

Introduced by _____ Council Bill No. R 188-13

A RESOLUTION

authorizing an amendment to the neighborhood stabilization program development agreement with Job Point for the redevelopment of property located at 908 Madison Street.

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

SECTION 1. The City Manager is hereby authorized to execute an amendment to the neighborhood stabilization program development agreement with Job Point for the redevelopment of property located at 908 Madison Street. The form and content of the amended agreement shall be substantially as set forth in "Exhibit A" attached hereto and made a part hereof as fully as if set forth herein verbatim.

ADOPTED this _____ day of _____, 2013.

ATTEST:

City Clerk

Mayor and Presiding Officer

APPROVED AS TO FORM:

City Counselor

EXHIBIT A
AMENDMENT TO JOB POINT
NEIGHBORHOOD STABILIZATION PROGRAM DEVELOPMENT AGREEMENT
DATED May 24, 2012

Section 1 of the agreement is amended to read as follows:

1. The City shall provide Job Point \$35,000 of NSP funding for the purpose of acquiring and redeveloping property at 908 Madison Columbia, MO; property legally described in "Attachment A." Neighborhood Stabilization Act funding shall be provided in the form of a loan, to be repaid should completion of construction of the property not occur by October 31, 2013. The Agency agrees that as a condition of receiving these funds; it will (a) execute a promissory note in the amounts specified in this paragraph that will require repayment of the full amount of NSP assistance if the Agency fails to comply with any of the terms of this Agreement; and (b) execute a Deed of Trust on 908 Madison, Columbia Missouri to secure a promissory note.

Section 3 of the agreement is amended to read as follows:

3. The Agency shall complete all work required to bring the property up to the City's Minimum Housing Quality Standards. The home shall comply with the applicable IECC, meet an HERS rating of 85 as determined by a certified Home Energy Rater, comply with ASHRAE 62.2, and submission of completed City approved HVAC checklist. All development work shall be completed and NSP funds expended by October 31, 2013.

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

ATTEST:

CITY OF COLUMBIA, MISSOURI

BY: _____
Sheela Amin, City Clerk

Michael Matthes, City Manager

APPROVED AS TO FORM:

Nancy Thompson, City Counselor

JOB POINT

BY: _____

Title: _____

CERTIFICATION: I hereby certify that this agreement is within the purpose of the appropriation to which it is to be charged, Account No. 266-4130-532.49.90, GNSP73, and that there is an unencumbered balance to the credit of such appropriation sufficient to pay therefore

John Blattel, Director of Finance

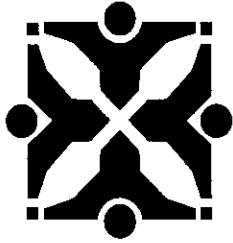
Attachment A

908 Madison Legal Description

Lot Twenty-Two (22) in Atkins Subdivision of part of lots eighty-six (86) and eighty-seven (87) in Garth's Addition to the City of Columbia, Boone County, Missouri.

Parcel: 16-314-00-01-020.00 01

Recording Information: Plat Book 4, Page 13, Boone County Records



Source: Community Development - CDBG/Home  Agenda Item No:

To: **City Council**
From: **City Manager and Staff** 

Council Meeting Date: Sep 16, 2013

Re: Approving an Amendment to Job Point Neighborhood Stabilization Program Development Agreement

EXECUTIVE SUMMARY:

Approval of this Council resolution authorizes the City Manager to amend a Neighborhood Stabilization Program (NSP) development agreement with Job Point. The NSP development agreement allows for the development of a new affordable home at 908 Madison. The current agreement has expired with a project completion deadline of December 31, 2012. The amendment extends the project deadline, allowing the City to reimburse Job Point for project costs. The amendment also includes new energy efficiency requirements adopted by Council for Community Housing Development Organizations (CHDO) at the July 1, 2013 Council meeting.

DISCUSSION:

Job point staff submitted a letter to staff requesting an extension of the deadline(Attachment C). The attached resolution amends the NSP agreement with Job Point by extending the project completion and expenditure deadline to December 31, 2013. Construction of the home at 908 Madison is complete and staff anticipates Job Point will have all invoices submitted for reimbursement by October 31, 2013. The amendment also includes energy efficiency requirements that are consisted with guidelines for HUD funded new construction projects. New CHDO energy efficiency requirements require HUD funded new construction homes to comply with International Energy Conservation Code (IECC), meet a HERS rating of 85, and comply with ASHRAE 62.2.

Approval of this resolution will allow Job Point to be reimbursed for costs associated with the development of 908 Madison, and ensure project completion. Job Point currently has a sales contract in place with an eligible buyer and expects to close by October 2013. Staff recommends approving the resolution to ensure project completion and full expenditure of City NSP funds.

FISCAL IMPACT:

Approval of this resolution will have no fiscal impact.

VISION IMPACT:

<http://www.gocolumbiamo.com/Council/Meelings/visionimpact.php>

None.

