# AGREEMENT BETWEEN
# City of Joplin
# AND
# Joplin Bungalows, LLC
# FOR THE
# Joplin Bungalows Project

THIS AGREEMENT, is entered this 26th day of April, 2018 by and between the Grantee of City of Joplin (herein called "Grantee") and Joplin Bungalows, LLC (herein called "Developer").

WHEREAS, the Grantee has applied for and has been awarded funds from the United States Department of Housing and Urban Development (HUD) for a Community Development Block Grant – Disaster Recovery fund, which is referred to herein as "CDBG-DR"; and

WHEREAS, the Grantee wishes to engage the Developer to assist the Grantee in using a portion of the CDBG-DR award in accordance with applicable notices, regulations and guidance from HUD;

NOW, THEREFORE, it is agreed between the parties hereto that;

## I. SCOPE OF SERVICE

Developer will be responsible for carrying out CDBG-DR activities in a manner satisfactory to the Grantee and consistent with all standards required as a condition of providing these funds. Program activities will include the following uses and corresponding activities eligible under CDBG-DR [as described in exhibit A]:

### A. Developer Responsibilities

1. Developer will carry out this program in accordance with the policies, procedures and other provisions of the U.S. Housing and Urban Development provided to Developer by Grantee, and incorporated herein by reference. Developer hereby agrees to accept and follow any written amendments to the Project by Grantee that are made as a direct result of additional guidance or regulations provided by HUD, as well as any written amendments that are mutually agreed upon by Grantee and Developer.

2. This program activity may include the acquisition of land and development of affordable housing that in accordance with the

definitions and requirements of the CDBG-DR program, to the extent that these activities are incorporated in this Section I and in Exhibit B.

3. Developer is responsible for providing the deliverables that are described in Exhibit B and Exhibit C, within the time periods and for the approximate budget amounts described therein. The total use of CDBG-DR funds provided under this Agreement may not exceed the total amount of CDBG-DR funds indicated in Section II(A) below.

4. Developer's expenditures for program delivery will be limited as follows, unless changes to the limits are agreed to in writing by the Grantee and Developer for a particular property:

    a. Minimum number of units to be developed and operated under the program: Thirty-two (32) units

    b. Minimum number of units to be occupied by low-income tenants: Seventeen (17) units

5. Project Compliance Requirements: Developer agrees to adhere and comply to all CDBG-DR project compliance requirements, including yet not limited to the following:

    a. Maintain proper financial and program administration records related to the management of the Project as identified by Grantee and set forth on Exhibit E, attached hereto and incorporated herein by this reference.
    b. Complete the construction of the Joplin Bungalows without exceeding the approved Project Budget and Schedule, as set forth on Exhibit B, attached hereto and incorporated herein by this reference.
    c. The Developer hereby agrees that the Property shall be used solely as an affordable housing complex and shall contain no less than seventeen (17) affordable housing units at any time prior to the expiration of the twenty (20) year period following the completion date (the "Affordability Period"). The Developer has obtained the express written consent of the City to such reduction. In addition to the foregoing, the Developer shall, at all times during the Affordability Period, maintain compliance with the requirements described in Section II Administrative Requirements.
    d. The Developer will secure and submit to the Grantee income verification information from all individuals benefiting from this

grant. The Developer must verify income utilizing the 24 CFR Part 5 definition according to HUD's standards. This will require the collection of source documentation which could include, but is not limited to, the most recent IRS 1040 tax form from each source of income for the household.

e. The Property meets regulations set forth by the City of Joplin's Code Division in order to obtain a building permit/certificate of occupancy.
f. All project contractors and sub-contractors are not federally debarred on SAM.gov.
g. All records and files related to the Joplin Bungalows are maintained and submitted to the City as required.
h. All project invoices are reviewed for completeness prior to submitting to the City for their review and reimbursement.
i. All respective parties will adhere to the Declaration of Deed Restriction and Covenant
j. All units rent prices must align with Fair Market Value throughout the Affordability Period.

6. Levels of Accomplishment – Performance Goals and Timelines

a. The Developer shall complete the activities required under this agreement in accordance with the following timeframes and performance goals associated with each of the activities:

| Activity | Performance Goal | Timeframe for Completion of Performance Goal |
|---|---|---|
| Project Budget | Develop and follow project budget | See Exhibit B |
| Project Schedule | Develop and follow project schedule to ensure timely completion | See Exhibit C |
| LMI Compliance | At minimum 51% of the 32 units must be occupied by LMI individuals | Upon 95% occupancy 51% of the 32 units will be occupied by LMI individuals |
| Senior Availability | At minimum 17 of 32 units will be made available to seniors | Upon 95% occupancy 17 of 32 units will be occupied by seniors |

| | | |
|---|---|---|
| Affordability Period | Unit rent prices must align with Fair Market Value for the affordability period of the project | Twenty (20) years from construction completion |

**B. Grantee Responsibilities**

Grantee is responsible for the following tasks and deliverables.

1. Monitoring all program activities of Developer to assure compliance with the terms of this Agreement, including all CDBG-DR requirements.

2. Processing requests for disbursements of CDBG-DR funds, including necessary construction inspections, in a timely manner; Grantee will clearly and promptly describe any deficiencies identified by Grantee that prevent a disbursement or portion of a disbursement from being approved. Upon the request of Developer, Grantee must promptly itemize and describe such deficiencies in writing.

3. Ensuring that information required by the Recovery Act is reported in the Disaster Recovery Grant Reporting (DRGR) system or on www.FederalReporting.gov in a timely manner. Grantee must comply with the CDBG-DR performance reporting requirements and with any additional reporting requirements announced by HUD at any time during the duration of this agreement.

**C. Income Eligibility Requirements**

In accordance with 24 CFR Part 570.208(a) , the Developer will use CDBG-DR funds to construct affordable housing units to individuals whose incomes do not exceed 80 percent of area median income, unless otherwise required by the Grantee. The Developer must verify in the manner provided in this agreement.

**D. Developer Staffing**

The names and roles of Developer's key personnel executing the project are as follows:

Chief Executive Officer: John Joines

Director of Resource Development: Debbie Markman

Fiscal Director: Tony Wright

Community Development Director: Tammy Walker

Any changes in the key personnel assigned or their general responsibilities under this project are subject to the prior approval of the Grantee.

**E. Performance Monitoring**

The Grantee will monitor the performance of the Developer based on goals and performance standards as stated above along with all other applicable federal, state and local laws, regulations, and policies governing the funds provided under this contract. Substandard performance as determined by the Grantee will constitute noncompliance with this Agreement. If corrective action is not taken by the Developer within a reasonable period of time after being notified by the Grantee, contract suspension, recapture or termination procedures will be initiated. Developer agrees to provide HUD, the HUD Office of Inspector General, the General Accounting Office, the Grantee, or the Grantee's internal auditor(s) access to all records related to performance of activities in this agreement.

**F. Progress Reports and Other Reports**

Developer hereby agrees to provide quarterly progress reports in a timely manner all on forms to be provided by the Grantee.

Term of Construction

The Developer will be required to complete progress reports during the construction phase. These reports will be required on a quarterly basis through construction closeout.

Affordability Period

The Developer will be required to complete a separate progress report for affordability and unit occupancy throughout the affordability period of the project (twenty (20) years). These reports will be required on an annual basis. These reports must be generated using the income verification documents as referred to in section C. Income Eligibility Requirements and must be collected at time of tenant lease-up.

## II. TIME OF PERFORMANCE

### A. Start and Completion Dates

Services of the Developer shall start on the _____day of _____, 20___ and end on the _____ day of _____ 20____ with all CDBG-DR funds allocated having been expended, unless Grantee at its sole discretion approves a later completion date.

The term of this Agreement and the provisions herein shall be extended to cover any additional time period during which the Developer is responsible for CDBG-DR reporting or compliance measures or remains in control of CDBG-DR funds or other CDBG-DR assets, including program income.

### B. CDBG-DR Funds Expenditure Deadline

Developer must obligate the "total CDBG-DR funding" amount in Section III (A) herein by _____.

1. Funds for property acquisition will be reimbursed by entering into a valid and CDBG-DR-compliant purchase agreement.

2. Funds for construction are reimbursed based off actual construction costs.

3. Developer must submit requests for reimbursement on a monthly basis.

## III. BUDGET

### A. Program Budget

The total amount of CDBG-DR funding allocated to Developer is not to exceed $4,000,000.00. This amount represents an allocation of the Grantee's total CDBG-DR funding contingent upon Developer's performance.

