exposed to hostile fire;
8.
  - (i) Amounts received under training programs funded by HUD;
  - (ii) Amounts received by a disabled person that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS); or
  - (iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;
9. Temporary, nonrecurring or sporadic income (including gifts); or
10. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance program that includes assistance under the 1937 Act. The following is a list of types of income that qualify for that exclusion;
  - (i) Relocation payments made pursuant to Title II of the Uniform relocation Assistance and Real Property Acquisition Policies Act of 1970 (43 U.S.C. 4636);
  - (ii) The value of the allotment provided to an eligible household under the Food Stamp of 1977 (7 U.S.C. 2017 (b));
  - (iii) Payments to volunteers under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5044 (g), 5058);
  - (iv) Payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(a));
  - (v) Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 259 (e));
  - (vi) Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f));

- (vii) Payments received under programs funded in whole or in part under the Job Training Partnership Act (49 U.S.C. 1552(b));
  - (viii) Income derived from the disposition of funds of the Grand River Band of Ottawa Indians (Pub. L. 94-540, 90 Stat. 2503-2504);
  - (ix) The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission of the Court of Claims (25 U.S.C. 1407-1408) or from funds held in trust for an Indian tribe by the Secretary of Interior (25 U.S.C. 117);
  - (x) Amounts of scholarships funded under Title IV of the Higher Education Act of 1965 including awards under the Federal Work-Study Program or under the Bureau of Indian Affairs Student Assistance Programs, that are made available to cover the costs of tuition, fees, books, equipment, materials, supplies, transportation, and miscellaneous personal expenses of a student at an educational institution, (20 U.S.C. 1067 uu); and
  - (xi) Payments received from programs funded under Title V of the Older Americans Act of 1965 (42 U.S.C. 3056(f))
11. Resident Stipends. Resident stipends that do not exceed \$200/month are not counted as income. Resident stipends are payments made to assisted housing residents to provide services (e.g. helping with project activities). Note: If the resident receives more than \$200/month, the entire amount is counted as income even if it called a resident stipend.
  12. Adoption Assistance Payments. Payments received for the care of adopted children to the extent that the payment exceeds \$480 per adopted child are not counted as income. Payments for the care of foster children were already excluded. Since adopted children qualify for the \$480 deduction from adjusted income, the first \$480 is counted as income (but is then off-set by the deduction in the calculation of adjusted income). Any amount above living expenses was counted as income.
  13. Full Amount of Student Financial Assistance. All amounts received for student financial aid are not counted in annual income. Prior to this rule, any amount that was available for general living expenses was counted as income.
  14. Earned Income of Full-Time Students. Earned income of full-time students in excess of \$480 is not counted in annual income. The first \$480 is counted as income (but then is off-set by the \$480 dependent deduction when calculating adjusted income).
  15. Adult Foster Care Payments. Payments for the care of foster adults (generally persons with disabilities) are not counted. Prior to this rule only payments for the care of foster children were excluded.
  16. State/Local Employment Training Programs and Training of Resident Management Staff. Compensation received from qualifying employment training programs are not counted as income. The compensation must be a component of a state or local employment program with clearly defined goals and objectives and only while the resident is in a training status. The training program must have a limited time period that is identified in advance.
  17. State Tax Rent Credits and Rebates. State rent credits and rebates for property taxes paid on a dwelling unit are not counted as income.
  18. Homecare Payments. Amounts paid by a state agency to families that have developmentally disabled children or adult family member living at home are not counted as income.
  19. Deferred Periodic Payments of SSI and Social Security Received in a lump sum are not counted as income.



## Attachment C

### Housing Rehabilitation Standards

As stated previously, each homeowner must receive a code inspection as per the Borough's most recently adopted Building Maintenance Code all other applicable codes prior to receiving program assistance. The inspection is intended to ensure compliance with major housing code defects that affect the health and safety of the occupants.

Major code defects are defined as inadequate or unsafe structural systems, electrical systems, heating and plumbing systems, water and sanitary waste systems, and home exterior.

