

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE ADMINISTRATOR OF ECONOMIC AND COMMUNITY DEVELOPMENT TO ALLOCATE AND ENTER INTO AN AGREEMENT WITH CHATTANOOGA COMMUNITY DEVELOPMENT HOUSING ORGANIZATION (CCHDO) FOR ONE HUNDRED NINE THOUSAND EIGHT HUNDRED NINETY-NINE DOLLARS (\$109,899.00) IN HOME INVESTMENT PARTNERSHIP FUNDS TO DEVELOP AFFORDABLE HOUSING.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, TENNESSEE, That the Administrator of Economic and Community Development is authorized to allocate and enter into an agreement with Chattanooga Community Housing Development Organization (CCHDO) for \$109,899.00 in HOME Investment Partnership funds, reserved for community housing development organizations, to develop affordable housing.

ADOPTED: _____, 2014

/mem

City of Chattanooga



Resolution/Ordinance Request Form

Date Prepared: October 14, 2014

Preparer: Donna C. Williams

Department: ECD

Brief Description of Purpose for Resolution/Ordinance: Res./Ord. # _____ Council District # _____

A resolution authorizing the Administrator of Economic and Community Development to allocate and enter into an agreement with Chattanooga Community Housing Development Organization (CCHDO) for \$109,899 in HOME Investment Partnership funds, reserved for community development housing organizations, to develop affordable housing.

Name of Vendor/Contractor/Grant, etc. CCHDO
Total project cost \$ 109,899
Total City of Chattanooga Portion \$ _____
City Amount Funded \$ _____
New City Funding Required \$ _____
City's Match Percentage % _____

New Contract/Project? (Yes or No) _____
Funds Budgeted? (YES or NO) Yes
Provide Fund 8642
Provide Cost Center G50007
Proposed Funding Source if not budgeted _____
Grant Period (if applicable) _____

List all other funding sources and amount for each contributor.

Amount(s)	Grantor(s)
\$109,899.00	CHDO Set-Aside
\$	

Agency Grant Number _____

CFDA Number if known _____

Other comments: (Include contingency amount, contractor, and other information useful in preparing resolution)

Approved by:

Reviewed by: FINANCE OFFICE

DESIGNATED OFFICIAL/ADMINISTRATOR

Please submit completed form to @budget, City Attorney and City Finance Officer

Revised: October, 2011

**PROJECT AGREEMENT BETWEEN THE CITY OF CHATTANOOGA AND
Chattanooga Community Housing Development Org. (CCHDO)**

FOR THE USE OF HOME INVESTMENT PARTNERSHIP FUNDS

For Rental Housing Activities

THIS AGREEMENT, entered into this 28 day of April 2014, by and between the City of Chattanooga, a municipal corporation ("City"), and Chattanooga Community Housing Dev. Org. (CCHDO), a *public/private* organization ("Recipient, Grantee") to include any and all other parties (public and private) associated with the project described herein;

WHEREAS, the City is the recipient of HOME Investment Partnership (HOME) funds granted by the U.S. Department of Housing and Urban Development (HUD) under Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990 (P.L. 101-625), as amended; and WHEREAS, the City wishes to utilize HOME Investment Partnership (HOME) funds to assist the RECIPIENT with affordable rental housing activities;
and

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

PART I

1. PURPOSE AND SCOPE OF SERVICES:

- A. 1. The Recipient shall use HOME funds, provided by the City of Chattanooga
To:
Construct one three bedroom, two bath single family affordable rental unit at 2005 Sharp Street, Chattanooga, TN.
(Project Description)
2. The Recipient shall provide affordable rental housing for a minimum period of 20 years from the time when all one (1) (# of Units) of HOME assisted units, associated with this project, are occupied by eligible occupants. Upon *rent up*, preference will be given to households under 60% median family income over the term of this agreement. According to HOME regulations, rental housing assisted with HOME Investment Partnership funds shall have a deed restriction placed upon it, requiring adherence to the occupancy and rent restrictions of 24 CFR 92.252, with the effective term of said instrument in accordance with 24 CFR 92.252(a)(5).
- B. Within 30 days after the closing of permanent financing (if applicable) or at the signing of this agreement, the RECIPIENT shall have properly recorded in the appropriate office of the Hamilton County Recorder any mortgage, security agreement, financing statement or similar document required by the City under this agreement, with all recording charges being paid by the RECIPIENT.
- C. Development of any architectural designs for the project shall be the responsibility of the RECIPIENT, subject to written concurrence by the City.