### B. Additional Budget Details

A detailed project budget and cash flow projections are included in Exhibit B. The Developer shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the Grantee.

The Developer will escrow net operating cash flow of the project to cover any anticipated negative variances.

## IV. PAYMENT

It is expressly agreed and understood that the total amount of CDBG-DR funds to be reimbursed by the Grantee to the Developer under this Agreement shall not exceed the amount described in Section III.A. Requests for the payment of eligible expenses shall be associated with the budget line items in Exhibit B and in accordance with performance.

Such compensation will be reimbursed in progress reimbursements (less five (5) percent retainage), as established by the City, subject to receipt of a requisition for reimbursement and a statement of work provided by the Developer and agreement by both the City and the Developer that the Developer has fully performed the work to be paid for in such progress payments in conformance with the agreement.

## V. NOTICES

Notices required by this Agreement shall be in writing and delivered via mail (postage prepaid), commercial courier, personal delivery, or sent by facsimile or other electronic means. Any notice sent as aforesaid shall be effective on the date of sending. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice.

## VI. ENTIRE AGREEMENT

This agreement and it's exhibits between the Grantee and the Developer for the use of funds eligible for receipt supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written between the Grantee and the Developer with respect to this Agreement. By way of signing this agreement, the Developer is bound to perform in accordance with this agreement or any approved amendment thereof.

Additional requirements associated with this agreement are described below.

**Additional Requirements**

## I. GENERAL CONDITIONS

### A. General Compliance

The Developer agrees to comply with all CDBG-DR requirements, including those found in the CDBG-DR Grant Agreement, B-12-MT-29-0001, and the requirements applicable to entitlement communities under CDBG regulations. The Developer also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this contract. The Developer further acknowledges its responsibility for adherence to all applicable terms and conditions of this grant award by Developer entities and contractors, including obtaining a DUNS number (or updating the existing DUNS record), and registering with the Central Contractor Registration. The Developer further agrees to use funds available under this Agreement to supplement rather than supplant funds otherwise available.

### B. "Independent Contractor"

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 Developer shall at all times remain an "independent contractor" with respect to the services to be performed under this Agreement. The Grantee shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance, as the Developer is an independent contractor.

### C. Workers' Compensation

The Developer shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement. The Developer shall not be entitled to any of the benefits established for the employees of the City nor be covered by the Worker's Compensation Program of the City.

**a. Workers' Compensation....**Statutory coverage per RSMo 287.010 et seq
**Employer's Liability.....** $1,000,000.00

### D. Insurance & Bonding

Without limiting any of the other obligations or liabilities of the Developer, the Developer shall secure and maintain at its own cost and expense, throughout the duration of this Agreement and until the work is completed and accepted by the City of Joplin, insurance of such types and in such amounts as may be necessary to protect it and the interests of the City of Joplin against all hazards or risks of loss as hereunder

specified or which may arise out of the performance of the Agreement. The form and limits of such insurance, together with the underwriter thereof in each case, are subject to approval by the City of Joplin. Regardless of such approval, it shall be the responsibility of the Developer to maintain adequate insurance coverage at all times during the term of the Contract. Failure of the Developer to maintain coverage shall not relieve it of any contractual responsibility or obligation or liability in general or under the Agreement Documents.

The certificates of insurance, including evidence of the required endorsements hereunder or the policies, shall be filed with the City within ten (10) days after the date of the receipt of Notice of Award of the Contract to the Developer and prior to the start of work. All insurance policies shall require that the insurance company in question provide thirty (30) days written notice prior to modification or cancellation of such insurance. In the event the Developer fails to pay any premium on such policy when due, the insurance company agrees to notify Grantee of such past-due payment status. Such notices shall be mailed, certified mail, return receipt requested, to:

City of Joplin, Planning, Development, and Neighborhood Services, 602 S. Main Street, Joplin, MO 64801

Such policies shall name the City as an additional insured, with limits of liability not less than the sovereign immunity limits for Missouri public entities calculated by the Missouri Department of Insurance as of January 1 each calendar year and published annually in the Missouri Register pursuant to Section 537.610, RSMo. (See, http://insurance.mo.gov/industry/sovimmunity.php)

As of January 1, 2018, the minimum coverage for the insurance referred to herein shall be as set out below:

a. **Workers' Compensation**....Statutory coverage per RSMo 287.010 et seq
**Employer's Liability**..... $1,000,000.00

b. **Commercial General Liability Insurance**, including coverage for Premises, Operations, Products and Completed Operations, Contractual Liability, Broad Form Property Damage, Independent Contractors, Explosion, Collapse, and Underground Property Damage and endorsed for blasting if blasting required. Such coverage shall apply to bodily injury and property damage on an "Occurrence Form Basis" with limits of at least Two Million Eight Hundred Four Thousand Forty Six and no/100 Dollars ($2,804,046.00) for all claims arising out of a single accident or occurrence and at least Four Hundred Twenty Thousand Six Hundred Six and no/100 Dollars ($420,606.00) with respect to injuries and/or death of any one person in a single occurrence and an amount not less than at least $1,000,000 for all claims to property arising

out of a single occurrence and at least $100,000 to any one owner with respect to damages to property. Developer agrees that the proceeds of such insurance policy shall first be used to pay any award, damages, costs, and/or attorneys' fees incurred by or assessed against City, its employees, officers and agents, before payment of any award, damages, costs or attorneys' fees of Developer, its employees, officers or agents. Developer agrees to cause its insurer to name City as an additional insured on such insurance policy, including the City as an additional insured for coverage under its products-completed operations hazard, and said policy shall be primary and noncontributory.

c. **Automobile Liability Insurance** covering bodily injury and property damage for owned, non-owned and hired vehicles, with limits of at least Two Million Eight Hundred Four Thousand Forty Six and no/100 Dollars ($2,804,046.00) for all claims arising out of a single accident or occurrence and at least Four Hundred Twenty Thousand Six Hundred Six and no/100 Dollars ($420,606.00) with respect to injuries and/or death of any one person in a single accident or occurrence.

d. **Owner's and Developer's Protective Liability Insurance** to protect the City, its agents, servants and employees from claims which may arise from the performance of this Contract, with limits of at least Two Million Eight Hundred Four Thousand Forty Six and no/100 Dollars ($2,804,046.00) for all claims arising out of a single accident or occurrence and at least Four Hundred Twenty Thousand Six Hundred Six and no/100 Dollars ($420,606.00) with respect to injuries and/or death of any one person in a single accident or occurrence.

The Owner's and Developer's Protective Liability Insurance must:

**(1)** Be a separate policy with the named insured being: The City of Joplin, and

**(2)** Contain an endorsement that disclaims coverage for any claim barred by the doctrines of sovereign immunity or official immunity, except attorney's fees and other litigation costs incurred in defending a claim. Nothing contained in this policy (or this endorsement thereto) shall constitute any waiver of whatever kind of these defenses or sovereign immunity or official immunity for any monetary amount whatsoever.

e. **Builders Risk Insurance** for contracts involving unoccupied structures. The Developer shall secure All Risk Builder's Risk Insurance. Unless specifically authorized by the City, the amount of such insurance shall not be less than the total contract price.

f. **Subcontracts.** In case any or all of this work is sublet, the Developer shall require the subcontractor to procure and maintain all insurance required in subparagraphs (a), (b) and (c) hereof and in like amounts. Developer shall require any and all subcontractors with whom it enters into a contract to perform work on this project to protect the City of Joplin through insurance against applicable hazards or risks and shall, upon request of the City, provide evidence of such insurance.

g. **Notice.** The Developer and/or subcontractor shall furnish the City prior to beginning the work, the policy as specified in subparagraph (d), and satisfactory proof of carriage of all the insurance required by this contract, with the provision that policies shall not be canceled, modified or non-renewed without thirty (30) days written notice to the City of Joplin.

h. **Legislative or Judicial Changes.** In the event the scope or extent of the City's tort liability as a governmental entity as described in Section 537.600 through 537.650 RSMo is broadened or increased during the term of this agreement by legislative or judicial action, the City may require Developer, upon 10 days written notice, to execute a contract addendum whereby the Developer agrees to provide, at a price not exceeding Developer's actual increased premium cost, additional liability insurance coverage as the City may require to protect the City from increased tort liability exposure as the result of such legislative or judicial action. Any such additional insurance coverage shall be evidenced by an appropriate certificate of insurance and shall take effect within the time set forth in the addendum.