SUGGESTED COUNCIL ACTIONS:

The Council should approve the attached resolution authorizing the City Manager to amend the NSP Development Agreement

FISCAL and VISION NOTES:					
City Fiscal Impact Enter all that apply		Program Impact		Mandates	
City's current net FY cost	\$0.00	New Program/ Agency?	No	Federal or State mandated?	No
Amount of funds already appropriated	\$0.00	Duplicates/Epands an existing program?	No	Vision Implementation impact	
Amount of budget amendment needed	\$0.00	Fiscal Impact on any local political subdivision?	No	Enter all that apply: Refer to Web site	
Estimated 2 year net costs:		Resources Required		Vision Impact?	No
One Time	\$0.00	Requires add'l FTE Personnel?	No	Primary Vision, Strategy and/or Goal Item #	
Operating/ Ongoing	\$0.00	Requires add'l facilities?	No	Secondary Vision, Strategy and/or Goal Item #	
		Requires add'l capital equipment?	No	Fiscal year implementation Task #	

NEIGHBORHOOD STABILIZATION PROGRAM DEVELOPMENT AGREEMENT

The AGREEMENT, made and entered into between the City of Columbia, Missouri, a municipal corporation (hereinafter, "City"), and Job Point, a corporation of the State of Missouri (hereinafter, "Agency") for the redevelopment of the property known as 908 Madison Columbia, Missouri is hereby made and entered into on this 24th day of May, 2012

WITNESSETH:

WHEREAS, the City receives Neighborhood Stabilization Program (NSP) funds from the Missouri Department of Economic Development for the purpose of revitalizing areas with high vacancy rates and high levels of foreclosure; and to improve property valuations;

WHEREAS, the Agency has applied for funding for the purpose of acquiring and rehabilitating property in the Neighborhood Stabilization Act Area, including the use of properties for training low income project area youth;

WHEREAS, the Agency has an option to purchase the property commonly known as 908 Madison Columbia, Missouri for the purpose of redevelopment;

NOW, THEREFORE, for valuable consideration received and acknowledged by the parties, the City and the Agency agree as follows:

1. Eligible Activities

The City shall provide Job Point \$35,000 of NSP funding for the purpose of acquiring and redeveloping property at **908 Madison Columbia, Missouri**; property legally described in "Attachment A." Neighborhood Stabilization Act funding shall be provided in the form of a loan, to be repaid should completion of construction of the property not occur by December 31, 2012. The Agency agrees that as a condition of receiving these funds; it will (a) execute a promissory note in the amounts specified in this paragraph that will require repayment of the full amount of NSP assistance if the Agency fails to comply with any of the terms of this Agreement; and (b) execute a Deed of Trust on 908 Madison, Columbia, Missouri to secure the promissory note.

2. Program Income

Program Income retained by the Agency shall be used for eligible costs as defined in Neighborhood Stabilization Act Program regulations at 24.CFR Part 500 (a). Any revenue received in excess of the total development cost to acquire and construct a home on this site shall be returned to the City.

3. Work Required and Timelines

The Agency shall complete all work required to bring the property up to the City's Minimum Housing Quality Standards, and shall construct a new single family house to meet a full "Energy Star" rating. All development work shall be completed and NSP funds expended by December 31, 2012.

4. Homebuyer Requirements

The Agency shall be responsible for the sale of the property to a homebuyer **who** meets Neighborhood Stabilization Program requirements for a household with not greater than 120% of the Median Family Income as defined by HUD for the NSP Program. Homebuyers shall have completed not less than 8 hours of Counseling through a HUD certified housing counseling Agency prior to the sale of the property.

5. Matching Funds and Subsidy Layering Requirements

The Agency agrees that it will provide all funding necessary for the disposition of the property, will maintain casualty insurance on the premises and that it will keep this property in compliance with the City's property maintenance code for the duration of its ownership.

6. Payments Requirement:

- a) Prior to receiving funds, the Agency shall provide the City the following documents: after-construction value appraisal by qualified appraiser; final sources and uses of funds statement, including commitments from other sources of funds expended on the development of this property.
- b) Payments will be made to the Agency based on invoices, statements, or signed forms supporting each cost incurred subsequent to the effective date of this agreement. The allocation of the various costs to the various sources of funding shall be included with each payment request. Required documents for payment include: invoices, lien waivers, required permits, City inspections, sub-contracts containing required equal opportunity provisions, timesheets, required licenses and certifications of personnel, or other documentation as required to complete the work.
- c) The Agency shall not obligate funds for payment for construction activities under this agreement until the City has completed an environmental review of the site on which construction will occur and a release of funds has been obtained by the City from Missouri Department of Economic Development.

8. 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 documented in the project file after being issued by the City.

9. City Recognition: The Agency shall ensure recognition of the role of the City Neighborhood Stabilization Act 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 furnished by the City located at the construction site.