- D. The City shall provide technical assistance to the RECIPIENT concerning compliance with the terms of this Agreement. The RECIPIENT shall be responsible for all bidding procedures and sub-contractual arrangements. All procedures shall be carried out in accordance with all Federal, State and local standards, and shall be monitored by the City.
- E. The Project shall be completed in compliance with all applicable state and local building codes; and upon completion, shall be operated in compliance with all applicable state and local codes and ordinances. The RECIPIENT agrees the facilities shall be used solely for the purpose of providing affordable rental housing as detailed in Part I.1.A of this Agreement.

2. TIME OF PERFORMANCE:

The RECIPIENT shall perform according to the following schedule:

Program Element	Deadline
1. Execute contract for project	July 2014
2. Acquisition of property	Currently owned by CCHDO
3. Pre-construction conference	August 2014
4. Project start date	August 2014
5. Construction/ rehab completion date	Dec 2014
6. Project rent-up started	Jan 2015
7. Project rent-up completed	By or before March 2015
8. Monitoring period	20 years

This schedule is subject to change by mutual agreement of both parties in writing.

3. Project Budget

	Recipient's Contribution	City's (HOME) Contribution
Real property acquisition	\$ 28,000	\$
Construction expenses	\$	\$ 109,899
Architect/engineering	\$ in house staff	\$
State & local fees	\$ N/A	\$
Financing fees	\$ N/A	\$
Environmental and appraisal fees	\$	\$
Project overhead & developer fee	\$	\$ this amount may have to be drawn from previous allocations.
Accounting, legal and misc. fees	\$	\$
Leasing and operating reserves	\$	\$
Other Expenses (with prior approval from City)	\$	\$
Sub Totals	\$ 28,000	\$109,899
Total Project Cost	\$28,000	\$109,899

4. **COMPENSATION AND METHOD OF PAYMENT:**

The City shall pay and the RECIPIENT agrees to accept in full no more than \$ 109,899 (dollars and no\100) (*hereinafter "Grant"*) for performance under this Agreement, as follows:

A. Maximum Per Unit Subsidy

Grantee agrees that the amount of HOME funds invested on a per unit basis may not exceed the limits as defined in 24 CFR 92.250 (SL-1).

B. Based on the approved budget, partial payments shall be made on a reimbursement basis, upon presentation of (i) purchase agreements and invoices, and/or (ii) other source documents demonstrating that costs have been incurred and paid. Payments will be made for eligible expenses actually incurred by the RECIPIENT, and not to exceed actual cash requirements. With prior arrangement and approval, the City will make

payments directly to the Recipient's vendor if payments by reimbursement creates an undo hardship on the organization.

- C. All payments under this agreement are subject to receipt by the City of sufficient federal funds for the HOME Investment Partnership program. HOME Investment Partnership funds shall be drawn from the U.S. Treasury by the City through the Integrated Disbursement and Information System (IDIS). The City shall retain exclusive direct access rights to the IDIS system. All access to the IDIS system will be by duly authorized persons designated by the City as approved by HUD. Any termination, reduction or delay of receipt of HOME Investment Partnership funds to the City shall, at the option of the City, result in the termination, reduction or delay of HOME Investment Partnership funds to the RECIPIENT.
- D. Funds provided to the RECIPIENT shall be expended within 10 business days from the date of disbursement to the RECIPIENT by the City. Any funds not disbursed by the RECIPIENT in the aforementioned time period shall be returned to the City and will be deposited in the U.S. Treasury, HOME Investment Partnership Trust Account. Any interest earned on cash advances from the U.S. Treasury and/or City of less than one hundred dollars (\$100.00) per year may be retained by the RECIPIENT and used for project expenses. Any interest in excess of one hundred dollars (\$100.00) per year shall be remitted promptly to the City.