## E. Suspension, Termination, or Recapture

In accordance with 2 CFR 200, the Grantee may suspend or terminate this Agreement if the Developer materially fails to comply with any terms of this Agreement, which include (but are not limited to) the following:

1. Failure to comply with any of the statutes, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD policies or directives as may become applicable at any time;

2. Failure, for any reason, of the Developer to fulfill in a timely and proper manner its obligations under this Agreement;

3. Ineffective or improper use of funds provided under this Agreement; or

4. Submission by the Developer to the Grantee reports that are incorrect or incomplete in any material respect.

In accordance with 2 CFR Part 200 Subpart D §339, this Agreement may also be terminated for convenience by either the Grantee or the Developer, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the Grantee determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the Grantee may terminate the award in its entirety.

The Grantee may terminate the Developer Agreement in whole or in part, at any time, including before project completion, whenever it is determined by the Grantee that the Developer has failed to comply with the conditions of the Agreement. The Grantee shall notify the Developer in writing of the determination and the reasons for the termination, together with the effective date. The Developer shall be given thirty (30) days to come into compliance with the conditions of the Agreement. If the Developer does not come into compliance with the Agreement within thirty (30) days, the termination of the Developer Agreement, in whole or in part, will take effect within ten (10) days from that date. The Developer shall perform any remedial actions determined appropriate by the Grantee to correct the deficiency, which actions may include, but are not limited to:

1. The repayment or reimbursement to the Grantee of inappropriately used CDBG-DR funds;
2. The return of any equipment, real property, materials, or supplies purchased, leased, or lease purchased using CDBG-DR funds to Grantee or the supplier; and,
3. Any other actions the Grantee deems appropriate

It shall be the Developer's duty to take any and all legal efforts to cancel any obligations outstanding upon termination of the agreement.

**F. Indemnification**

The Developer shall hold harmless, defend and indemnify the Grantee from any and all claims, actions, suits, charges, and judgments whatsoever that arise out of the Developer performance or nonperformance of the services or subject matter called for in this Agreement, except for claims, actions, suits, charges, and judgments arising from the Grantee's performance or nonperformance of its duties and obligations called for in this Agreement.

## II. ADMINISTRATIVE REQUIREMENTS

### A. Financial Management

1. Accounting Standards

The Developer agrees to comply with 2 CFR 200 for other governmental entities and agrees to adhere to the accounting principles and procedures required therein, use adequate internal controls, and maintain necessary source documentation for all costs incurred.

2. Cost Principles

The Developer shall administer its program in conformance with OMB Circulars A-87, "Cost Principles for State, Local and Indian Tribal Governments," A-122, "Cost Principles for Non-Profit Organizations," or A-21, "Cost Principles for Educational Institutions," as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

### B. Documentation and Record Keeping

1. Client Data

The Developer shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service or benefit provided. Such information shall be made available upon request to Grantee monitors or their designees for review.

2. Records to be Maintained

The Developer shall maintain all records required by Federal regulations specified in 24 CFR 570.506. Such records shall include but not be limited to:

a. Records providing a full description of each activity undertaken;

b. Records demonstrating that each activity undertaken benefits low-, moderate-, or middle-income persons.

c. Records required to determine the eligibility of activities and the eligibility of all properties assisted;

d. Records required to document the occupancy of each unit and the sources and uses of funds;

e. Records documenting compliance with the fair housing and equal opportunity requirements of the CDBG-DR program, including but not limited to the racial, ethnic, and gender characteristics of persons who are applicants for, participants in, or beneficiaries of the program;

f. Financial records as required by 24 CFR 570.502, and 2 CFR Part 200; and

g. Other records necessary to document compliance with Subpart K of 24 CFR Part 570.

3. Retention

The Developer shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of twenty (20) years. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the twenty (20) year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the five year period, whichever occurs later. These reports will be required on an annual basis following construction closeout as referred to in Section(1)(F).

4. Disclosure

The Developer understands that client information collected under this contract is private and the use or disclosure of such information, when not directly connected with the administration of the Grantee's or Developer's responsibilities with respect to services provided under this contract, is prohibited by law unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.

6. Audits & Inspections

All Developer records with respect to any matters covered by this Agreement shall be made available to the Grantee, Grantee agency, HUD, and the Comptroller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the

Developer within 30 days after receipt by the Developer. Failure of the Developer to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments or termination of this agreement. The Developer hereby agrees to have an annual agency audit conducted in accordance with current Grantee policy concerning Developer audits and OMB Circular A-133.

## C. Reporting and Payment Procedures

### 1. Indirect Costs

Direct and indirect costs of staff cannot be charged by Developer. Developer will be reimbursed for internal costs through a developer fee as specified in this Agreement.

### 2. Payment Procedures

The Grantee will pay to the Developer, funds available under this Agreement based upon information submitted by the Developer and consistent with any approved budget and Grantee policy concerning payments. Payments will be made for eligible CDBG-DR related expenses actually incurred by the Developer, and will not exceed actual cash requirements. Payments will be adjusted by the Grantee in accordance with advance fund and program income balances available in Developer accounts. In addition, the Grantee reserves the right to liquidate funds available under this contract for costs incurred by the Grantee on behalf of the Developer.

HUD, through the Disaster Recovery Grant Reporting (DRGR) system, generally provides access to grant funds within 3 working days of an electronically submitted request by the Grantee. To ensure expeditious implementation of activities, Grantee agrees to draw funds from the line of credit and make payment to the Developer within 10 working days of receipt of the Developer's complete and properly submitted requests for payment for activities under this agreement, if feasible. Developer agrees to submit requests for payment in a timely manner in the form and at the times directed by the Grantee.

### 3. Progress Reports

The Developer shall submit quarterly progress reports to the Grantee, which shall be substantially in the form of Exhibit F, attached hereto and incorporated herein by reference, as required by Grantee, provided, however, that such reports shall not be required more frequently than once per quarter.

## D. Procurement

### 1. Program Income

I. Definition of program income.

a. As defined in 77 Federal Register 22591, April 16, 2012, "program income" is defined as gross income generated from the use of CDBG funds and received by:

I. A State, unit of local government, or tribe, or

II. A Developer of a State, unit of general local government, or tribe.

b. Program income includes, but is not limited to, the following:

I. Proceeds from the disposition by sale or long-term lease of real property purchased or improved with CDBG funds;

II. Proceeds from the disposition of equipment purchased with CDBG funds;

III. Gross income from the use or rental of real or personal property acquired by a State, unit of general local government, or tribe or Developer of a State, unit of general local government, or tribe with CDBG funds, less costs incidental to generation of the income (i.e., net income);

IV. Net income from the use or rental of real property owned by a State, unit of general local government, or tribe or Developer of a State, unit of general local government, or tribe, that was constructed or improved with CDBG funds;

V. Payments of principal and interest on loans made using CDBG funds;

VI. Proceeds from the sale of loans made with CDBG funds;

VII. Proceeds from the sale of obligations secured by loans made with CDBG funds;

VIII. Interest earned on program income pending disposition of the income, but excluding interest earned on funds held in a revolving fund account;

IX. Funds collected through special assessments made against properties owned and occupied by households not of low- and moderate-income, where the special assessments are used to recover all or part of the CDBG portion of a public improvement; and

X. Gross income paid to a State, unit of local government, tribe, or paid to a Developer thereof from the ownership interest in a for-profit entity in which the income is in return for the provision of CDBG assistance.

c. "Program income" does not include the following:

I. The total amount of funds which is less than $25,000 received in a single year (for the entire grant, not per Developer) and retained by a State, unit of local government, tribe, or retained by a Developer thereof;

II. Amounts generated by activities eligible under section 105(a)(15) of the HCD Act and carried out by an entity under the authority of section 105(a)(15) of the HCD Act; (these are community development activities that are carried out by certain community-based groups and are not applicable to this agreement).

II. Retention of program income.

a. Retention of program income.

I. The City will allow Developers to retain program income for the following activities:

1. use of offsetting operational and maintenance expenses that are incidental to the generation of the income;
2. funding expansions to existing approved, eligible activities.
3. to escrow net operating cash flow

II. Operational expenses include the salary of staff for the oversight and operation of the CDBG-DR funded facility, utilities, insurance, property taxes, security, maintenance, and marketing.

