

- Initial Certification: Subrecipient confirms that it has included in the scope of work all items necessary for the project to meet the NSP1 Rehabilitation Standards upon project completions.
- Second and Final Certification: Subrecipient confirms that the final inspection verified the project as complete and in compliance with the NSP1 Rehabilitation Standards. This certification was retained in the project file.

---

<b>Subrecipient Name</b>	<b>Property Address</b>	<b>Administrator Name</b>
--------------------------	-------------------------	---------------------------

**General:** All grantees receiving Neighborhood Stabilization Program (NSP) funds in order to sell, rent, or redevelop a foreclosed-upon home or residential property shall comply with these housing improvement standards as described herewith which are in addition to property standards already required by local, state, and federal regulations. These standards not only promote housing safety, quality, and habitability that will stabilize neighborhoods but also encourage modern, green building, and energy-efficiency improvements.

Grantees shall adhere to the following:

1. As a condition of receipt of NSP funds the grantee shall accept all responsibility for complying with these improvement standards and all other applicable local, state, and federal regulations.
2. When different codes or standards govern the same condition, conformance must be to the highest or most restrictive code/standard.

**Optional Green Building Practices:** Grantees are encouraged to incorporate any green building practice that offers an opportunity to create environmentally sound and resource-efficient buildings by using an integrated approach to design. In an effort to encourage modern, green building, and energy-efficiency improvements, grantees are encouraged to incorporate HUD’s healthy homes interventions including these seven steps ensuring housing is made and kept:

1. Dry: Ensure proper drainage away from housing; clean repair gutters and downspouts, repair leaks seal roofs and windows.
2. Safe: Install safety devices on doors, cabinets, window blinds and outlets; store all poisonous items out of reach of children and labeled in the proper containers; install smoke detectors and carbon monoxide detectors; have appropriate fire extinguisher available.
3. Well-ventilated: Service and maintain heating and cooling systems; provide exhaust fans for kitchens, bathroom and dryers to the outside to reduce mold; change furnace filters regularly.
4. Pest-free: Provide proper storage and disposal for food products, caulk and seal holes; use least toxic pest management methods.
5. Contaminant-free: Remove lead based paint hazards properly; provide test kits for radon; reduce volatile organic compounds in paint, carpet, etc..
6. Clean: Install dust walk-off systems in entry ways; provide smooth, cleanable surfaces; provide effective storage space and containers; choose flooring that is easy to clean; provide vacuum with HEPA filters; implement weekly cleaning regimen.
7. Well-maintained: Important maintenance calendar for inspecting, cleaning, repairing, replacing housing components/systems.

**Rehabilitation:** The following requirements apply to housing receiving NSP funding for rehabilitation activities:

**Assessment:** In addition to property assessment standards already required by local, state, and federal regulations properties shall also be assessed for the following: *(Results of all Assessment activities shall be disclosed to purchaser prior to sale.)*

1. Any visible mold or water infiltration issues.
2. Compliance with smoke detectors, carbon monoxide detection, and GFCI receptacle protection as noted below in Required Rehabilitation Activities.
3. Remaining life expectancy of major building component such as roof, siding, windows, mechanical systems and electrical systems, as well as any immediate cosmetic improvements necessary in order to sell or rent the residential property.

**Required Rehabilitation Activities:** In addition to remediation of any deficiencies resulting from property assessment required by local, state, and federal regulations, rehabilitation activities shall include the following:

1. Conduct mold and/or water infiltration mitigation, if mold or water infiltration is observed during the Assessment. Any moldy materials that cannot be properly cleaned must be removed.
2. U.L. approved smoke detection in all locations as required for new construction. At least one smoke detector must be hardwired (preferably located near sleeping rooms).
3. GFCI receptacle protection in locations required for new construction.
4. Carbon Monoxide detection per 2006 legislation.
5. Apply Mandatory items in the Green Communities Criteria and the Minnesota Overlay only to those improvements enacted upon (replacement of any equipment, system, building component, assembly of components, or appliance) at time of rehabilitation. The following modifications/exceptions shall apply:
  - Mandatory criteria within Sections 1 and 2 and criteria 3-1, 5-1b, 7-6, 7-xx (Garage Isolation), 8-2 and 8-3 shall be considered 'Optional' criteria; and
  - For Mandatory criteria 5-1a use current Energy Star Builder's Option Package (BOP) for any equipment/component that is replaced and identified within BOP – no verification and/or field testing is required.

Any existing equipment, system, component, and/or appliance that remains is exempt from this requirement.

Rehabilitation or stabilization of hazardous materials including lead-based paint and asbestos, must be in accordance with applicable Federal, State, and Local laws, regulations, and ordinances.

**New Construction:** The following requirements apply to housing receiving NSP funding for new construction:

1. Compliance with Minnesota Overlay to the Green Communities Criteria for use with the relevant Green Communities Criteria (*Includes completing Intended Method of Satisfying Green Criteria Form and Certification – refer to Minnesota Housing’s Website*)
2. If multifamily housing, consult and consider the Minnesota Housing Multifamily Design Standards for General Occupancy Rental Housing (*Refer to Minnesota Housing’s Website*)

**Demolition:** Where demolition occurs, the subrecipient should consider deconstruction practices where deconstruction crews are available and a market for salvaged materials exists. If a site will not be redeveloped within three months after demolition, the subrecipient must ensure that soil on the site does not pose a health hazard to the community by either verifying that the soil meets lead clearance levels, removing and replacing the soil with soil that meets clearance levels, or covering the soil with sod or some other barrier to prevent the disbursement of lead dust.

Ineligible improvements include but are not limited to the following:

1. Any furniture or other personal household items;
2. Payment, wholly or in part, of assessments for public improvements;
3. Construction of or improving existing garage space which will result in personal use garage space per property, exceeding 800 square feet and 3 stalls;
4. Construction of or aesthetic improvements to recreational facilities including, but not limited to, patios, gazebos, tennis courts, hot tubs, swimming pools, saunas;
5. Costs associated with a project which will be incomplete (i.e. framing in a room addition);
6. Greenhouse;
7. Improvements begun or purchase of property occurred before the action plan posting date of December 1, 2008;
8. Improvements to the portion of buildings or real estate owned by the association in a PUD or Condominium project;
9. Labor costs paid to the Borrower or any resident of the household;
10. New construction or expansion of an area used in a trade or business;
11. Four season building additions which expand the existing housing footprint, except for reasonable expansions dealing with functional obsolescence or improvements which are consistent with neighborhood standards;
12. Playground equipment;
13. Repairs to or construction of outbuildings including, but not limited to, sheds, utility buildings, shops, barns, silos;
14. Underground sprinkler systems; and Landscaping and sod, except for restoration of the site following an eligible Activity, or for health, safety or accessibility reasons.

**Initial Certification**

Subrecipient	Developer	Contractor/ Architect
Organization Name	Organization Name	Organization Name
Signature	Signature	Signature
By	By	By
Date	Date	Date

**Second and Final Certification**

Subrecipient	Developer	Contractor/ Architect
Organization Name	Organization Name	Organization Name
Signature	Signature	Signature
By	By	By
Date	Date	Date