5. TERMS AND CONDITIONS:

- A. The City may, from time to time, request changes in the scope of the Agreement and obligations to be performed hereunder by the Recipient. Such changes, which are mutually agreed upon by and between the City and the grantee shall be incorporated by written directive to the Recipient.

B. Affordability

The Grantee will abide by the HOME affordability requirements of 24 CFR 92.252 & 2.254, as applicable. The HOME-assisted units must meet the affordability requirements for not less than the applicable period specified in the following tables, beginning after project completion. The affordability requirements apply without regard to the term of any loan or mortgage or the transfer of ownership. If HOME-assisted housing fails to meet the affordability requirement for the specified period, the HOME funds are to be repaid in accordance with 24 CFR 92.503.

**RENTAL HOUSING ACTIVITIES – Minimum period of affordability in years
rehabilitation or acquisition of existing housing per unit amount of HOME funds:**

- | | |
|--|----------|
| i. Under \$15,000 | 5 Years |
| ii. \$15,000 – 40,000 | 10 Years |
| iii. Over \$40,000 or rehabilitation involving refinancing | 15 Years |
| iv. New construction or acquisition of newly | |

- C. The RECIPIENT agrees to comply with all applicable federal, state, and local laws and regulations governing the funds provided under this contract. Said HOME regulations are published in 24 CFR Part 92.
- D. The City shall have no responsibility or liability for the maintenance, operation or program funding for the RECIPIENT.
- E. Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The RECIPIENT shall at all times remain an independent contractor with respect to the services to be performed under this Agreement. The City shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance as the RECIPIENT is an independent contractor.
- F. During the period of this Agreement, effective as of the start of the Project, the RECIPIENT shall, at its own expense, procure and maintain all-risk property damage and liability insurance. For the term of this agreement, the RECIPIENT shall list the City as a loss payee on said property insurance. Property damage coverage shall not be less than the current market value of the property. Liability coverage shall include contractual insurance as well as comprehensive form insurance. Proof of insurance shall be shown to the City by furnishing a copy of the certificate of insurance issued by an insurance company licensed to do business in the State Tennessee. The certificate of insurance shall include a statement guaranteeing that the insurance company shall notify the Community Development Office within 30 days of the lapse of said policy. The RECIPIENT shall provide Workers' Compensation Insurance coverage for all employees involved in the performance of this contract.
- G. Until at least 20 years from the date of the Certificate of Occupancy, the RECIPIENT shall, in a manner satisfactory to the City, fulfill its stated purpose as outlined in Part I.1.A of this Agreement.
- H. The RECIPIENT shall not sell, assign or transfer any legal or equitable interest in the property at any time prior to 20 years from the date of the Certificate of Occupancy without written concurrence of the City; but in such event, the RECIPIENT shall pay to the City the amount of the grant in full relating to the property sold or, if the RECIPIENT discontinues its program or if the RECIPIENT discontinues the provision of affordable rental housing as funded under this Agreement prior to the end of the affordability period of this Agreement, the RECIPIENT shall pay to the City, the amount of the grant in full. If the RECIPIENT fully complies with its obligations hereunder, after the 20 year period of affordability, the lien against the property shall be released by the City.
- I. Except as provided herein, the terms of this Agreement shall be effective from the date of execution through and including the 20 year period of affordability, to start on the date of the Certificate of Occupancy.
- J. In order to document the low and moderate income benefit required in 24 CFR 92.254, Grantee shall maintain records that document all clients served by the Grantee with HOME funds. The RECIPIENT shall maintain client data demonstrating client eligibility

for services provided. Such data shall include, but not be limited to, signed verification of income statement, or other basis for determining eligibility, and description of service provided. Such information shall be made available to City monitors or their designees for review upon request.