1. Utilities include water, electric, gas, and internet.

III. Individual maintenance expenses in excess of $15,000.00 shall be reviewed and approved by the City prior to using program income to cover the expense and shall be included in the Developer's property management and maintenance schedule.

IV. Where program income is to be retained by the Developer and used for the activities listed above, all provisions of the written agreement shall apply to the specified activities. Substantially all other program income shall be disbursed for eligible activities before the City will disburse additional payments to the Developer.

V. Where the Developer intends to use program income to fund a new, eligible activity, the City must review and approve the proposed activity and determine appropriate next steps, such as whether the program income needs to be remitted, transferred to the City's Entitlement program and then reallocated for the activities via a new Developer agreement.

VI. Any program income or accounts receivable attributable to the use of the CDBG-DR funds on hand when the agreement expires, or received after the agreement's expiration, may be retained by Developers and used for the eligible activities described above .

III. Remitting program income

a. Developers that receive program income that will not be used for the approved activities listed above or for another new, eligible activity approved by the City, will be required to remit the program income back to the City annually.

IV. Reporting program income

a. Developers are required to report all program income to the City quarterly in a method prescribed by the City.
b. Developers will report program income for twenty (20) years following expiration of the Developer agreement. Following five years after the Developer agreement expires, gross income generated from the use of CDBG funds will not be considered program income.

V. Other provisions.

a. The Developer must also follow the program income provisions as defined in 24 CFR 570.502, 24 CFR 570.503, or 24 CFR 570.504, and as modified by 77 Federal Register 22591 governing the use of CDBG-DR funds.

1. Compliance

The Developer shall maintain inventory records of all non-expendable personal property. All program assets (unexpended program income, property, equipment, etc.)

2. Travel

The Developer shall obtain written approval from the Grantee for any costs for travel outside the area served with funds provided under this Agreement.

3. Use of Debarred, Suspended or Ineligible Contractors

The Developer shall impose on the Contractor the obligations under this agreement, specifically or by reference, so that such obligations will be binding upon each of its contractors. The Developer's must comply with CDBG regulations regarding debarred or suspended entities at 24 CFR 570.609. These regulations require that any entity receiving federal funds is searched for in the federal government database for debarred and suspended entities at SAM.gov or a certification is obtained. The City of Joplin has selected the method of checking SAM.gov and retaining copies of searches and requires its Developers and Contractors to do the same. CDBG funds may not be provided to excluded or disqualified persons. The Developer shall maintain oversight of all activities under this agreement and shall ensure that for any procured contract or agreement, its contractors perform according to the terms and conditions of the procured contracts or agreements, and the terms and conditions of this agreement.

4. Performance, Labor, and Materials Payment Bond

The Developer shall require the contractor to furnish a Performance Bond and a Labor and Materials Payment Bond with surety approved by the City and on the forms approved by the City, each bond shall be in the amount of the contract value executed between Developer and their contractor in the amount not to exceed $2,519,685.00 conditioned upon the full and faithful performance of all major terms and conditions of this contract and payment of all labor and material suppliers. It is further mutually agreed between the parties hereto that if at any time after the execution of this agreement and the surety bond(s) hereto attached for its faithful performance and payment of labor and material suppliers, the City shall deem the surety or sureties upon such bond(s) to be unsatisfactory, or if, for any reason, such bond(s) ceases to be adequate to cover the performance of the work, the contractor shall, at its expense, within five (5) days after the receipt of notice from the City to do so, furnish an additional bond or bonds, in such form and amount, and with such surety or sureties as shall be satisfactory to the City. In such event no further payment to the Developer shall be deemed to be due under this contract until such new or additional security for the faithful performance of the work and the payment of labor and material suppliers shall be furnished in a manner and form satisfactory to the City. The corporate surety on any performance or payment bond must be licensed by the State of Missouri and if the required bond exceeds $25,000.00 must be listed in United States Treasury Circular 570.

**E. Use of and Reversion of Assets**

The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 2 CFR 200 and 24 CFR 570.503, 570.504, and 570.505, as applicable, which include but are not limited to the following:

1. The Developer shall transfer to the Grantee any CDBG-DR funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination, unless otherwise specified in the HUD closeout agreement with the Grantee.

2. Real property under the Developer's control that was acquired or improved, in whole or in part, with funds under this Agreement shall be used in accordance with the CDBG-DR requirements for the period consistent with the affordability requirements. If the Developer fails to use CDBG-DR-assisted real property in a manner that meets CDBG-DR affordability requirements within and for the prescribed period of

time, the Developer shall comply with the applicable sections under 24 CFR 570.503, 570.504, and 570.505.

3. In all cases in which equipment acquired, in whole or in part, with funds under this Agreement is sold, the proceeds shall be program income (prorated to reflect the extent to which funds received under this Agreement were used to acquire the equipment). Equipment not needed by the Developer for activities under this Agreement shall be (a) transferred to the Grantee for the CDBG-DR program or (b) retained after compensating the Grantee an amount equal to the current fair market value of the equipment less the percentage of non-CDBG-DR funds used to acquire the equipment.

## III. RELOCATION, REAL PROPERTY ACQUISITION AND ONE-FOR-ONE HOUSING REPLACEMENT

The Developer agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24; 24 CFR Part 42 – Displacement, Relocation Assistance and Real Property Acquisition for HUD and HUD Assisted Programs; and 24 CFR 570.606 – Displacement, relocation acquisition, and replacement of housing. The Developer shall provide appropriate relocation assistance (URA or section 104(d)) to eligible displaced persons as defined by applicable HUD and/or URA regulations that are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for an CDBG-DR-assisted project. The Developer also agrees to comply with applicable Grantee or local ordinances, resolutions and policies concerning the displacement of persons.

The Developer will use CDBG-DR funds to demolish major structures or convert units from non-residential uses only with the prior written permission of Grantee. Permission for demolition of minor structures such as porches, sheds and garages shall be deemed to have been granted when Grantee approves the plans and specifications (which may also be called work write-ups) for a particular property that Developer is assisting with CDBG-DR funds.

## IV. TENANT PROTECTION REQUIREMENTS

The Developer agrees to comply with the Recovery Act provisions concerning tenant protections applicable to CDBG-DR acquisitions of foreclosed property. The Developer must document its efforts to ensure that the initial successor in interest (ISII) in a foreclosed upon dwelling or residential real property (typically, the ISII in property acquired through foreclosure is the lender or trustee for holders of obligations secured by mortgage liens) has provided bona fide tenants with the notice and other protections outlined in the Recovery Act. The Developer will not use CDBG-DR funds to finance the acquisition of property from any ISII that failed to comply with applicable requirements unless the Developer assumes the obligations of such ISII

with respect to bona fide tenants. If the Developer elects to assume such obligations, it may only do so if the tenant is still occupying the property and will provide any tenant displaced as a result of the CDBG-DR funded acquisition with the assistance outlined in 24 CFR 570.606. If the Developer knows that the ISII did not comply with the CDBG-DR tenant protection requirements and vacated the property contrary to the CDBG-DR requirements, CDBG-DR funds cannot be used to acquire such properties.

## V. PERSONNEL & PARTICIPANT CONDITIONS

### A. Civil Rights

#### 1. Compliance

The Developer agrees to comply with applicable state and local civil rights ordinances and with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, section 104(b) and section 109 of Title I of the Housing and Community Development Act of 1974 as amended (the HCDA), section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.

#### 2. Nondiscrimination

The Developer agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in section 109 of the HCDA are still applicable.

#### 3. Section 504

The Developer agrees to comply with all Federal regulations issued pursuant to section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against the individuals with disabilities or handicaps in any Federally assisted program. The Grantee shall provide the Developer with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

## B. Affirmative Action

### 1. Approved Plan

The Developer agrees that it shall be committed to carry out, pursuant to the Grantee's specifications, an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1966. The Grantee shall provide Affirmative Action guidelines to the Developer to assist in the formulation of such program. The Developer shall submit a plan for an Affirmative Action Program for approval prior to the award of funds.

### 2. Women- and Minority-Owned Businesses (W/MBE)

The Developer will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. The Developer may rely on written representations by businesses regarding their status as minority and women-owned business enterprises in lieu of an independent investigation.

Evidence of a "good faith effort" includes, but is not limited to:

a. The Developer shall recruit prospective employees through the State Job bank website, managed by the Department of Labor and Workforce Development;

b. The Developer shall keep specific records of its efforts, including records of all individuals interviewed and hired, including the specific numbers of minorities and women;

c. The Developer shall actively solicit and shall provide the City of Joplin with proof of solicitations for employment, including but not limited to advertisements in general circulation media, professional service publications and electronic media.