As a minimum, each rehabilitation shall meet the following standards:

#### A. Exterior Requirements

1. Foundation and Structure - The exterior of the dwelling shall be structurally sound so that it does not pose a threat to the health and safety of occupants, and provide a protection from the environment. The foundation should not have structural defects which show potential for collapse.
2. Exterior Surface - All exterior wall surfaces shall be free of holes, cracks, or broken or rotten materials which could emit rain or dampness into interior portions of the structure or occupied space of the building. All exterior wall surfaces shall be maintained in a weather-tight fashion, and shall be properly coated or covered to prevent deterioration. IF EXTERIOR SURFACE TREATMENT IS WARRANTED, THE REHABILITATION SPECIALIST WILL EVALUATE THE MOST COST EFFECTIVE TREATMENT, I.E., RESIDING VERSUS PAINTING OR STAINING. Chimneys shall be maintained structurally sound and safe.
3. Windows - All living and sleeping space shall include at least one window which can be easily opened for ventilation. Windows shall have no defective glass, shall be weather-tight, and have locks.
4. Doors - All exterior doors shall open and close easily and have no defective glass, have a workable lock capable of tightly securing the doors, and be easily opened from the inside without the use of keys. All exterior doors shall also be weather-tight.
5. Porches, Decks, and Balconies - All exterior porches, decks, balconies, landing, etc., shall be in good repair and capable of serving their intended purpose. If it has more than three risers, it shall have guardrails or handrails. Hand- and guardrails shall be firmly fastened and capable of bearing the normal load. Handrail shall be installed between 30-38" in height from the nose of the step, with returns on all ends. The handrail shall be no more than 2 5/8" in width. Guardrails shall be a minimum of 34" in height from the nose of the step on stairways and a minimum of 36" from walking surface at other locations. The maximum width for openings in guardrails shall be 4".
6. Roofs - All roofs shall be weather-tight, free of holes, cracks, or accessible worn surfaces. They shall provide protection from rain, moisture, and other foreign elements seeping into the building.
7. Storm Drainage - Each structure shall have assistance removing the discharge roof water from the structure in an effective manner and does not create a nuisance. Downspouts shall discharge water a minimum of 5' from the dwelling. The discharge shall enter an approved sump of adequate size for the roof discharge area.

#### B. Electrical Systems

1. Required Facilities - When replacement and/or upgrade of any electrical equipment or wiring is done, it must provide 200 amp, three-wire service and be in conformance with the most recent National Electric Code as adopted by the Borough of State College, and be inspected by the Centre

Region Codes office. All replaced or upgraded main panel boxes shall be circuit breaker-type only. All systems shall require two system grounds. The primary ground from the panel to the grounding rod and a secondary ground to the water system. The secondary ground shall be attached to the dwelling water pipe within 5' of where the water line enters the ground and jumped over the water meter. From that point a ground wire shall run to the panel and be attached to the ground bar in the panel. When practical, all accessible knob and tube wiring shall be replaced with the appropriate amperage three-wire system.

2. Receptacles - Each habitable space shall contain a minimum of two separate or remote receptacle outlets, or one receptacle and one working ceiling or wall-type light fixture.
3. Light Fixtures - Every interior stairway, hallway, water closet, bathroom, kitchen, and furnace room shall contain at least one permanently installed ceiling or wall-mounted lighting fixture.
4. Ground Circuit Interrupters - All bathroom receptacles shall be of an approved ground fault circuit interrupter (GFCI) type. All kitchen receptacles serving a counter area shall be GFCI type. These receptacles shall be on (2) 20 amp circuits, designated as small appliance circuits. These circuits shall be for receptacles only in the kitchen, pantry, breakfast room, dining room, or similar area of a dwelling. At least one GFCI is required in the basement.

