

# COMMUNITY HOUSING DEVELOPMENT ORGANIZATION AGREEMENT

THIS AGREEMENT, made and entered into, by and between the City of Columbia, Missouri, a municipal corporation (hereinafter, "City") and Columbia Missouri Community Housing Development Organization, a non-profit corporation of the State of Missouri (hereinafter, "Agency") with an effect date of the last party's execution of this Agreement. The period of this agreement ends on the 1st day of August, 2020.

WITNESSETH:

WHEREAS, the City receives HOME Investment Partnership Program (HOME) funds from the U.S. Department of Housing and Urban Development for the purpose of retaining and adding to the supply of affordable housing in the community, and

WHEREAS, 15% of those funds are set aside for use by Community Housing Development Organizations (CHDO) in order to develop, sponsor and/or own affordable housing.

WHEREAS, Agency meets the requirements of CHDO designation as specified by the U.S. Department of Housing and Urban Development and intends to expend its funds on HOME eligible activities as defined in 24 CFR Part 92 (HOME regulations) to produce affordable housing.

WHEREAS, the City will be transferring title of property located at 7 and 9 Third Avenue (hereinafter, "Property") to the Agency in order to develop an affordable housing unit on the Property legally described as:

The West One-Half (W1/2) of Lot Fifty-Four (54) in Odon Guitar's Subdivision and Park Addition to the City of Columbia, Boone County, Missouri. 16-315-00-01-054.00

All of the East One-Half (E1/2) of Lot Fifty-Four (54) in Odon Guitar's Subdivision and Park Addition to the City of Columbia, Missouri, as shown by the plat recorded in Plat Book 1, Page 16, Records of Boone County, Missouri. 16-315-00-01-055.00

Subject to all terms, conditions, and restrictions set forth herein.

NOW, THEREFORE, be it resolved that the City and the Agency agree as follows:

- 1) Eligible Activities
  - a. City agrees to provide Agency \$65,314 HOME funding and transfer the above described real estate for the purpose of developing 2 owner-occupied housing units with one unit on each of the two parcels described above; and providing homeownership assistance to a low to moderate income household purchasing the Property. Funds shall be expended on HOME eligible activities as defined by HOME regulations at 24 CFR Part 92.206. The Agency shall not use these funds for the purposes of prohibited activities as defined by 24 CFR Part 92.214. The Agency shall provide an updated statement of sources and uses of financing to the City upon the obligation of funds for each activity for which HOME funds are obligated.
  - b. This agreement is subject to all terms and conditions of the agreement between the Agency and the Columbia Community Land Trust, labeled as, Columbia Community Land Trust and the Columbia Missouri Community Housing Trust Organization Agreement executed on October 17, 2018, attached hereto as Exhibit A and incorporated herein.

- c. Payment may be made to the Agency as progress payments or upon completion of the project. In the case of progress payments, 90% of payment request amount shall be paid, the retained 10% shall be paid upon complete satisfaction of all terms of this agreement and the attached Columbia Community Land Trust and Columbia Missouri Community Housing Development Organization Agreement executed on August 22, 2017. Payment requests shall be provided with supporting invoices. No payment shall be made under this agreement until completion of environmental review of activities by the City is completed and a release of funds for activities proposed by the Agency has been obtained from the Department of Housing and Urban Development.
  - d. The Agency shall satisfactorily demonstrate to City that they have effective management control of the development and will own, develop and/or sponsor all HOME funded developments. Each project shall meet the subsidy layering requirements as established by the City.
  - e. All housing activities shall comply with the specifications contained in the following documents: the request for proposal document issued by the City for the Property attached as Exhibit B and incorporated herein, and the proposal submitted by the Agency for the Property attached as Exhibit C and incorporated herein. Any changes to construction specifications must be agreed to and approved by the City in writing.
- 2) Performance Measurements: Agency shall use CHDO funding from this agreement, CHDO proceeds available, and other available financing, to construct two single family homes to benefit owner occupants at or below 80% of the median income.
- a) Agency must obtain approved City permits to begin construction by January 1, 2019, or City may require the Agency to repay expended funds and de-obligate the remaining balance under this agreement.
  - b) Agency must obtain a Certificate of Occupancy from the City of Columbia by November 1, 2019.
  - c) Final payment must be requested by Agency within 30 days of issuance of Certificate of Occupancy.
  - d) Agency must enter into ratified sales contract of Property within 9 months of the date of issuance of a Certificate of Occupancy by the City of Columbia.

City may require the Agency to repay expended funds upon failure to meet any of these deadlines.

- 3) City Recognition: Agency shall ensure recognition of the role of the City HOME funds in providing services through this agreement, including reference to the support provided herein in all publications made possible with funds available under this Agreement.
- 4) Proceeds from Home Sales: Sales price and base price to the buyer shall be approved by City and based on market study and appraisal obtained by Agency. Base price shall be 80% of the CLT appraised value and assistance to buyer shall be in the form of a gift of equity or credit to buyer at closing. Any CHDO proceeds, as calculated by City, may be retained by the Agency and used for additional HOME eligible activities. Eligible activities may include operating costs as defined in 24 CFR Part 92.208, or other HOME eligible project costs defined at 24 CFR Part 92.206 within the City limits of Columbia. The total amount of CHDO proceeds expended for operating costs shall not exceed 10% of the CHDO set aside investment for each project. CHDO proceeds are defined as the sales price less superior loan repayment, CHDO development equity, sales and closing costs charged to CHDO, and developer fee. The Agency shall provide a report to the City on the receipt and use of all proceeds, including operating costs, on an annual basis.
- 5) City Inspections: Agency shall notify the City of Columbia Community Development Department of completion of the following items for progress inspections:
- a) Foundation Foam.