### 3. Access to Records

The Developer shall furnish and cause each of its own Developers or subcontractors to furnish all information and reports required hereunder and

will permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

4. Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

During the performance of this Contract, the Developer agrees as follows:

a. The Developer will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The Developer will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity,or national origin. Such action shall include, but not be limited to the following:

Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation ; and selection for training, including apprenticeship. The Developer agrees to post in conspicuous places, available to employees and applicants for employ ment, notices to be provided setting forth the provisions of this nondiscrimination clause.

b. The Developer will, in all solicitations or advertisements for employees placed by or on behalf of the Developer, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

c. The Developer will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the Developer's legal duty to furnish information.

d. The Developer will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Developer's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

e. The Developer will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

f. The Developer will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

g. In the event of the Developer's noncompliance with the non-discrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the Developer may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

h. The Developer will include the portion of the sentence immediately preceding paragraph (a) and the provisions of paragraphs (a) through (g) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order11246 of September 24, 1965, so that such provisions will be binding upon each subDeveloper or vendor. The Developer will take such action with respect t any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event a Developer becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the Developer may request the United States Government to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will refrain from entering into any contract or

contract modification subject to Executive Order 11246 of September 24, 1965, with a Developer debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon Developers and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings (including Section 3 businesses).

i. Developer shall ensure that the hours of minority and female employment and training must be substantially uniform throughout the length of the contract and throughout each trade. The Developer shall make a good faith effort to employ minorities and women evenly on each of its projects. The transfer of minority or female employees or trainees from Developer to Developer or from project to project for the sole purpose of meeting the Developer's goals shall be a violation of the contract, the Executive Order and the regulations in 41 CFR 60-4. Compliance with the goals will be measured against the total work hour performed.

5. Subcontract Provisions

The Developer will include the provisions of the prior Section V A, Civil Rights, and B, Affirmative Action, in every contract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own Developers or subcontractors.

## C. Employment Restrictions

1. Prohibited Activity

The Developer is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.

2. "Section 3" Clause

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 Developer agrees to send to each labor organization or representative of workers with which the Engineer has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the Developer'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 Developer agrees to include this section 3 clause in every subcontract subject to compliance with 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 Developer will not subcontract with any subcontractor where the Developer has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.

e. The Developer will certify that any vacant employment positions, including training positions, that are filled (1) after the Developer is selected by before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Engineer's obligations under 24 CFR part 135.

f. 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.

g. The Developer shall assist the City of Joplin in obtaining all necessary documentation to support Section 3 goals. The Developer will complete and submit the Section 3 tables in Attachment A in the Architect's required periodic reporting to the City. Frequently Asked Questions related to Section 3 are also included in Attachment A.

**D. Conduct**

1. Assignability

The Developer shall not assign or transfer any interest in this Agreement without the prior written consent of the Grantee thereto and HUD; provided, however, that claims for money due or to become due to the Developer from the Grantee under this contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Grantee.

2. Subcontracts

*a. Monitoring*

The Developer will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

*b. Content*

The Developer shall cause all of the provisions of this contract in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

*c. Selection Process*

The Developer shall undertake to insure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and reasonable basis in accordance with applicable procurement

requirements. Executed copies of all subcontracts shall be forwarded to the Grantee along with documentation concerning the selection process.

3. Hatch Act

The Developer agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the United States Code.

4. Conflict of Interest

The Developer agrees to abide by the provisions of 2 CFR Part 200 and 570.611, which include (but are not limited to) the following:

a. The Developer shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds.

b. No employee, officer or agent of the Developer shall participate in the selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.

c. No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-DR-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the CDBG-DR-assisted activity, or with respect to the proceeds from the CDBG-DR-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the Grantee, the Developer, or any designated public agency.

5. Lobbying

The Developer hereby certifies that:

a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, 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 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 cooperative agreement;

b. 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, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

c. It will require that the language of paragraph (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Developers shall certify and disclose accordingly:

d. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S.C. Any person who fails to file the required

certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

6. Copyright

If this contract results in any copyrightable material or inventions, HUD reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.

7. Religious Activities

The Developer agrees that it will comply with 24 CFR 570.200(j) so that funds are not used to support inherently religious activities.

## VI. ENVIRONMENTAL CONDITIONS

### A. Air and Water

The Developer agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

1. Clean Air Act, 42 U.S.C. , 7401, et seq.;

2. Federal Water Pollution Control Act, as amended, 33 U.S.C., 1251, et seq., as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder;

3. Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.

### B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the Developer shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

### C. Lead-Based Paint

The Developer agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.487 or 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-DR-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted. Documentation shall be retained in the files for compliance to the above statement.

### D. Historic Preservation

The Developer agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

## VII. ENVIRONMENTAL REVIEW

All CDBG-DR assistance is subject to the National Environmental Policy Act of 1969 and related federal environmental authorities and regulations at 24 CFR part 50 or 58.

## IX. TIMELINESS OF USE AND EXPENDITURE OF CDBG-DR FUNDS

The Developer will ensure that CDBG-DR allocated funds are expended within a timely manner in accordance with the schedule in Exhibit C.

## X. ELIGIBILITY AND ALLOWABLE COSTS

The Developer will ensure and document that its CDBG-DR activities meet eligible use, allowable cost, and eligible activity requirements of CDBG-DR.

## XIII. SEVERABILITY

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

## XIV. SECTION HEADINGS AND SUBHEADINGS

The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

## I. WAIVER

The Grantee's failure to act with respect to a breach by the Developer does not waive its right to act with respect to subsequent or similar breaches. The failure of the Grantee to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

Date: 4/26/18

IN WITNESS WHEREOF, the Parties have executed this contract as of the date first written above.

City of Joplin, Missouri
a Municipal Corporation

Signature: _____
Troy Bolander
City of Joplin
Planning, Development & Neighborhood Services Director

Joplin Bungalows, LLC
a Missouri limited liability company

Signature: _____
John Joines
Joplin Bungalows, LLC
Manager

STATE OF MISSOURI ) ) ss.

COUNTY OF JASPER )

**MISSOURI NOTARY ACKNOWLEDGMENT**

THE STATE OF MISSOURI

COUNTY OF CITY OF Jasper

On this 26th day of April in the year 2018, before me, a Notary Public in and for the said state, personally appeared John Joines, known to me to be the person who executed the within Developer Agreement, and acknowledged to me that he executed the same for the purposes therein stated.

Holly Stone

Notary Public Signature

Print Holly Stone

**MISSOURI NOTARY ACKNOWLEDGMENT**

THE STATE OF MISSOURI

COUNTY OF CITY OF Jasper

On this 26th day of April in the year 2018, before me, a Notary Public in and for the said state, personally appeared Troy Bolander, known to me to be the person who executed the within Developer Agreement and acknowledged to me that he executed the same for the purposes therein stated.