#### HABITABLE ROOMS

5. Living Rooms - Generally, each room should have at least two (2) duplex receptacles, or an adequate amount of receptacles, to preclude the use of extension cords; each room should have one (1) switched overhead light or switch-operated receptacle.
6. Dining Rooms - Each dining room should have one (1) switched overhead light and a minimum of two (2) duplex-type receptacles.
7. Sleeping Rooms - Each sleeping room should have a switched overhead light or switch-operated receptacles and an adequate amount of receptacles to preclude the use of extension cords [minimum of at least two (2) duplex-type receptacles]. All circuits in the sleeping rooms shall be arc fault protected.
8. Bathrooms - Bathrooms should have a switched overhead light and possibly a switched light over mirror or a switched medicine cabinet; each bathroom is to have at least one (1) duplex-type receptacle located near the sink area. All receptacles in the bathroom are to have Ground Fault Circuit Interrupter protection. Switches and other electric fixtures located within arms reach (30") of tub or shower are to be GFCI protected.
9. Kitchens - Minimum lighting requirements in the kitchen are at least one (1) switched overhead light, and, if possible, switching located at entrances to room (may have to be three-way switching). A possibility exists that a switch and light may be required over sinks and stove areas. Duplex receptacles are to be located at counter areas where portable kitchen-type appliances are to be used. There is to be at least one (1) GFCI-type receptacle located near the sink, and all other receptacles serving counter areas are to have GFCI protection. The following major appliances are to have separate circuits.

Refrigerator	20 ampere circuit
Dishwasher	20 ampere circuit
Clothes Washer	20 ampere circuit
Range (electric)	40 ampere/240 volt circuit
Dryer (electric)	30 ampere/240 volt circuit

Additionally, the range area is to have adequate ventilation in the form of an exhaust fan or a range hood fan/light combination. Also, kitchens with dining areas are to have adequate coverage of lighting and receptacles.

10. Den/TV Rooms - Subject to same requirements as living rooms.

### NON-HABITABLE ROOMS AND AREAS

11. Hallways - All hallways are to have adequate lighting for safe passage, switching is to be conveniently located, and longer hallways are to have three-way switching located at opposite main entrances to the hall.
12. Stairways - All stairways to sleeping areas shall have adequate lighting with three-way switching installed at the top and bottom of such stairways. All stairs leading to unfinished areas or attics may have switching located at the bottom of stairs only. All stairs leading to basement locations are required to have switching located at the top of the stairs, however, if sleeping areas are in the basement, three-way switching may be required.
13. Attic - Unfinished attic areas for storage shall have adequate lighting for both stairs and storage, such lighting shall be switch controlled. However, attic areas that are separated or partitioned shall have separately controlled lighting. If existing exposed knob and tube wiring is found to be over fused or in poor condition, it shall be removed. Additionally, if the existing knob and tube wiring is found to be mixed with other Romex wiring, then it shall be removed and replaced. Duplex receptacles may, in some cases, be required.
14. Basement - Basement areas are to be adequately lighted with at least one (1) switch located at the entrance to the basement. All central basement lighting is to be controlled by said switch, however, pull chain-type fixtures may be utilized as downstream lighting from the switch. Stairways and stairwells shall have adequate switched lighting. Separate storage areas shall have a switch and an adequate amount of lighting fixtures for the size of the area. If existing knob- and tube-type wiring is over fused or in poor condition, it shall be removed and replaced. All wiring is to be placed on running boards. NOTE: No drilling through the joist will be allowed without permission.
15. Furnace - Properly installed furnaces shall be wired in accordance with the existing National Electric Code, and to any city or local fire codes. Oil-fired units shall be equipped with an emergency shut-off switch located in accordance with fire department regulations. At a minimum one shall be located at the top of the stairs and one near the furnace, if the furnace unit is out of line of sight of the electrical panel.
16. Hot Water Heaters - Electric hot water heaters shall be wired in accordance with existing National Electric Code. All other gas or oil units shall be wired in accordance with any existing fire department regulations.
17. Sump Pumps and Dehumidifiers - All cord- and plug-type units shall be provided with a proper amperage receptacle, and may be required to have a separate circuit. All other "hard-wired" type units shall be wired in accordance with the existing National Electric Code.
18. Storage Rooms - Minimum requirements are switch and light. Larger rooms may require additional lighting or receptacles.
19. Balconies - Minimum requirements are switch and light.
20. Clothes Closets - All lighting must be installed in accordance with the existing National Electric Code. Specifically, it shall have the following:
- a) Fixture Types Permitted. Listed fixtures of the following types shall be permitted to be installed in a closet:
    - 1) A surface-mounted or recessed incandescent fixture with a completely enclosed lamp.
    - 2) A surface-mounted or recessed fluorescent fixture.