- K. In addition to records that document the number of clients served, the Grantee shall also document each client's race, family size, annual household income, and whether or not the family is female-headed. Grantee agrees to keep records, which appropriately document its compliance with the requirements of this agreement and with 24 CFR 92 in connection with the use of HOME funds. The RECIPIENT shall reexamine family income, size and composition at least annually unless waived by mutual consent by the U.S. Department of Housing and Urban Development, the City of Chattanooga and the RECIPIENT.
- L. All housing assisted with HOME Investment Partnership funds shall be maintained in compliance with the property standards defined in 24 CFR 92.251, and any locally enforceable housing standards, laws and codes of the City.
- M. On-site inspections of HOME assisted rental housing. During the period of affordability, Grantee will work in concert with the City to insure that on-site inspections of HOME-assisted rental housing are carried out no less than; every three years for projects containing 1 to 4 units; every two years for projects containing 5 to 25 units; and every year for projects containing 26 or more units, to determine compliance with the property standards of 92.251 and to verify the information submitted in accordance with the requirements of 92.252. Inspections must be based on a sufficient sample of units.
- N. RECIPIENTS shall maintain records indicating that an inspection of the rental housing was performed and at a minimum the rental housing meets HUD Section 8 Housing Quality Standards and all applicable local housing standards.
- O. All mixed income housing projects funded under the terms of this Agreement shall comply with the provisions of 24 CFR 92.255.
- P. All projects shall adhere to the project requirements found in Subpart F of 24 CFR Part 92, as applicable in with the type of project assisted.
- Q. RECIPIENTS that receive HOME Investment Partnership funds for rental housing shall have a Tenant Participation Plan, approved by the City, in accordance with 24 CFR 92.303.

PART II

1. PERFORMANCE AND REPORTING:

- A. The RECIPIENT shall direct all notices, reports, insurance policies, and other communications related to or required by this Agreement to the office of the City of Chattanooga, Community Development Office, 100 E. 11th Street, Chattanooga, TN 37402. Notice by both RECIPIENT and City shall be given by ordinary mail.

- B. Until the completion of the Project and expenditure of all HOME Investment Partnership funds disbursed under this Agreement, the RECIPIENT shall submit quarterly reports describing progress of the project activities. This report will be due 10 (ten) days after the end of each quarter, based upon the City's fiscal year (July 1 to June 30).
- C. **Tenant and Participant Protections**
Grantee will comply with all tenant and participant protections according to 24 CFR 92.253 on all rental properties assisted with HOME funds.
- D. The RECIPIENT shall submit annual reports (July 1 – June 30) by the first day of August of each contract year through the date of the Certificate of Occupancy. The annual report shall, at a minimum, include statistics relating to the number of households being assisted with HOME Investment Partnership funds, household size, racial characteristics, single head of household by gender, household income and a narrative of project highlights.
- E. For projects with a HOME grant or loan of \$300,000 or more (including all funding sources), an audit report which discloses the expenditure of HOME Investment Partnership funds allocated for this Project, shall be submitted by December 2003.
- F. No reporting requirements for City HOME funds shall extend beyond the final annual report that is due at the completion of the development of the units, otherwise known as the date of the Certificate of Occupancy.

2. OTHER REPORTS, AUDITS AND INSPECTIONS:

- A. The RECIPIENT shall promptly furnish the City or HUD with any financial records, statements, other records, data and information as the City or HUD may reasonably request pertaining to this Agreement.
- B. During the term of this Agreement, any time during normal business hours, the RECIPIENT shall make available to the City, HUD and/or the Comptroller General of the United States, or their duly authorized representatives, all of the RECIPIENTS records in order to permit examination of any audits, invoices, materials, payrolls, personnel records, conditions of employment, and other data relating to all matters covered by this Agreement.
- C. The RECIPIENT shall retain financial records, supporting documents, statistical records, and all other records pertaining to expenditures under this Agreement for a period of five (5) years after the termination of this Agreement at 20 years after the date of the Certificate of Occupancy.

3. ADMINISTRATIVE REQUIREMENTS:

- A. Financial Management
 - 1. Accounting Standards

The RECIPIENT agrees to comply with Attachment F of OMB Circular A-110 and agrees to adhere to the accounting principles and procedures required therein, utilize

adequate internal controls, and maintain necessary source documentation for all costs incurred.