Holly Stone

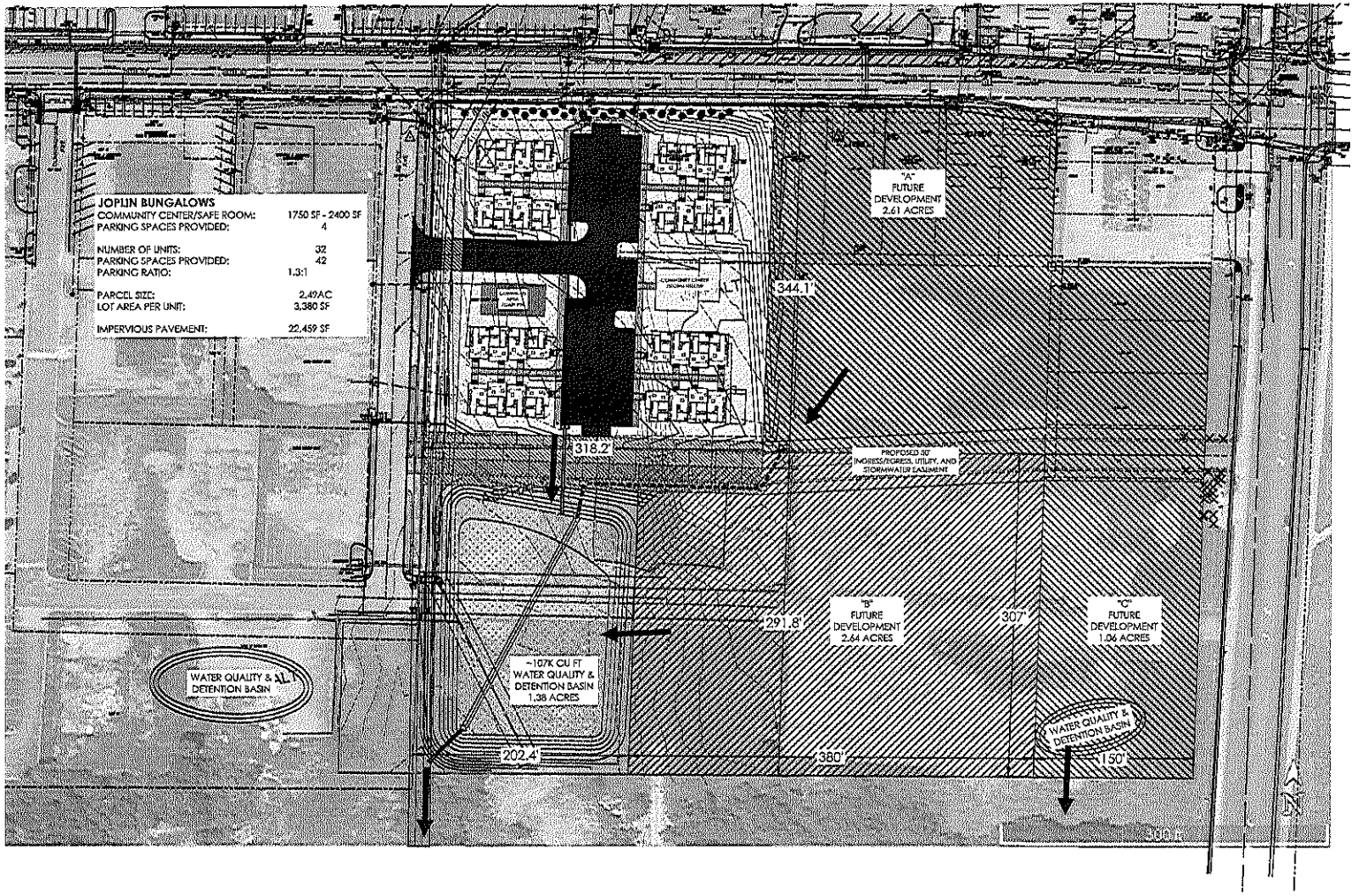
Notary Public Signature

Print Holly Stone

CITY OF JOPLIN MISSOURI

# Exhibit A

## Joplin Bungalows Site Plan





SMALL ARROW ENGINEERING, LLC

216 S. MAIN STREET
P.O. BOX 1839
JOPLIN, MISSOURI 64802
TEL: 417.624.2335
FAX: 417.624.2441
EMAIL: jbolte@small-arrow.com

SMALL ARROW ENGINEERING, LLC.
CERTIFICATES OF AUTHORIZATION:
MISSOURI: E-2010013647
KANSAS: E-1930
ARKANSAS: 2097
OKLAHOMA: 5937


NOT FOR CONSTRUCTION


JOHN H. BOLTE - PROFESSIONAL ENGINEER
MO LIC E22511 OK LIC 18035
KS LIC 14094 AR LIC 14310


JOPLIN BUNGALOWS
VECINO GROUP
26TH STREET & MCCOY AVENUE
JOPLIN, JASPER COUNTY, MISSOURI
CONCEPT w/ REGIONAL BASIN

SURVEY BY: GOOGLE EARTH PROJECT #: 17721
DRAWN BY: TED DATE: 10-27-17
CHECKED BY: JHN SCALE: 1"=100'


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PROJECT: JOPLIN BUNGALOWS
SHEET DESC: CONCEPT w/ REG. BASIN
SHEET: 1 OF: 1

CITY OF JOPLIN MISSOURI

# Exhibit B
# Joplin Bungalows Pro Forma

| |
|---|
| Bold, Green Highlight Cells Denote USER INPUT |
| Bold, Yellow Highlight Cells Denote USER INPUT OVERRIDES |
| White Cells Denote CALCULATED RESULTS |

Property: Joplin Bungalows — 32 Total units, including 0 non-revenue unit(s)

| Line | PERMANENT Sources (do not list construction / bridge loan(s)) | $ Amount | % of TOTAL | % of CATEGORY | $ Per Unit | ADDITIONAL COMMENTS |
|---|---|---|---|---|---|---|
| 1 | 1st Mortgage Hard Debt | $ 152,000.00 | 3.7% | 3.7% | $ 4,750 | *Loan on project made by Vecino Group* |
| 2 | 2nd Mortgage Hard Debt | $ - | 0.0% | 0.0% | $ - | |
| 3 | Tax Credit Equity | $ - | 0.0% | 0.0% | $ - | |
| 4 | NSP Funds | $ - | 0.0% | 0.0% | $ - | *See note below regarding NSP funding limits* |
| 5 | HOME Funds | $ - | 0.0% | 0.0% | $ - | |
| 6 | Deferred Developer Fee | $ - | 0.0% | 0.0% | $ - | *Deferral equals 0.00% of Total Developer Fee* |
| 7 | Owner/GP Cash | $ - | 0.0% | 0.0% | $ - | |
| 8 | **CDBG-DR** | **$ 4,000,000.00** | 0.0% | 96.3% | $ 125,000 | |
| 9 | **Other Source 2 (Specify)** | $ - | 0.0% | 0.0% | $ - | |
| 10 | **Other Source 3 (Specify)** | $ - | 0.0% | 0.0% | $ - | |
| 11 | **Other Source 4 (Specify)** | $ - | 0.0% | 0.0% | $ - | |
| 12 | **Other Source 5 (Specify)** | $ - | 0.0% | 0.0% | $ - | |
| 13 | **Other Source 6 (Specify)** | $ - | 0.0% | 0.0% | $ - | |
| 14 | | **$ 4,152,000.00** | **101%** | **100%** | **$ 129,750** | |
| 15 | | | | | | |
| 16 | **Funding Surplus: Decrease Sources and/or** | $ (53,131.00) | -1% | | | |
| 17 | **Increase Uses by this Amount** | | | | | |
| 18 | | | | | | |

19 **The ratio of NSP Funds to total Sources may not exceed the ratio of NSP eligible units (i.e., <120% AMI) to total units.**

20

21 EB = Eligible Basis

| 22 | 23 USES | $ Amount | % of TOTAL | % of CATEGORY | $ Per Unit | EB? | ADDITIONAL COMMENTS |
|---|---|---|---|---|---|---|---|
| 24 | **ACQUISITION COSTS** | | | | | | |
| 25 | Acquistion Land | $ 200,000.00 | 4.9% | 100.0% | $ 6,250 | N | *$100,000 from Bank TBD* |
| 26 | Acquistion Buildings | $ - | 0.0% | 0.0% | $ - | Y | |
| 27 | Acquisition Other | $ - | 0.0% | 0.0% | $ - | Y | |
| 28 | **TOTAL ACQUISITION COSTS** | **$ 200,000.00** | **5%** | **100%** | **$ 6,250** | | |
| 29 | | | | | | | |
| 30 | **CONSTRUCTION COSTS** | | | | | | |
| 31 | Hard Costs: Site Improvements | $ 210,250.00 | 5.1% | 7.8% | $ 6,570 | Y | *Temporary split of Site Improvements and Construction.* |
| 32 | Hard Costs: Construction | $ 2,000,000.00 | 48.8% | 74.3% | $ 62,500 | Y | *Waiting on true numbers* |
| 33 | Hard Costs: Contingency | $ 171,294.00 | 4.2% | 6.4% | $ 5,353 | Y | *Contingency equals 7.75% of Hard Costs* |
| 34 | Other Construction/Rehab Cost (Specify) | $ - | 0.0% | 0.0% | $ - | Y | |
| 35 | Other Construction/Rehab Cost (Specify) | $ - | 0.0% | 0.0% | $ - | Y | |
| 36 | Other Construction/Rehab Cost (Specify) | $ - | 0.0% | 0.0% | $ - | Y | |
| 37 | Builders Profit (BP) | $ 132,615.00 | 3.2% | 4.9% | $ 4,144 | Y | *BP Equals 5.57% of Hard Costs (incl. contingency)* |
| 38 | General Requirements (GR) | $ 132,615.00 | 3.2% | 4.9% | $ 4,144 | Y | *GR Equals 5.57% of Hard Costs (incl. contingency)* |
| 39 | General Overhead (GO) | $ 44,205.00 | 1.1% | 1.6% | $ 1,381 | Y | *GO Equals 1.86% of Hard Costs (incl. contingency)* |
| 40 | Subtotal BP+GR+GO | $ 309,435.00 | 7.5% | 11.5% | $ 9,670 | | *Contrator Loading Equals 12.99% of Hard Costs (incl. contingcy.)* |
| 41 | **TOTAL CONSTRUCTION COSTS** | $ 2,690,979.00 | **66%** | **100%** | **$ 84,093** | | |
| 42 | *Of the total of $2,690,979, $2,381,544 or 89% is directly attibutable to Hard Costs, while $309,435 is attributable to other costs and contractor loading.* | | | | | | |