- b) Fixture Types Not Permitted. Incandescent fixtures with open or partially enclosed lamps and pendant fixtures or lampholders shall not be permitted.
  - c) Location. Fixtures in clothes closets shall be permitted to be installed as follows:
    - 1) Surface-mounted incandescent fixtures installed on the wall above the door or on the ceiling, provided there is a minimum clearance of twelve (12) inches (305mm) between the fixture and the nearest point of a storage area.
    - 2) Surface-mounted fluorescent fixtures installed on the wall above the door or on the ceiling, providing there is a minimum clearance of six (6) inches (152mm) between the fixture and the nearest point of a storage area.
- NOTE: The clearance measurement is to the fixture, not to the lamp itself.
- 3) Recessed incandescent fixtures with a completely enclosed lamp installed in the wall or the ceiling, providing there is a minimum clearance of six (6) inches (152mm) between the fixture and the nearest point of a storage area.
  - 4) Recessed fluorescent fixtures installed in the wall or on the ceiling, providing there is a minimum clearance of six (6) inches (152mm) between the fixture and the nearest point of a storage area.

Any existing lighting found not in compliance with said code is to be removed.

## EXTERIOR

- 21. Front and Rear Porches - Minimum requirements are switch and light. GFCI receptacle shall be required.
- 22. Enclosed Porches - Minimum requirements are switch and light. Receptacle may be required.
- 23. Egress Entrances - All egress entrances to the home shall be equipped with a switch and light.
- 24. Attached Garage or Storage Structure - Attached structures containing hazardous wiring must be addressed in the proper manner.

### C. Heating Systems

Each heating unit for a structure shall be in proper operating condition and be capable of heating all habitable space to a minimum temperature of 65 degree F during the periods from October 1 to May 15. All fuel burning equipment shall be connected to an approved vent, flue, or chimney.

### D. Plumbing Systems

- 1. Required Facilities - Each dwelling unit shall have at least one flush toilet in a separate, private room, and at least one shower or tub with both hot and cold running water, and at least one fixed basin with hot and cold running water, all in proper working condition. Each kitchen shall have at

least one permanently installed kitchen sink with hot and cold running water. All water bearing fixtures shall connect to an approved public or private disposal system.

2. Sewage System - All plumbing fixtures shall be properly connected to either a public sewer system or an approved, private sewage disposal system.
3. Water Heating - Each structure shall have a water heater capable of supplying heating to 120 degrees F in a quantity sufficient for the needs of the occupant. All water heating and storage equipment shall be in proper working order, and must have a temperature release valve and discharge line. The discharge line shall terminate within 12" of the floor and shall be the same diameter as the relief valve. It should be noted that the temperature release valve should be pointed away from public use.
4. Water Quality - The water supply shall be free from contamination and shall be properly connected to either a public water system or an approved, private water system (i.e., potable well).

