

**ATTACHMENT A
HOME AGREEMENT**

THIS AGREEMENT, made and entered on the date of last signatory noted below (hereinafter "Effective Date"), by and between the City of Columbia, Missouri, a municipal corporation (hereinafter, "City"), and Freedom House I Development, LP, a limited partnership of the State of Missouri, (hereinafter, "Owner").

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, the Owner has applied for funding to develop housing to be used for low income seniors and low income individuals with disabilities; and

WHEREAS, the Owner has demonstrated that, but for HOME funding, the housing project could not support itself with available funds:

NOW, THEREFORE, the City and the Owner agree as follows:

1. Eligible Activities

The City agrees to provide Owner, FORTY-FIVE THOUSAND DOLLARS (\$45,000) for HOME eligible activities as are defined in the HOME regulations at 24 CFR Part 92.206 for the purpose of assisting in the construction of a thirteen (13) rental unit apartment building on a tract of land described as:

Lot 1 of Freedom House I as recorded in Plat Book 55, Page 79 of the Records of Boone County, Missouri and further described as follows:

Beginning at the Northeast corner of said Lot 1 of Freedom House I; thence S02°13'25"W, 171.63 feet to the Southeast corner of said Lot:1; thence N87°30'35"W, 103.25 feet; thence N88°51'35"W, 122.40 feet to the southwest corner of said Lot 1; thence N00°06'35"W, 144.80 feet to the Northwest corner of said Lot 1; thence; S89°17'35"E, 47.85 feet; thence N02°36'25"E, 22.50 feet; thence S89°20'35"E, 183.61 feet to the point of beginning and containing 0.86 acres.

For the purposes of the HOME Program, the one (1) HOME funded unit shall be considered as a "floating unit" as defined by HOME regulations. Funds shall be provided in the form of a loan at one percent (1%) per year fully amortized over a 25 year term. Said loan proceeds from the City shall be expended on eligible activities as defined in HOME regulations at 24 CFR Part 92.206, and shall not be expended to reimburse the Owner for the cost of the purchase of the land. The Owner shall not use HOME funding for the uses prohibited by 24 CFR Part 92.214. The Owner agrees that as a condition of receiving these funds; it will execute a promissory note and Deed of Trust in the amounts specified in this paragraph that will require repayment of the full amount of HOME assistance if the Owner fails to comply with any of the terms of this Agreement.

2. Period of Agreement:

The period of this agreement ends twenty years from the date of project completion, as defined by the Department of Housing and Urban Development in 24 CFR Part 92.252(e). All funds disbursed by the City shall be expended within two years of the date of this agreement.

3. Matching Funds and Subsidy Layering Requirements:

a) The Owner recognizes that resources for this project, provided to the Owner, include the generation of equity financing made available through State and Federal Low Income Housing Tax Credits. The Owner agrees to provide documentation concerning the sale and subsequent use of the proceeds from the use of State Low Income Housing Tax Credits and other non-Federal sources of funds for this project.

b) The Owner agrees that HOME funds provided through this agreement are in compliance with the subsidy layering requirements of 24 CFR Part 92.250. The Owner agrees that any major changes in the sources and uses of funds (more than 10% of each line item), as provided in Attachment B, are subject to approval by the City prior to the disbursement of City HOME funds.

4. Payments Requirement:

a) Prior to receiving funds, the Owner shall provide the City the following documents: after-construction value appraisal; final sources and uses of funds statement, including commitments from other sources of funds; a 15-year pro forma; final plans and specifications as approved by the City's Community Development Department; a final cost estimate of the project; an updated affirmative marketing plan as required by HOME regulations.

b) Payments will be made to the Owner based on invoices, statements, or signed forms supporting each cost incurred subsequent to the effective date of this agreement. Invoices shall be supported by documents showing compliance with Federal labor standards provisions, in accordance with Section 7(f) below; copies of construction contracts awarded and lien waivers from contractors, subcontractors, and material suppliers. The allocation of the various costs to the various sources of funding shall be included with each payment request.

c) The Agency shall not obligate funds for payment for construction activities under this agreement until the City and Missouri Housing Development Commission have completed an environmental review of the site on which construction will occur and a release of funds has been obtained by the City from the Department of Housing and Urban Development.

5. Property Standards: All housing activities shall comply with building codes of the City of Columbia, the City's Property Maintenance code, and the Model Energy Code published by the Council of American Building Officials. A certification of compliance with each shall be provided to the City by the Owner. The Owner shall ensure that the property meets the City's Property Maintenance Code for a period of twenty years following the completion of this project in HUD's Integrated Disbursement and Information System.

6. City Recognition: The Agency shall ensure recognition of the role of the City HOME funds assisting in the development of this project, including reference to the support provided herein in all publications made possible with funds available under this Agreement; and signage located at the construction site.

7. The following other Provisions Apply as required by 24 CFR Part 92:

a) The Owner agrees to abide by all relevant HOME program procedures; including, but not limited to provision to the City of rent and income information as indicated at 92.252, and demonstrating that rents are affordable according to HOME requirements for the periods of time specified in 92.252(e) commencing with the date HOME funds are first provided. Prior to provision of HOME funding, the Owner shall sign a land use restriction to ensure compliance with the affordability requirements at 92.252 and property standards provisions. The Owner agrees to allow the City to review and approve all proposed rents and the Owner must provide tenants not less than 30 days prior written notice before implementing approved increases in rents. Assistance provided under this agreement shall be repaid if at any time during the affordability period rents are determined by the City of Columbia not to be affordable.

