

**\$1 Lot Sales Program**  
**Development Expectations and Development Requirements**

**Development Expectations**

Primary expectations of approved homebuilders include:

- Must have a Class A Virginia Contractor's license and all required licensing to build in the City of Hampton.
- Must have completed the Preferred Builder Application and been approved by HRHA as a Preferred Builder.
- Prepare and submit design and construction plans that meet the "Design Guidelines for Hampton Neighborhoods" Appendix A.
- Purchase (fee simple) lots in "AS-IS" "WHERE IS" condition from the Authority
- Obtain all necessary construction financing
- Obtain all permits and approvals
- Utilize high quality building materials and construction methods
- Timely start/completion of construction
- Full responsibility for marketing and sale of homes
- Construct all homes to meet or exceed the State of Virginia Energy Conservation Code for new residential construction
- Assume all risks of development
- Submit all required information concerning first occupants to the Authority
- Timely attention to warranty issues

**Development Requirements**

The development requirements attached to these lots are intended to ensure a high quality homebuilding program for the benefit of each purchaser and Hampton neighborhoods. Builders committed to building in Hampton are requested to carefully study these requirements to ensure that they are capable of meeting the specific standards set out below. Please do not submit a Builder Application Form for this program if you cannot agree and adhere to the following standards:

1. Use of Property - All lots, that are a part of this offering, are to be used only for the construction of single family owner-occupied homes. Owner occupancy requirements run with the land and are enforced through deed restrictions.
2. Minimum Development Requirements
  - A. Single-family detached housing shall be developed on lot meeting minimum code requirement for square footage (living heated area). HRHA requires a minimum of 3 bedroom and 2 bathrooms.
  - B. Home must be built on a foundation with crawl space and have masonry block with brick veneer exterior on all foundation walls.
  - C. House shall feature a front porch of sufficient width and a minimum 6 feet depth to readily accommodate porch furniture, which is able to seat at least four adults. (The ability to meet this requirement shall be considered as part of the HRHA review process.) The porch columns must be 10" thick with a cap and base.
  - D. Exterior walls will be Hardiplank cement fiber siding, Wood or wood product or vinyl siding. All exterior trim (including porch) will be either Hardiplank, vinyl or wood wrapped with vinyl.
  - E. Houses constructed on corner lots shall have setbacks from the street consistent with city zoning and providing a minimum distance of at least twenty (20) feet from the side street or greater depending on city zoning requirements.
  - F. The house exterior design shall be consistent with the prevailing neighborhood designs of the block surrounding the site for development and be approved in writing by HRHA Staff. Any changes to this plan must be approved in writing by HRHA Staff.
  - G. Landscaping package must be submitted and approved by HRHA staff.
3. Design Requirements  
All construction shall follow the intent of the architectural and community pattern guidelines contained in the "Design Guidelines for Hampton Neighborhoods" Appendix A. HRHA staff will work with Builder to find plans consistent with existing neighborhood architectural style.

4. **Energy Star Compliant Requirements**  
All homes shall meet or exceed the State of Virginia Energy Conservation Code for new residential construction.
5. **Licensing and Permitting Requirements**  
Builders are responsible for ensuring that all contractors working on the project hold required licenses, insurances and permits. Failure to utilize proper licensing, insurances and permits is grounds for removal of a builder from the approved builders list.
6. **Assignments**  
No purchasing builders may assign development rights to another builder or builders without prior approval by the Authority.
7. **Reporting Requirements**  
The Authority is required to report to the City of Hampton certain information about the homebuyer of each property. The Household Information Report must be submitted to the Authority within ten days of the sale of the property to the homebuyer. In some cases, the homebuyer must meet HUD's criteria and qualifications for low and moderate income households.
8. **Warranty Requirements**  
Builders shall warranty all materials and workmanship for a minimum of one year from sale of the property to the homebuyer. Extended manufacturer warranties shall be provided to each homebuyer for all roofing, HVAC systems, water heaters, and any other warranted product. Warranty repair requests shall be immediately followed up on by the builder.
9. **Fence Requirements – Must meet City of Hampton Building Code and Zoning Ordinance. The most restrictive rule applies.**
10. **Drawings must be approved by the Authority before the award of the \$1 lot contract.**
  - a. Floor plans, at 1/4" scale, showing layout of buildings and sizes of each primary room.
  - b. Elevation drawings, at 1/4" scale, of each side of each building being proposed, accurately showing all exterior building features, including identification of primary building materials.
  - c. Details and cut-sections as needed to accurately show design and construction details for roof eaves, dormers, porches, posts and columns, brackets, railings, stairs, etc. At least one cut section should be provided for an exterior wall section to identify relationships of roof trusses, ceiling heights, window heights, fascia boards, moldings, skirt boards, etc.
  - d. Site and Landscaping Plan, identifying placement of buildings, walks, driveways, placement of HVAC equipment, placement of trees and shrubs, and a plant materials list.
11. **Materials Description form shall be used for identification of proposed exterior materials to be used.**
12. **Schedule for construction – Builder must demonstrate obtaining approved drawings, building permits and commence construction within 45 days of delivery of property deed. Delivery of finished product shall be completed within 365 calendar days of delivery of property deed.**
13. **Anticipated sales price of each house builder proposes to build and sell.**