#### E. Interior Requirements

1. All space or rooms shall have sufficient light so as not to endanger health and safety. Each room used for living or sleeping shall have at least one window facing to the outside or to a court.
2. Ventilation - Air circulation shall be by natural or mechanical means. Bathrooms not having windows shall be provided with a mechanical ventilation which is capable of exhausting air to the outside.
3. Interior Surface - Floors, walls, ceilings, windows, doors, and other interior surfaces shall be in good, clean, and sanitary condition. Peeling paint, cracked, or loose plaster, decayed wood, and other defective surface conditions shall be eliminated. Basements and crawl spaces shall be reasonably free from standing water and problems which can cause structural deterioration.
4. Stairs and Open Spaces - All interior stairs shall be in sound condition and good repair. Excessively worn, broken, warped, or loosened treads and risers shall be repaired. Every flight of stairs more than four risers high shall have at least one handrail on at least one side of the stairs which is firmly fastened. Any open space in a structure including landing, balcony, or other living space more than 30" above the floor grade, shall be equipped with a guard rail or other appropriate device which is firmly fastened.
5. Lead-Base Paint - All structures shall be in compliance with HUD lead-base paint regulations 24CFR Part 35 issue pursuant to the Lead-Base Paint Poisoning Prevention Act 42 U.S.C. 4801. Occupants shall be furnished with a notice regarding the hazards of lead-base paint and symptoms and treatment of lead poisoning and the precautions to be taken against lead poisoning. Additionally, contractors will be provided with same notice.
6. Smoke Detectors - Each structure shall be equipped with smoke detectors for each floor used for living and sleeping, each bedroom, and the basement. The smoke unit shall be hard-wired type to the electrical system with a separate backup battery. Detectors are not required on floors used only for storage, unless they are below or above the living and sleeping space.
7. Food Preparation - The structure must be capable of combining a cooking stove, range, and a refrigerator. There shall be a kitchen sink with hot and cold water supply connected to an approved public/private system. There shall be adequate space for food preparation.

#### F. Environmental Requirements

1. Egress - A safe, continuous, and unobstructed means of egress shall be provided from the interior of the dwelling to the exterior on a street or yard. All doors along this path shall be readily opened from the inside without the use of keys.

2. Sanitary Conditions - The structure and its equipment shall be maintained in a sanitary condition. Each structure shall have containers with covers for the storage of rubbish.
  3. Rodents or Vermin Control - Any insects, rats, or other pests in the structure or on the premises shall be exterminated, and the structure shall be treated to be rodent and vermin proof.
  4. Site - The site shall be in reasonably clean, safe, and sanitary condition, not posing a danger to public, health, and safety.
  5. Exterior Steps - Every flight of exterior steps with four or more risers shall have a handrail which is firmly fastened.
  6. Drainage - All exterior areas shall be graded, landscaped, or paved to prevent damage to the property or adjoining properties.
  7. Site Improvements - Any excessively cracked, crumbling, uneven sidewalk areas shall be repaired or replaced.
- G. Energy Conservation Requirements

All new construction shall meet either the energy requirements as specified in the most recently adopted International Residential Code, Chapter 11, or the Pennsylvania Housing Research / Resource Center's Pennsylvania's Alternative Residential Energy Provisions.

Rev 6/1/06

S:\USR\SEDA-COG\HOUSING\TBRICK\STAE COLLEGE\PROGRAM GUIDELINES-2006

## Borough of State College MEMORANDUM

---

**To:** ABC Secretaries and Staff Assistants  
**From:** Ed LeClear  
**Re:** Conflict of Interest Policy and Code of Conduct with Regard to HUD Programs  
**Date:** December 3, 2019

A Conflict of Interest Policy and Code of Conduct with regard to HUD Programs was adopted by the State College Borough Council in 2005. Elected and appointed officials are to receive a copy of the policy at a regular meeting of their respective council, authority, board or commission annually. Members who are absent should receive a copy by mail.

A copy of the policy is attached. Please include it as an agenda item or as an attachment to the agenda at the first meeting of the ABC in 2020. Also, please be sure to note distribution of the policy in the meeting minutes.