2. Cost Principles

The RECIPIENT shall administer its program in conformance with *OMB Circular A-110/ HUD Handbook 2210.18, "Cost Principles for For-Profit Organizations,"* for all costs incurred whether charged on a direct or indirect basis.

B. Documentation and Record-Keeping

1. Records to be Maintained

The RECIPIENT shall maintain all records that are pertinent to the activities to be funded under this Agreement, including but not limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with HOME assistance;
- c. Records documenting compliance with the fair housing and equal opportunity components of the HOME program; and
- d. Financial records as required by OMB Circular A-122, and/or OMB Circular A-133, and/or OMB Circular A-110.

2. Client Data

The RECIPIENT shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, signed verification of income statement, or other basis for determining eligibility, and description of service provided. Such information shall be made available to City monitors or their designees for review upon request.

3. National Objectives and Eligibility

The RECIPIENT agrees to maintain documentation demonstrating the activities carried out with funds provided under this contract benefit low income persons, as defined in 24 CFR Part 92.216 and/or 92.217.

C. Procurement

1. Contractor: The Grantee selects a contractor through applicable procurement procedures and requirements. The contractor provides goods and services in accordance with a written agreement (the contract). For contractors who are administering a portion of a HOME funded program, the contract must include at a minimum the following provisions:

- i. Use of the HOME funds. The agreement must describe the use of the HOME funds, including the tasks to be performed, a schedule for completing the tasks, a budget, and the length of the agreement.
- ii. Program requirements. The agreement must list the requirements applicable to the activities the contractor is administering.
- iii. Duration of agreement. The agreement must specify the duration of the contract. Generally, the duration of a contract should not exceed two years.

2. Compliance

In the event of termination for cause as provided in paragraph 12 or termination for convenience as provided in paragraph 13, a pro-rated portion of program assets (unexpended program income, property, equipment, etc.) attributable to the City's HOME investment shall revert to the City upon termination of this contract, as provided in Paragraph 12 or Paragraph 13 of this Agreement.

3. OMB Standards

The RECIPIENT shall procure materials in accordance with the requirements of A-133, A-122, Attachment O of OMB Circular A-110, Procurement Standards, and shall subsequently follow Attachment N, Property Management Standards, covering utilization and disposal of property. Copies of said circulars are provided and by execution of this Agreement, the RECIPIENT acknowledges their receipt.

D. Amendments

The City or RECIPIENT may amend this Agreement at any time provided that such amendments are executed in writing and signed by a duly authorized representative of both organizations. Such amendments shall not invalidate this Agreement, nor relieve or release the City or RECIPIENT from its obligations under this Agreement.

4. NON-DISCRIMINATION and AFFIRMATIVE MARKETING:

No person shall be excluded from or denied the benefits of the RECIPIENT'S service on the basis of age, race, color, religion, creed, national origin, sex, marital status, disability, gender identity or sexual orientation. All current and prospective project beneficiaries must, however, be persons in need of the programs provided by the RECIPIENT. The RECIPIENT shall comply with the affirmative marketing requirements set forth in 24 CFR 92.351.

5. SECTION 504 COMPLIANCE:

No otherwise qualified individual with handicaps shall, solely by reason of his or her handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. This includes, but is not limited to, programs and/or activities related to housing, employment, and the delivery of services.

6. EQUAL EMPLOYMENT OPPORTUNITY and FAIR HOUSING:

The RECIPIENT certifies that it is an "Equal Opportunity Employer" and that it will comply with Title 3 (Human Rights) of the City Code, Chapter 216 (State Civil Rights) of the Iowa Code, and all applicable regulations of the U.S. Department of Housing and Urban Development pertaining to equal opportunity and affirmative action in employment. Further, the RECIPIENT shall ensure that all contracts for work under this Agreement contain appropriate equal employment opportunity statements. In addition, RECIPIENTS shall comply with all provisions of 24 CFR 92.350.