Signature on following page:

\_\_\_\_\_  
**Print Contractor Name**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Title**

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

STATE OF VIRGINIA  
CITY/COUNTY OF \_\_\_\_\_.

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS \_\_\_\_ DAY OF \_\_\_\_\_,  
2014, BY \_\_\_\_\_ ON ITS BEHALF. HE IS PERSONALLY KNOWN TO ME OR HAS PRODUCED  
\_\_\_\_\_ AS PROPER IDENTIFICATION.

\_\_\_\_\_

NOTARY PUBLIC  
MY COMMISSION EXPIRES: \_\_\_\_\_

## **\$1 Lot Sales Program**

### **Lot Transaction**

Properties will be sold by the Authority by special warranty deed. The Authority will not be responsible for any builder/agent/realtor's commissions for lot purchases. A sample property sales contract and deed restrictions can be found at the Authority's website [www.hrha.org](http://www.hrha.org) under the tab Homes/Land. Deed restrictions running with the land will be recorded on each property prior to transfer.

Builders must adhere to all current zoning and building requirements in addition to minimum standards imposed by HRHA.

Pursuant to HUD regulations, properties sold below assessed value will have a deed restriction limiting resale solely to qualified purchasers who meet the low to moderate income restriction. Properties sold at assessed value or higher will not be subject to income restrictions for purchaser(s).

Builders are encouraged to use local contractors and suppliers and minority owned/woman owned contractors and suppliers.

Builder may request specific lot(s) in order of preference; however, the Authority will consider but does not guarantee the lot preference. It may be necessary for the Authority to limit or control the number of lots that a builder may purchase. This decision can be made by the builder if he determines that he cannot financially support more than a certain number of lots for development. Also, the staff may find it necessary to limit or control the number of lots the builder can become involved in for various reasons as listed below.

1. At the builder's request.
2. Builder's failure to perform warranty work.
3. Builder's failure to complete jobs on time without justification or approved extension of time.
4. Builder has more jobs underway than he is capable of completing.
5. Failure to answer or respond to calls or letters from HRHA staff.
6. Staff has verified instances of poor workmanship and has received several complaints.
7. Staff is aware of builder's failure to pay for materials or subcontractors and has failed to provide the required lien waivers.
8. Continuing poor evaluations without appropriate action by the builder will be cause for restricted lot sales.
9. Builder's insurance does not comply with program requirements.
10. Failure to start construction within designated time or to complete the by mutually agreed upon time.
11. Failure of the builder to supervise and direct work.
12. Failure of the builder to comply with contractual documents.

### **Section 3**

This is a Section 3 project. Section 3 is a provision of the Housing and Urban Development Act of 1968. The purpose of Section 3 to ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations, be directed to low- and very low income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very low-income persons.

Builders who are qualified to be a Section 3 Business Concern and or can provide commitment of a Section 3 Business Concern will receive maximum points. Qualifications must be submitted to the Authority prior to claiming status. It is to the advantage of the Builder to examine the requirements to become a Section 3 business concern, see Section 3 Business Self-Certification.