**NSP Multifamily Toolkit**
*Multifamily Property Underwriting Template*
*Detailed Sources and Uses Worksheet*

| Bold, Green Highlight Cells Denote USER INPUT |
|---|
| Bold, Yellow Highlight Cells Denote USER INPUT OVERRIDES |
| White Cells Denote CALCULATED RESULTS |

Property: Joplin Bungalows — 32 Total units, including 0 non-revenue unit(s)

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 43 | **TRANSACTION COSTS** | | | | | | | |
| 44 | Accounting Fees: Cost Certification Audit Fee | $ | 35,000.00 | 0.9% | 5.1% | $ 1,094 | Y | |
| 45 | Accounting Fees: General | $ | - | 0.0% | 0.0% | $ - | Y | |
| 46 | Application and Tax Credit Fees | $ | - | 0.0% | 0.0% | $ - | Y | |
| 47 | Architect | $ | 188,368.00 | 4.6% | 27.4% | $ 5,887 | Y | |
| 48 | Bond Issuance | $ | - | 0.0% | 0.0% | $ - | Y | |
| 49 | Builders' Risk | | | 0.0% | 0.0% | $ - | Y | |
| 50 | Building Permit Fees & Local Fees | $ | 31,146.00 | 0.8% | 4.5% | $ 973 | Y | |
| 51 | Construction Loan: 3rd Party Reports/Inspect | $ | - | 0.0% | 0.0% | $ - | Y | |
| 52 | Construction Loan: Financing Fee | $ | - | 0.0% | 0.0% | $ - | Y | |
| 53 | Construction Loan: Interest During Construction | $ | 3,000.00 | 0.1% | 0.4% | $ 94 | Y | |
| 54 | Construction Loan: Lender's Attorney Fee | $ | - | 0.0% | 0.0% | $ - | Y | |
| 55 | Construction Loan: Origination Fee | $ | - | 0.0% | 0.0% | $ - | Y | |
| 56 | Construction Period: Insurance | $ | 21,000.00 | 0.5% | 3.1% | $ 656 | Y | |
| 57 | Construction Period: Taxes | $ | - | 0.0% | 0.0% | $ - | Y | |
| 58 | Consulting Fees (not payable through dev fee) | $ | - | 0.0% | 0.0% | $ - | Y | |
| 59 | Engineer | $ | 80,729.00 | 2.0% | 11.7% | $ 2,523 | Y | |
| 60 | Environmental Study | $ | - | 0.0% | 0.0% | $ - | Y | |
| 61 | Furniture, Fixtures and Equipment | $ | 152,000.00 | 3.7% | 22.1% | $ 4,750 | Y | *To be paid through Vecino Group proceeds, includes tenant furniture* |
| 62 | Legal: Owner Attorney/Borrower (EB) | $ | 25,000.00 | 0.6% | 3.6% | $ 781 | Y | |
| 63 | Legal: Owner Attorney/Borrower Legal (Not EB) | $ | - | 0.0% | 0.0% | $ - | N | *These are legal fees which are not basis-eligible* |
| 64 | Market Study / Appraisal | $ | - | 0.0% | 0.0% | $ - | Y | |
| 65 | Marketing and Leasing | $ | 40,000.00 | 1.0% | 5.8% | $ 1,250 | Y | |
| 66 | Miscellaneous / Other (Basis Eligible) | $ | - | 0.0% | 0.0% | $ - | Y | |
| 67 | Miscellaneous / Other (NOT Basis Eligible) | $ | - | 0.0% | 0.0% | $ - | N | *These are miscellaneous fees which are not basis-eligible* |
| 68 | Partnership Legal and Organizational | $ | - | 0.0% | 0.0% | $ - | Y | |
| 69 | Permanent Loan: 3rd Party Reports | $ | - | 0.0% | 0.0% | $ - | Y | |
| 70 | Permanent Loan: Financing Fee | $ | 1,000.00 | 0.0% | 0.1% | $ 31 | Y | *Equals 0.66% of permanent loan amount* |
| 71 | Permanent Loan: Lender's Attorney Fee | $ | 3,000.00 | 0.1% | 0.4% | $ 94 | Y | |
| 72 | Permanent Loan: Origination Fee | $ | 1,000.00 | 0.0% | 0.1% | $ 31 | Y | *Equals 0.66% of permanent loan amount* |
| 73 | Survey | $ | 5,000.00 | 0.1% | 0.7% | $ 156 | Y | |
| 74 | Title and Recording | $ | 20,000.00 | 0.5% | 2.9% | $ 625 | Y | |
| 75 | **P&P Bond** | $ | 22,806.00 | 0.6% | 3.3% | $ 713 | Y | |
| 76 | **Material Testing** | $ | 5,000.00 | 0.1% | 0.7% | $ 156 | Y | |
| 77 | **Soft Cost Contingency** | $ | 38,752.00 | 0.9% | 5.6% | $ 1,211 | Y | |
| 78 | **Interior Design** | $ | 15,000.00 | 0.4% | 2.2% | $ 469 | Y | |
| 79 | **Other Transaction Cost 5 (Specify)** | $ | - | 0.0% | 0.0% | $ - | Y | |
| 80 | **Other Transaction Cost 6 (Specify)** | $ | - | 0.0% | 0.0% | $ - | Y | |
| 81 | **Other Transaction Cost 7 (Specify)** | $ | - | 0.0% | 0.0% | $ - | Y | |
| 82 | **Other Transaction Cost 8 (Specify)** | $ | - | 0.0% | 0.0% | $ - | Y | |
| 83 | **Other Transaction Cost 9 (Specify)** | $ | - | 0.0% | 0.0% | $ - | Y | |
| 84 | **Other Transaction Cost 10 (Specify)** | $ | - | 0.0% | 0.0% | $ - | Y | |
| 85 | **Other Transaction Cost 11 (Specify)** | $ | - | 0.0% | 0.0% | $ - | Y | |
| 86 | **Other Transaction Cost 12 (Specify)** | $ | - | 0.0% | 0.0% | $ - | Y | |
| 87 | **Other Transaction Cost 13 (Specify)** | $ | - | 0.0% | 0.0% | $ - | Y | |
| 88 | **TOTAL TRANSACTION COSTS** | $ | 687,801.00 | **17%** | **100%** | $ 21,494 | | |
| 89 | | | | | | | | |
| 90 | **ESCROW ACCOUNTS** | | | | | | | |
| 91 | Initial Deposit to Reserve for Replacements | | | 0.0% | 0.0% | $ - | N | |
| 92 | Property Tax Escrow | $ | - | 0.0% | 0.0% | $ - | N | |
| 93 | Hazard Insurance Escrow | $ | - | 0.0% | 0.0% | $ - | N | |
| 94 | Debt Service Reserve | $ | - | 0.0% | 0.0% | $ - | N | |
| 95 | Operating Reserve/Working Capital | $ | 85,106.00 | 2.1% | 100.0% | $ 2,660 | N | |
| 96 | Lease-Up Reserve | $ | - | 0.0% | 0.0% | $ - | N | |
| 97 | **Other Escrow 1 (Specify)** | $ | - | 0.0% | 0.0% | $ - | N | |
| 98 | **Other Escrow 2 (Specify)** | $ | - | 0.0% | 0.0% | $ - | N | |
| 99 | **Other Escrow 3 (Specify)** | $ | - | 0.0% | 0.0% | $ - | N | |

