

Date

Executive Director Name
Care Provider Name
Care Provider Address
City State Zip

Re: Continued Development Response
to HomeAid Shelter Assistance Application

Dear (Executive Director Name):

As a follow-up to our telephone conversation, thank you for your Shelter Assistance Application to HomeAid Inland Empire. Please accept this letter as HomeAid Inland Empire's response to your Shelter Assistance Application. We want to continue to develop a project that best meets our mutual goals and capabilities. The final project may vary somewhat from the original Shelter Application. A final project will be undertaken upon the approval of the applicant and HomeAid Inland Empire. Communication concerning the continued development of this project should be directed to the Executive Director of HomeAid Inland Empire. Many alternatives may be discussed but all commitments from HomeAid Inland Empire will be made in writing. Written communication will be directed to the individual listed above with the understanding that it will be shared with Mercy House's Board of Directors and all other appropriate volunteer and staff leadership.

Before we enter into a binding Letter of Agreement that commits both your agency and HomeAid Inland Empire, we will need to address, to the mutual satisfaction of your agency and HomeAid Inland Empire the following:

1. The scope of work committed to by HomeAid Inland Empire must be documented to the mutual satisfaction of your agency and HomeAid Inland Empire.
2. A company associated with the building industry must be recruited to serve as the Builder Captain Company. The Builder Captain Company will act as the general contractor for the project. HomeAid Inland Empire has begun that recruitment process and you will be notified as soon as it is completed.

3. Representative from your agency will meet with representatives of the Builder Captain Company, representatives of a mutually acceptable design team, and representatives of HomeAid Inland Empire. This committee will finalize the scope of the project.

4. The Builder Captain Company's representatives, with input from your agency and HomeAid Inland Empire, will then prepare a preliminary budget for the project. This preliminary budget will show the total anticipated cost of each trade activity, the anticipated amount of donation, and the anticipated amount to be paid by your agency. All of these figures will be estimates at this time but are necessary for project planning. The preliminary budget must be approved by a management team consisting of authorized representatives of the Social Service Agency, the Builder Captain Company and HomeAid Inland Empire. Periodic reports will be made to all members of the above management team.

5. Once all of the above are complete, authorized representatives of your agency and of HomeAid Inland Empire will sign a Letter of Agreement which will create a binding agreement with specific responsibilities outlined in that document. A template of that Letter of Agreement is attached for your review. Please review it in depth to avoid surprises that could cause delays.

6. The above management team will then assure that reverse liability insurance, course of construction insurance and the required exoneration agreement are in place. Construction of the project can then commence.

7. Please note that your agency must accept the entire Letter of Agreement including the following items:

(a) An authorized representative of your agency must sign and return an Exoneration Agreement, releasing HomeAid Inland Empire and its affiliates, the Builder Captain Company, and all donors of goods, services, in-kind labor, and materials from liabilities arising out of the construction of the project.

(b) Your agency must pay the premium for a policy of "reverse liability" insurance provided through HomeAid America insuring your agency and all the persons and entities released in the Exoneration Agreement against liabilities arising out of the construction of the project.

(c) Your agency must make a contribution to HomeAid Inland Empire in an amount equal to seven percent (7%) of the established value of donated goods, services, in-kind labor, and donated materials. This amount will be paid in three equal payments with the first two payments based on the preliminary budget and the third payment reconciled to actual donated value. The first payment is due upon signing of the Letter of Agreement. The second payment is due upon commencement of construction. The third payment is due upon completion of the project.

(d) Your agency must also purchase through your own insurance agent, a course of construction or builders risk policy of property insurance, covering the project for its full replacement value and insurance against all risks.

In addition to the items above, please be informed of the following:

1. (Additional Items)

Any aspects of the above that raises concern or question should be brought to the immediate attention of the HomeAid Inland Empire Executive Director. Thank you for the opportunity to be involved. We look forward to a successful project that will serve our community.

Enclosed:
Letter of Agreement Template

Sincerely,

Joe Gossett
Executive Director
HomeAid Inland Empire