## **BOROUGH OF STATE COLLEGE**

### **Conflict of Interest Policy and Code of Conduct With Regard to HUD Programs**

#### **SECTION 1 NON-PROCUREMENT CONFLICTS OF INTEREST**

##### **A. COVERED INDIVIDUALS:**

Any employee, agent, officer, elected official, appointed official or consultant of the Borough of State College (Participating Jurisdiction) or; any member of an employee's, agent's, officer's, elected official's or appointed official's immediate family; an employee's, agent's, officer's, elected official's or appointed official's partner; or an organization that employs or is about to employ any of the above.

##### **CONFLICTS PROHIBITED:**

No person(s) described in Paragraph 1 of section 1 who exercises or has exercised any functions or responsibilities with respect to activities assisted with HOME Investment Partnerships Program (HOME) or Community Development Block Grant (CDBG) or other U.S. Department of Housing and Urban Development (HUD) funds, or who is in a position to participate in a decision-making process or gain inside information with regard to these activities, may obtain a real or apparent financial interest or financial benefit from a HOME, CDBG, or other HUD-assisted activity, or has a real or apparent financial interest in any contract, subcontract, or agreement with respect to HOME, CDBG, or other HUD-assisted activity, or the proceeds from such activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter. Immediate family ties include (whether by blood, marriage or adoption) the spouse, parent (including a stepparent), child (including stepchild), brother, sister (including a stepbrother or stepsister), grandparent, grandchild and in-laws of a covered person. Occupancy of a HOME-assisted unit by a covered person constitutes a financial interest.

##### **EXCEPTIONS:**

Threshold Requirements – Upon the written request of the participating jurisdiction, the U.S. Housing and Urban Development (HUD) or its successor, may grant an exception to the provisions of the CONFLICTS PROHIBITED of section 1 on a case-by-case basis when it determines that the exception will serve to further the purpose of the HOME, CDBG or other HUD program and the effective and efficient administration of the Borough's program or project. An exception may be considered only after the participating jurisdiction has provided the following:

1. A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure\* of the conflict and a description of how the public disclosure was made; and
2. An opinion from the Borough's attorney that the interest for which the exception is sought would not violate state or local laws.

\*The requirements for public disclosure include publication in a local newspaper or disclosure during an advertised public hearing.



Factors to be considered for Exceptions – In determining whether to grant a requested exception after the participating jurisdiction has satisfactorily met the requirements of paragraphs a. and b. above, HUD, or its successors, will consider the cumulative effect of the following factors, where applicable:

1. Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available;
2. Whether the person affected is a member of a group or class of low-income persons intended to be the beneficiary of the assisted activity, and the exception will permit such person(s) to receive generally the same interests or benefits as are being made available or provided to the group or class;
3. Whether the affected person(s) has withdrawn from his/her functions or responsibilities or the decision-making process with respect to the specific assisted activity in question;
4. Whether the interest or benefit was present before the affected person was in a position as described in the COVERED PERSONS Paragraph of this section
5. Whether undue hardship will result either to the participating jurisdiction or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and
6. Any other relevant considerations.

#### B. OWNERS AND DEVELOPERS:

Any owner, developer or sponsor of a project assisted with HOME, CDBG or other HUD funds (or officer, employee, agent, elected or appointed official or consultant of the owner, developer or sponsor or immediate family member of an officer, employee, agent, elected or appointed official, or consultant of the owner, developer or sponsor) whether private, for-profit or non-profit (including a community development organization (CHDO) when acting as an owner, developer or sponsor)

#### CONFLICTS PROHIBITED:

No person(s) described in Paragraph 2.A of section 2 may occupy, or appear to occupy, a HOME, CDBG or other HUD-assisted affordable housing unit in a project during the required period of affordability specified in §92.252(e) or §92.254(a)(4). This provision does not apply to an individual who receives HOME, CDBG or other HUD funds to acquire or rehabilitate his or her principal residence or to an employee or agent to the owner or developer of a rental housing project who occupies a housing unit as the project manager or maintenance worker.