**NSP Multifamily Toolkit**
*Multifamily Property Underwriting Template*
*Detailed Sources and Uses Worksheet*

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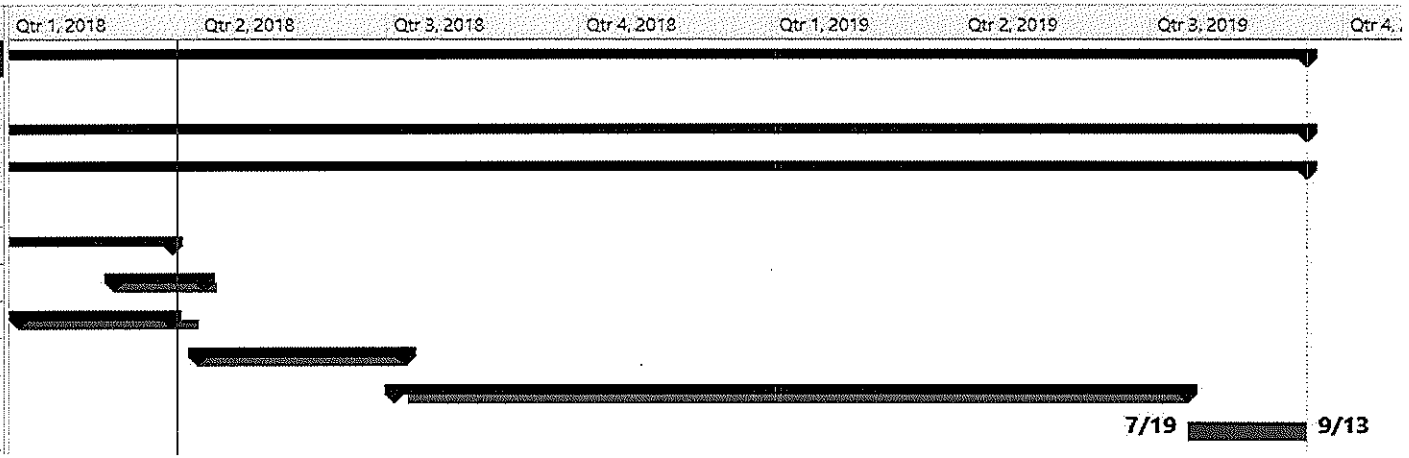
Property: Joplin Bungalows — 32 Total units, including 0 non-revenue unit(s)

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 100 | TOTAL ESCROW ACCOUNTS | $ | 85,106.00 | 2% | 100% | $ | 2,660 | | |
| 101 | | | | | | | | | |
| 102 | GROSS DEVELOPER FEE | | | | | | | | |
| 103 | Total Gross Developer Fee | $ | 434,983.00 | 10.6% | 100.0% | $ | 13,593 | Y | *Equals 10.61% of total uses excluding dovolopor foe* |
| 104 | TOTAL GROSS DEVELOPER FEE | $ | 434,983.00 | 11% | 100% | $ | 13,593 | | |
| 105 | | | | | | | | | |
| 106 | TOTAL USES | $ | 4,098,869.00 | 100% | 100% | $ | 128,090 | | |

CITY OF JOPLIN MISSOURI

# Exhibit C
# Master Schedule

| Name | Start | Finish |
|---|---|---|
| Round I Projects | Tue 7/17/12 | Fri 9/13/19 |
| Round 1 Grant Approved | Tue 7/17/12 | Tue 7/17/12 |
| ◢ Subrecipient Projects | Mon 6/1/15 | Fri 9/13/19 |
| ◢ Joplin Affordable Senior Housing | Mon 6/1/15 | Fri 9/13/19 |
| Project Start | Mon 6/1/15 | Mon 6/1/15 |
| ▷ Environmental Assessment | Mon 12/19/16 | Tue 3/20/18 |
| ▷ Land Acquisiton | Wed 2/21/18 | Wed 4/4/18 |
| ▷ Developer Agreement | Sat 1/6/18 | Mon 3/19/18 |
| ▷ Design | Mon 4/2/18 | Mon 7/9/18 |
| ▷ Construction | Thu 7/5/18 | Thu 7/18/19 |
| Project Closeout | Fri 7/19/19 | Fri 9/13/19 |



# Exhibit D

## Organization Chart

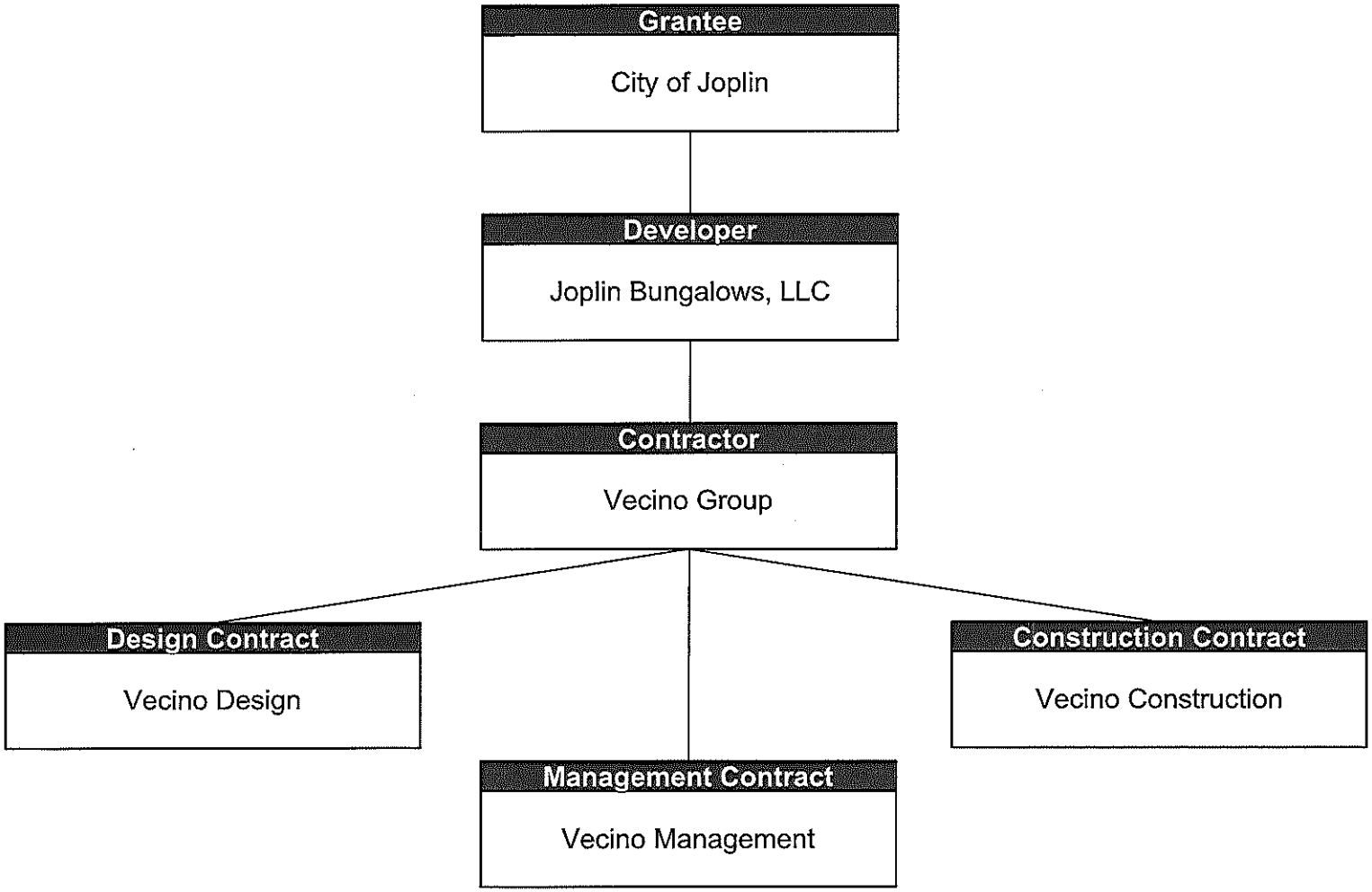


Exhibit E
QPR Template

# Joplin Bungalows

*April - June 2018 Quarterly Progress Report (Q2)*

**Funding**

- **Obligated Funding Amount:** *$4,000,000*
- **Expended Funding**: *$0.00 expended ($0.00 reimbursed)*

**Activities Completed**

**Compliance Data Collected**

Reports Should be submitted to the City on January 15, April 15, July 15, October 15