

Introduced by \_\_\_\_\_ Council Bill No. R 105-07

**A RESOLUTION**

authorizing a Community Housing Development Organization (CHDO) agreement with Job Point for HOME funding.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF COLUMBIA, MISSOURI, AS FOLLOWS:

SECTION 1. The City Manager is hereby authorized to execute a Community Housing Development Organization (CHDO) agreement with Job Point for 2006 HOME funding. The form and content of the agreement shall be substantially as set forth in "Attachment A" attached hereto and made a part hereof as fully as if set forth herein verbatim.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2007.

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor and Presiding Officer

APPROVED AS TO FORM:

\_\_\_\_\_  
City Counselor

# Attachment A COMMUNITY HOUSING DEVELOPMENT ORGANIZATION AGREEMENT

THIS AGREEMENT, made and entered into this 7th day of May, 2006, by and between the City of Columbia, Missouri, a municipal corporation (hereinafter, "City") and Job Point, a corporation of the State of Missouri (hereinafter, "Agency"). The period of this agreement ends on the 7<sup>th</sup> day of May, 2009.

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.

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

1. Eligible Activities

- a. The City agrees to provide the Agency \$35,000 for eligible activities as are defined in the HOME regulations at 24 CFR Part 92.206. The Agency shall use funds provided through this agreement to construct housing for homeownership to be purchased by qualified buyers. 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 a statement of sources and uses of financing to the City upon the obligation of funds for each activity for which HOME funds are obligated. Payments will be made to the Agency on a regular basis based on periodic estimates of completion of each activity and invoices supporting the statement. No payment shall be made under this agreement until completion of environment review activities by the city are completed and a release of funds for activities proposed by the Agency has been obtained from the Department of Housing and Urban Development.
- b. For the purposes of construction activities, the Agency shall satisfactorily demonstrate that they have effective management control of the development and will own, develop and/or sponsor said development. The Agency shall provide the City the following prior to receiving funds for construction activities: evidence of control of the site; after construction value appraisal; survey or plat of property and the site plan of project; sources and uses of funds statement, and a commitment letter from other funding sources.
- c. All housing activities shall comply with building codes of the City of Columbia, HUD-published Housing Quality Standards, and Model Energy Code published by the Council of Building Officials. Certification of compliance with each shall be provided to the City by the Agency.

2. HOME Proceeds

Any proceeds, including payments of principal and interest, return on investment, or other program income resulting from the investment of HOME funds for eligible HOME activities may be retained by the Agency and used for additional HOME eligible activities with the following exceptions: (1) proceeds shall not be used to operate a tenant based rental assistance program, and (2) proceeds shall not be used outside of the CDBG eligibility area existing within the area bounded by I-70, Stadium, and Hwy 63, unless the project involves the construction of three or more dwelling units. An amount, not to exceed ten percent of the sales price of homes financed with the use of HOME funds, may be retained by the Agency for the purposes of paying the operating and administrative costs of the CHDO as defined in 24 CFR Part 92.208. Such funds must be

budgeted and approved for use as a developer fee by the City as indicated in the statement of sources and uses of funds as stated in 1(b) indicated above. It is understood that the Agency is not entitled to the full 10% of the sales price of each house if the net proceeds from the sale is less than this amount. The maximum amount of HOME proceeds from all sources retained by the Agency in its account for any use shall not exceed \$100,000. Program income and net proceeds retained by the Agency in excess of \$100,000 shall be repaid to the City at the time it is received. The Agency shall provide a report to the City on the receipt and use of all proceeds including operating costs on an annual basis.

3. 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 is outlined by the Agency.
- 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. Lead-Based Paint requirements at 24 CFR Part 35 and State of Missouri Lead Paint regulations at 19 CSR 30-70.110 - 640.
- h. Flood insurance requirements at 92.358.
- i. 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. Agency further agrees to develop a fair lease and grievance procedure, and a plan for allowing tenant participation in management decisions.

4. 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 the City to inspect all

assisted housing, and shall then submit a "Project Completion Report" to the City upon completion of each project.

b. The 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.

5. 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:

\_\_\_\_\_  
Sheela Amin, City Clerk

CITY OF COLUMBIA, MISSOURI

BY: \_\_\_\_\_  
H. William Watkins, City Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
Fred Boeckmann, City Counselor

JOB POINT:

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

Source

**TO:** City Council  
**FROM:** City Manager and Staff   
**DATE:** April 20, 2007  
**RE:** Authorizing a HOME Agreements with Job Point

Timothy Teddy



Fiscal Impact

YES

~~NO~~ 

Other Info.

EXECUTIVE SUMMARY

This Council bill authorizes the City Manager to execute a HOME agreement with Job Point. On February 19, the Council budgeted \$35,000 for Job Point, and established Job Point as a new Community Housing Development Organization for the purposes of the 2006 HOME program. The attached agreement includes the statement of work, payments, records and reports, and other terms and conditions of HUD funding.

DISCUSSION

Attachment A includes an agreement to provide \$35,000 in HOME funding to Job Point for the purpose of constructing one new owner occupied home. Staff had originally recommended deferral of an agreement until Job Point obtained site control of an appropriate lot. Job Point has signed a contract for sale for a property on Forest. The agreement includes that limit the expenditures of HOME proceeds from the sale of houses to pay for administrative costs or further development of housing in the central City area.

SUGGESTED COUNCIL ACTION

The Council should approve the attached resolution authorizing the use of the HOME funds through the terms of the attached agreement.