7. SECTION 3:

Contractors retained by the RECIPIENT shall adhere to the following Section 3 requirements and provide reports as required by HUD. The RECIPIENT agrees to comply with Section 3 requirements, the requirements under 24 CFR 24 92.350, the regulations set forth in 24 CFR 135, and to include the following language in all subcontracts executed under this Agreement:

- A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3 shall, to the greatest extent feasible, be directed to low and very low income persons, particularly persons who are recipients of HUD assistance for housing.
- B. The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with the regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
 1. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those whom the regulations of 24 CFR

part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

2. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
3. With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and sub- contracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

8. W/MBE:

The RECIPIENT will use its best efforts to afford minority and women-owned business enterprises (at least fifty-one (51) percent owned and controlled by minority group members or women) the maximum practicable opportunity to participate in the performance of this Agreement.

9. LABOR:

Grantee agrees that projects involving the construction (rehabilitation or new construction) of housing that includes 12 or more units assisted with HOME funds under this Agreement, the Grantee will adhere to the Davis-Bacon Act, Copeland Anti-Kickback Act (40 U.S.C. 276c), as amended, which requires all laborers and mechanics working on the project to be paid not less than prevailing wage-rates as determined by the Secretary of Labor. By reason of the foregoing requirement, the Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et seq.) also applies. These requirements apply to the rehabilitation of residential property only if such property contains eight or more units.

10. ENVIRONMENTAL ASSESSMENT AND HISTORIC PRESERVATION:

Grantee agrees that in accordance with the National Environmental Policy Act of 1969 and 24 CFR part 58, it will cooperate with the City in complying with the Act and regulations, and that no activities will be undertaken until notified by the City that the activity is in compliance with the Act and regulations. Prior to beginning an activity, an environmental review must be conducted on each by the CD staff.

In accordance with 24 CFR part 58 and the environmental review required on each activity, effective July 1, 2004, the Grantee will be charged a fee of \$100.00 per environmental review. The fee will be charged against the grant amount as approved.

11. LEAD-BASED PAINT POISONING PREVENTION:

The RECIPIENT shall comply with requirements of Section 302 of the Lead-Based Paint Poisoning Prevention Act and HUD regulations thereunder (24 CFR 92.355) insofar as they apply to the performance of this Agreement.

12. TERMINATION OF AGREEMENT FOR CAUSE:

If the RECIPIENT fails to fulfill its obligations under this Agreement in a timely and proper manner, or if the RECIPIENT violates any of the terms, agreements or stipulations of this Agreement, the City shall thereupon have the right to terminate this Agreement by giving written notice to the RECIPIENT of such termination, specifying the default or defaults, and stating that this Agreement shall be terminated 30 days after the giving of such notice unless such default or defaults are remedied within such cure period. The City shall be obligated to make no payment due hereunder after it gives said notice unless the defaults are remedied within said 30-day period. In the event of such termination, the RECIPIENT shall promptly repay to the City the full loan amount or that portion of the amounts that have been disbursed to the RECIPIENT prior to such termination.

13. TERMINATION OF AGREEMENT FOR CONVENIENCE:

This Agreement may be terminated in whole or in part upon the mutual agreement of the parties hereto, in which case the City and the RECIPIENT shall agree upon the termination conditions, including the effective date, the disposition of contract amounts, and in the case of partial termination, the portion to be terminated. However, if, in the case of partial termination, the City determines that the remaining portion of the award will not accomplish the purposes for which the award was made, and the award is terminated in its entirety, the RECIPIENT shall promptly repay to the City the full grant and/or loan amount or that portion of the amount which has been disbursed to the RECIPIENT prior to such termination.

14. INTEREST OF CERTAIN FEDERAL AND OTHER OFFICIALS:

- A. No member or delegate to the Congress of the United States, and no resident Commissioner, shall be admitted to any share or part of this Agreement, or to any benefit to arise herefrom.
- B. No member of the governing body of the City, no officer, employee, official or agent of the City, or other local public official who exercises any functions or responsibilities in connection with the review, approval or carrying out of the Project to which this Agreement pertains, shall have any private interest, direct or indirect, in this Contract.
- C. No federal funds appropriated under this contract shall be paid, by or on behalf of the RECIPIENT, to any person for influencing or attempting to influence a member of Congress, an officer or employee of Congress or any federal agency in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or agreement.