All Builders must participate in the Authority's Section 3 Program. The Bidder/Offeror/Proposer Section Action Plan form must accompany the submittal of proposal. For Builders who are not a Section 3 Business Concern or who do not have a commitment

from a Section 3 Business will be required to contact the Authority to receive list of residents seeking employment. Section 3 residents must demonstrate that they meet the qualifications for employment to be considered.

### **Conflicts Of Interest**

Builder(s) submitting proposals must identify and disclose any real or apparent conflict of interest with the Authority. Situations in which a conflict may arise include when some of the Builders' present and future clients may have matters with the authority in which the Authority's interest may conflict during the time that the Builders is representing the Authority.

### **Responsibility**

A contract will be awarded only to a responsible builder who possesses the ability to successfully perform under the terms and conditions of the \$1 Lot Sales Program.

A contract will not be awarded to a builder who is currently debarred, suspended or otherwise prohibited from practice by federal, state or local governments or determined to be ineligible for contracting by the Department of Housing and Urban Development (HUD) or Commonwealth of Virginia or any of its agencies with contracting authority.

All applications shall be signed by an agent authorized to bind the builders. Such signature shall certify that all information contained in the application is true to the best of the knowledge and belief of the signer.

All applications and supporting documentation submitted shall become the property of the Authority. Applications submitted before the due date may be withdrawn upon request of the builders at any time before the due date. If the Authority and Builder cannot come to agreeable terms, the Authority is not required to sell any property to the Builder.

### **Applicable Law**

This Agreement shall be deemed to be a Virginia contract and shall be governed as to all matters whether of validity, interpretations, obligations, performance or otherwise exclusively by the laws of the Commonwealth of Virginia, and all questions arising with respect thereto shall be determined in accordance with such laws. Regardless of where actually delivered and accepted, this Agreement shall be deemed to have been delivered and accepted by the parties in the Commonwealth of Virginia.

### **Venue**

Any and all suits for any claims or for any and every breach or dispute arising out of this Agreement shall be maintained in the appropriate court of competent jurisdiction in the City of Hampton.

### **Compliance with all Laws**

The Builder shall comply with all federal, state and local laws and ordinances applicable to the work contemplated by this Agreement.

### **Unauthorized Aliens**

The Builder does not and shall not during the performance of this Agreement knowingly employ an unauthorized alien as defined in the Federal Immigration Reform and Control Act of 1986.

### **Employment Discrimination by Contractor Prohibited**

The Builder will not discriminate against any faith-based organization or employee or applicant for employment because of age, creed, familial status, genetics, race, religion, color, sex, national or ethnic origin, disability, or political affiliation, except where religion, sex or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of the Builder. The Builder agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth provisions of this nondiscrimination clause. Hampton Redevelopment and Housing Authority does not discriminate against any faith based organizations, vendors, Builders. The Authority does not discriminate against employees or applicants for employment because of age, familial status, genetic, creed, political affiliation, race, religion, color, sex, national or ethnic origin, or disability. If there are any questions regarding this policy, please contact our Equal Opportunity Officer at (757) 727-6337.

### **Miscellaneous Information**

Issuance of \$1 Lot Sales Program Application does not constitute a commitment by the Agency to award a contract. The Agency reserves the right to reject any or all applications received, or to cancel the \$1 Lot Sales Program if it is in the best interest of the Authority to do so. The Authority anticipates selecting multiple builders.

The builder submitting an application agrees and authorizes the Authority to verify any or all information and references given in the application. The Authority reserves the right, after contract award, to amend the resulting contract as needed throughout the term of the contract to best meet the needs of all parties. All information, materials, and documents discovered or developed/produced for this project by the Builder will become the property of Hampton Redevelopment and Housing Authority. Builders must be licensed to practice in the State of Virginia, and must not be listed on the Federal debarment lists.

Signature on following page:

\_\_\_\_\_  
**Print Contractor Name**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Title**

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

STATE OF VIRGINIA  
CITY/COUNTY OF \_\_\_\_\_,

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