#### EXCEPTIONS:

Upon written request of a housing owner or developer, the Borough may grant an exception to the provisions of the above paragraph of this section on a case by case basis when it determines that the exception will serve to further the purposes of the HOME, CDBG or other HUD program and the effective and efficient administration of the owner's or developer's HOME, CDBG or other HUD-assisted project. In determining whether to grant a requested exception, the Borough shall consider the following factors:

1. Whether the person receiving the benefit is a member of a group or class of low-income persons intended to be the beneficiaries of the assisted housing, and the

- exception will permit such person to receive generally the same interest or benefits as are being made available or provided to the group or class:
2. Whether the person has withdrawn from his or her functions or responsibilities, or the decision-making process with respect to the specific assisted housing in question;
  3. Whether the tenant protection requirements of Sec. 92.253 are being observed;
  4. Whether the affirmative marketing requirements of Sec. 92.351 are being observed and followed; and
  5. Any other factor relevant to the Borough's determination, including the timing of the requested exception.

## SECTION 2 PROCUREMENT CONFLICT OF INTEREST

### COVERED INDIVIDUALS:

Any employee, officer, or agent of the Borough of State College (Participating Jurisdiction).

### CONFLICTS PROHIBITED:

The CDBG, HOME and other HUD Programs follow the procurement policy of the Borough of State College located in the Borough of State College Code of Ordinances, Chapter 1, Part N. If any provisions of 2 CFR 200.318, 24 CFR 570.611, and 24 CFR 92.356 are not included or conflict with the Borough's Procurement Policy, the provisions of 2 CFR 200.318, 24 CFR 570.611, and 24 CFR 92.356 shall supersede the Borough's Procurement Policy.

No Covered Individuals in section 2 may participate in the selection, award or administration of a contract supported by HOME, CDBG or other HUD Program if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when any of the following parties has a financial or other interest in the firm selected for award:

- employee, agents, or officer of the Borough of State College;
- any member of an employee's, agent's or officer's immediate family;
- an employee's, agent's or officer's partner; or
- an organization that employs or is about to employ any of the above

No employee, officer, or agent of the Borough or subrecipient may solicit or accept gratuities, favors or anything of monetary value from contractors, potential contractors or parties to sub-agreements.

### EXCEPTIONS:

There are no exceptions for real or apparent procurement conflicts of interest.

A request for a regulatory waiver can be submitted pursuant to 24 C.F.R. § 5.110

Upon determination of good cause, the Secretary may, subject to statutory limitations, waive any provision of this title and delegate this authority in accordance with section 106 of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3535(q)).

SECTION 3 CODE OF CONDUCT:

Persons covered in section 2, paragraph 1, are expressly forbidden from soliciting or accepting money, gifts, gratuities, services, favors, or anything of monetary value (excepting unsolicited calendars, pens, or other items of nominal value used as an advertising medium) from any person, company, firm, or corporation to which any purchase order or contract is, or might, be awarded or from a party to any potential subcontract.

The Borough shall also take disciplinary action in accordance with the Borough Personnel Rules and Regulations against any covered persons in section 2 paragraph 1 who violate this conflict of interest policy.

Employees will receive a copy of the conflict of interest policy on an annual basis as a mailer included in a paycheck. Elected and appointed officials will receive a copy of the policy at a regular meeting of their respective council, authority, board or commission. Distribution of the policy will be noted in the minutes of the meeting. Members who are absent will receive a copy by mail. Consultants and agents will be provided a copy of the policy as part of their contracts.

SECTION 4 SUB-RECIPIENTS:

Applicable Conflict of Interest and Procurement Policies for the Borough's subrecipients are covered under CFR 200.318, 24 CFR 570.611 and 24 CFR 92.356. Each subrecipient has developed its own Conflict of Interest Policy and Procurement Policy in accordance with the applicable regulations.

Authorized Official: Ed LeClear, Director of Planning and Community Development  
243 S. Allen Street  
State College, PA 16801  
814-234-7109

Summary of Revisions:

Adopted by the State College Borough Council on April 18, 2005.

Revised by staff on April 30, 2015.

Revised policy adopted by the State College Borough Council on November 26, 2019.