- D. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, the RECIPIENT shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- E. The RECIPIENT shall require that the language of this certification be included in the award documents for all subrecipients and that all subrecipients shall certify and disclose accordingly.
- F. The RECIPIENT agrees to comply with the provisions of 24 CFR 92.356.

15. GRANTOR RECOGNITION:

Any publicity generated by the Grantee for the project funded pursuant to this Agreement, during the term of this Agreement or for one year thereafter, will make reference to the contribution of the City of Chattanooga in making the project possible. The words "City of Chattanooga's Department of Community Development; Bob Corker, Mayor" will be explicitly stated in any and all pieces of publicity, including but not limited to flyers, press releases, posters, brochures, public service announcements, interviews, and newspaper articles.

16. ASSIGNABILITY:

The RECIPIENT shall not assign or transfer any interest in this Agreement without the prior written approval of the City. Any assignment made without such consent shall be void. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto.

17. HOLD HARMLESS PROVISION:

The RECIPIENT shall indemnify, defend and hold harmless the City, its officers, employees and agents from all liability, loss, cost, damage and expense (including reasonable attorney's fees and court costs) resulting from or incurred by reason of any actions based upon the negligent acts or omissions of the RECIPIENT'S employees or agents during the performance of this Agreement.

18. SEVERABILITY CLAUSE:

If any one or more of the provisions contained in this Agreement are held to be invalid, illegal, or unenforceable, this Agreement shall be deemed severable and the remainder of the Agreement shall remain in full force and effect.

19. WORKERS' COMPENSATION

The RECIPIENT shall provide Workers' Compensation Insurance coverage for all employees involved in the performance of this contract.

20. LIMITATIONS OF CITY LIABILITY - DISCLAIMER OF RELATIONSHIP:

The City shall not be liable to the RECIPIENT, or to any party, for completion of or failure to complete any improvements which are part of the Project. Nothing contained in this Agreement, nor any act or omission of the City or the RECIPIENT, shall be construed to create any special duty, relationship, third-party beneficiary, respondent superior, limited or general partnership, joint venture, or any association by reason of the RECIPIENT'S involvement with the City.

21. LEGAL PROVISIONS DEEMED INCLUDED

Each and every provision of any law or regulations and clause required by law or regulation to be inserted in this Agreement shall be deemed to be inserted herein, and this Agreement shall be read and enforced as though it were included herein and if, through mistake or otherwise, any such provision is not inserted or is not correctly inserted, then upon application of either party this Agreement shall forthwith be amended to make such insertion.

In witness whereof, the parties hereto have made and executed this Agreement on the respective dates under each signature: THE CITY OF CHATTANOOGA, TENNESSEE, through its City Council, signing by and through its Administrator of Community Services, authorized to execute same by Council action, and **CHATTANOOGA COMMUNITY HOUSING DEVELOPMENT ORG., (CCHDO)** signing by and through its Executive Director, duly authorized to execute the same

CITY:
CITY OF CHATTANOOGA, TN

R. Pantap
5-2-14

Sandra Gober, Manager

Date

AGREEMENT between THE CITY OF CHATTANOOGA, TENNESSEE AND **CHATTANOOGA COMMUNITY HOUSING DEVELOPMENT ORG. (CCHDO)** IN THE AMOUNT OF **\$109,899.00** PROVIDING FOR FUNDING OF HOME PROJECTS.

RECIPIENT:

CHATTANOOGA COMMUNITY HOUSING DEVELOPMENT ORG. (CCHDO)

[Signature]

Roya Evans, Executive Director

April 28, 2014

Date

EXHIBIT A

Legal Description and Street Address of HOME Assisted Property

Tax Map# 146C S 025, Lot 12 BLK F NIXON & SEVIER ADDN PB 3 PG 3

Street Address:

2005 Sharp Street, Chattanooga, TN 37404

EXHIBIT B

Building Plans and Design