10. Applicable Federal Regulations:

- a) The Agency shall comply with all regulations as required by the Neighborhood Stabilization Act Notice dated October 6, 2008; follow-up Bridge Notice dated June 19, 2009, and CDBG regulations at 24 CFR Part 570:
- b) The Agency 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 Agency 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.
- c) The Agency 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.
- d) The Agency 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.
- e) The Agency 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.
- f) In accordance with the provisions of 24 CFR 85, the Agency agrees that the City may suspend or terminate this Agreement should the Agency 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.
- h) Upon finding that the Agency materially fails to comply with any term of this Agreement, any Neighborhood Stabilization Act funds allocated through this agreement on hand at the time of such funding shall be transferred to the City of Columbia and future NSP assistance may be denied.

- i) The Agency 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 CDBG funds. The provisions cover services provided for, or by, persons who are employees, agents, or elected officials of the City of Columbia.
- j) The Agency agrees to not use debarred, suspended or ineligible contractors as defined by 24 CFR Part 24.
- k) The Agency agrees to provide a copy of its annual financial audit to the City, which covers the use of Neighborhood Stabilization Act funds expended under this agreement.

11. Records and Reports

- a) The Agency shall provide all information needed for compliance monitoring purposes by the City, the Missouri Department of Economic Development and the U.S. Department of Housing and Urban Development. The Agency 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 Agency shall retain all records pertinent to the Neighborhood Stabilization Act program and shall allow access to such records upon request.
- c) The Agency shall maintain data demonstrating buyer 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.

12. Reversion of Assets

Upon expiration of this agreement, the Agency must transfer to the City any Neighborhood Stabilization Act (NSP) funds allocated by this agreement on hand at the time of expiration and any accounts receivable attributable to the use of NSP funds.

13. Notice to Transferees

If the Agency or a successor sells, transfers, exchanges or encumbers the Property at any time after the initial date of Neighborhood Stabilization Program expenditures on the property described in this Agreement, the Agency or the successor shall notify in writing and obtain the agreement of the 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 Agency 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.

14. Terms and Conditions

The terms and conditions of this contract and Development Agreement shall survive and extend beyond the closing of this transaction.

15. Federal Housing Rules and Regulations

This project involves Home Improvement Partnership Funds and, therefore, is subject to the Federal Housing Rules and Regulations. It is anticipated that an amendment to those rules and regulations may mandate the rental of this property if it is unable to be sold at the end of six months from the date of completion of construction. Agency agrees to abide by the terms and requirements of 24 CFR Part 92, including the anticipated amendment and revisions.

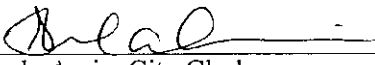
16. Contingent Upon Recall of Funds

This agreement is contingent upon the NSP funds being available to the City. The Program is subject to a demand by either or both the State of Missouri and the federal government for return of all funds allocated to the City. In the event the Program funds are recalled by either entity, the City is released from the obligations of this agreement.

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

ATTEST:

CITY OF COLUMBIA, MISSOURI



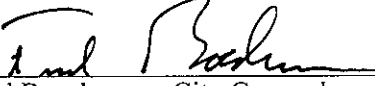
Sheela Amin, City Clerk

BY: 

Michael Matthes, City Manager

APPROVED AS TO FORM:

JOB POINT

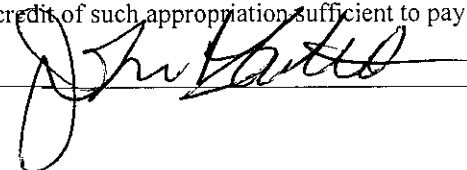


Fred Boeckmann, City Counselor

By: 

James P. Loveless, President/CEO

CERTIFICATION: I hereby certify that this agreement is within the purpose of the appropriation to which it is to be charged, Account No. 266-4130-532.49.90, GNSP73, and that there is an unencumbered balance to the credit of such appropriation sufficient to pay therefore



John Blattel, Director of Finance



2116 Nelwood Drive, Suite 200
Columbia, MO 65202

VOICE/TTY 573/474-8560

FAX 573/474-8575

URI www.jobpointmo.org

4 September 2013

Mr. Tim Teddy, Director
Community Development Department
Mr. Randy Cole, Community Development Coordinator
Community Development Coordinator
P. O. Box 6015
Columbia, MO 65205-6015

Gentlemen:

Please consider this letter an official request to amend the NSP agreement of 24 May, 2012, between Job Point and the City of Columbia by extending this agreement until 31 October, 2013. The agreement relates to the construction of the single family residence at 908 Madison Street; construction of this house is complete and it is under contract for sale. The agreement extension will allow completion of the sale, filing of all necessary paperwork and completion of all financial transactions.

Thank you for your consideration of my request and assistance in presenting this to the Columbia City Council.

Sincerely,

A handwritten signature in black ink that reads "Jim Loveless". The signature is fluid and cursive.

Jim Loveless, President/CEO

*Accredited by the Rehabilitation
Accreditation Commission*



Heart of Missouri United Way

FUNDED PARTNER