b) The Owner agrees to comply with all applicable provisions of the Americans with Disabilities Act and the regulations implementing the Act, including those regulations governing employment practices. The Owner agrees to comply with Section 504 of the Rehabilitation Act of 1973, as amended, the Uniform Federal Accessibility Standards, and applicable building codes for the City of Columbia. A minimum of three units accessible to those that are physically disabled and one additional unit for those that are hearing impaired must be constructed.

c) 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.

d) Disclosure requirements. Agency shall comply with 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) Owner shall comply with the Drug-Free Workplace Act of 1988 (41 U.S.C. 701 et seq.) and HUD's implementing regulations at 24 CFR part 24.

f) The Owner shall comply with the administrative requirements at 24 CFR Part 85.6, 85.12, 85.20, 85.22, 85.26, 85.32 - 34, 85.36, 85.44, 85.51, and 85.52.

g) Owner shall comply with Lead-Based Paint requirements at 24 CFR Part 35 and State of Missouri Lead Paint regulations at 19 CSR 30-70.110 - 640.

h) Owner shall comply with flood insurance requirements at 92.358.

i) The Owner agrees to comply with Chapter 643 RSMO of the Missouri Air Conservation Law and State Asbestos Regulation 10 CSR 10-6.080, and all other related applicable Federal and State regulations. .

j) The Owner agrees to comply with the following laws governing fair housing and equal opportunity including: Title VI of the Civil Rights Act of 1964 and Executive Order 11063, the Fair Housing Act with implementing regulations at 24 CFR part 100-115, the Age Discrimination Act of 1975 with implementing regulations at 24 CFR Part 146, and Section 109 of the Housing and Community Development Act of 1974.

k) The Owner agrees to comply with the following laws and regulations regarding equal opportunity in employment and contracting: Executive Order 11246 with implementing regulations at 41 CFR Part 60, Section 3 of the Housing and Urban Development Act of 1968 regarding employment by lower income local residents, and Executive Orders 11625, 12432, and 12138 regarding outreach to minority and female owned businesses.

l) The Owner agrees to comply with Section 110 of the Housing and Community Development Act of 1974, as amended, 24 CFR 570.603, and State regulations regarding the administration and enforcement of labor standards; Davis Bacon Act (46 U.S.C. 2786a) with respect to prevailing wage rates; Contract Work Hours and Safety Standards Act of 1962, 40 U.S.C. 327-332 requiring that mechanics and laborers (including workman and guards) employed on federally assisted contracts be paid wages for all hours worked in excess of eight in a calendar day or forty in a work-week, whichever is greater; the Federal Fair Labor Standards Act, 29 U.S.C. Sec. 201 et seq. requiring that covered employees be paid at least the minimum prescribed wage, and that they be paid one and one-half times their basic wage rate for all hours worked in excess of the prescribed work-week.

m) In accordance with the provisions of 24 CFR 85, the Owner agrees that the City may suspend or terminate this Agreement should the Owner materially fail to comply with any of the terms of this Agreement and that the award may be terminated for convenience in accordance with 24 CFR Part 85.44.

n) Upon finding that the Owner materially fails to comply with any term of this Agreement, any HOME funds on hand at the time of such funding shall be transferred to the City of Columbia and future HOME assistance may be denied.

o) The Owner shall comply with the conflict of interest provisions of HUD regulations at 24 CFR Part 570.611, which governs the procurement of supplies and contracts and the provision of services to clients with the use of HOME funds. The provisions cover services provided for, or by, persons who are employees, agents, or elected officials of the City of Columbia.

p) The Owner agrees to not use debarred, suspended or ineligible contractors as defined by 24 CFR Part 24.

q) The Owner agrees to provide a copy of its annual financial audit to the City, which covers the use of HOME funds expended under this agreement.

r) The Owner agrees that all leases shall not include prohibited lease terms as defined by 92.253. The Owner further agrees to develop a fair lease and grievance procedure, and a plan for allowing tenant participation in management decisions.

7. Records and Reports

a) The Owner shall provide all information needed for compliance monitoring purposes by the City, the Missouri Housing Development Commission and the U.S. Department of Housing and Urban Development. The Owner shall permit City to inspect all assisted housing, and shall then submit a "Project Completion Report" to the City upon completion of construction activities and occupancy of all dwelling units.

b) The Owner shall retain all records pertinent to the HOME program and shall allow access to such records upon request and during monitoring visits.

c) The Owner shall maintain tenant data demonstrating tenant eligibility. Such data shall include, but not be limited to, tenant name, address, income level or other basis for determining eligibility, gender, race and size of household. Such information shall be made available to City monitors or their designees for review annually during the twenty year affordability period. The City shall also be allowed to inspect the premises on an annual basis during the twenty year period of affordability to determine compliance with housing codes and HUD Housing Quality Standards.

8. Reversion of Assets

Upon expiration of this agreement, the Owner 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.

9. Notice to Transferees

If the Owner or a successor sells, transfers, exchanges or encumbers the Property at any time after the initial date of HOME expenditures on the property described in this Agreement, the Owner or the successor shall notify in writing and obtain the agreement of any buyer or successor or other person acquiring the Property or any interest therein that such acquisition is subject to the requirements of this Agreement. The Owner agrees that the City may void any sale, transfer, exchange or encumbrance of the Property if the buyer or successor or other person fails to assume in writing the requirements of this Agreement.

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

CITY OF COLUMBIA, MISSOURI

BY: De'Carlton Seewood, City Manager

ATTEST:

Sheela Amin, City Clerk

APPROVED AS TO FORM:

Freedom House I Development, LP
MMBFH is the sole member of Freedom House I,
which is the General Partner

Nancy Thompson, City Counselor

By: Dianne Miller

Name DIANNE MILLER

Title: PRES OF BOARD

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 - Comm DEV - 644123 and that there is an unencumbered balance to the credit of such appropriation sufficient to pay therefore

Matthew Lue, Director of Finance Date