- b) Slab Foam.
- c) Roof, after tarpaper and before shingles.
- d) After installation of exterior water resistant barrier and before siding.
- e) Blower door test after spray foam.
- f) Radon test after sheetrock.

6) The following other Provisions Apply as required by 24 CFR Part 92:

- a) Housing for homeownership shall not exceed the mortgage limits established by Section 203(b) of the National Housing Act. Each family of a homebuyer assisted by the Agency shall qualify as low income as defined by HUD for the HOME program. Each unit shall be initially the principal residence of the homebuyer. The period of affordability of each homebuyer assisted unit is established by 24 CFR Part 92.254(4) and (5). As each housing unit constructed is sold to a low to moderate income buyer, the Agency shall provide a copy of the signed promissory note and recorded deed of trust enforcing the affordability provisions at 24 CFR Part 92.254(4) and (5).
- b) Nondiscrimination and equal opportunity. The Fair Housing Act (42 U.S.C. 3601-19) and implementing regulations at 24 CFR part 100 et seq.; Executive Order 11063, as amended by Executive Order 12259 (3 CFR, 1959-1963 Comp., p. 652 and 3 CFR, 1980 Comp., p. 307) (Equal Opportunity in Housing Programs) and implementing regulations at 24 CFR part 107; title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d- 2000d-4) (Nondiscrimination in Federally Assisted Programs) and implementing regulations at 24 CFR part 1; the Age Discrimination Act of 1975 (42 U.S.C. 6101-6107) and implementing regulations at 24 CFR part 146; section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at part 8 of this title; title II of the Americans with Disabilities Act, 42 U.S.C. 12101 et seq.; 24 CFR part 8; section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR part 135; Executive Order 11246, as amended by Executive Orders 11375, [[Page 41]] 11478, 12086, and 12107 (3 CFR, 1964-1965 Comp., p. 339; 3 CFR, 1966- 1970 Comp., p. 684; 3 CFR, 1966-1970 Comp., p. 803; 3 CFR, 1978 Comp., p. 230; and 3 CFR, 1978 Comp., p. 264, respectively) (Equal Employment Opportunity Programs) and implementing regulations at 41 CFR chapter 60; Executive Order 11625, as amended by Executive Order 12007 (3 CFR, 1971- 1975 Comp., p. 616 and 3 CFR, 1977 Comp., p. 139) (Minority Business Enterprises); Executive Order 12432 (3 CFR, 1983 Comp., p. 198) (Minority Business Enterprise Development); and Executive Order 12138, as amended by Executive Order 12608 (3 CFR, 1977 Comp., p. 393 and 3 CFR, 1987 Comp., p. 245) (Women's Business Enterprise). The nondiscrimination provisions of Section 282 of the National Affordable Housing Act of 1982.
- c) Must establish a minority outreach program described at 24 CFR 92.351(b).
- d) Disclosure requirements. The disclosure requirements and prohibitions of 31 U.S.C. 1352 and implementing regulations at 24 CFR part 87; and the requirements for funding competitions established by the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3531 et seq.).
- e) Debarred, suspended or ineligible contractors. The prohibitions at 24 CFR part 24 on the use of debarred, suspended or ineligible contractors.
- f) Drug-Free Workplace. The Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et seq.) and HUD's implementing regulations at 24 CFR part 24.
- g) Shall provide an annual audit to the City conducted by an independent certified CPA.
- h) Lead-Based Paint requirements at 24 CFR Part 35 and State of Missouri Lead Paint regulations at 19 CSR 30-70.110 - 640.
- i) Flood insurance requirements at 92.358.
- j) The Agency shall certify to the city that HOME funds do not provide more than 50% of its annual operating budget during the year in which funds are provided.

7. Records and Reports

- a. The Agency shall provide all information needed for compliance monitoring purposes by the City or

- the U.S. Department of Housing and Urban Development. Agency shall permit City to inspect all assisted housing to ensure compliance with required property standards.
- b. Upon the sale of each property, the Agency shall provide a copy of the closing statement and completion report to the City;
  - c. Agency shall retain all records pertinent to the HOME program described at 92.508 (3) (4) vi-viii, (7) (i) (A) & (B), and (ii) - (viii) and allow access to such records upon request and during monitoring visits.

8. Reversion of Assets


Upon expiration of this agreement, the Agency must transfer to the City any HOME funds on hand at the time of expiration and any accounts receivable attributable to the use of HOME funds.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the day and year first above written.

ATTEST:


BY:   
Sheela Amin, City Clerk

CITY OF COLUMBIA, MISSOURI


  
Mike Matthes, City Manager

Date: 11-8-18

APPROVED AS TO FORM:

  
Nancy Thompson, City Counselor *NT*


COMO CHDO

BY:   
Title: President & CEO

Date: 11/12/18

26704131

CERTIFICATION: I hereby certify that this agreement is within the purpose of the appropriation to which it is to be charged, Account No. 26704131-504990 COMMDEV-~~644030~~, and that there is an unencumbered balance to the credit of such appropriation sufficient to pay therefore

  
Director of Finance *JF*

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