

Norman CHDO 2015
(CHDO – Sponsor)
700 N. Berry Road
Norman, OK 73069
405-329-0933

Norman Affordable Housing Corporation, Inc.
(501(c)(3) Private Non-Profit)
700 N. Berry Road
(100% of ownership at maximum 24 months after acquisition)
Norman, OK 73069
405-329-0933

Since Norman CHDO 2015 is undertaking this project as a CHDO Sponsor project they are required to have site control at the time of the execution of the Written Agreement. The sites are currently owned by NAHC, site control has been granted by the use of a lease for the period of construction, this is allowed by HOME regulations. Norman CHDO 2015 will coordinate and complete the construction of the structures. At twelve months after the execution of the Written Agreement or the final acceptance of the Construction Project, whichever occurs first, Norman CHDO 2015 will relinquish all ownership rights and transfer full ownership of the property to NAHC. NAHC will assume responsibility for the long-term management of the project, and for the fulfillment of all obligations and requirements associated with the use of HOME funds.

The PROJECT is the CONSTRUCTION of three structures located at 112 AND 114 W. Johnson and 815 N. Stewart, Norman, OK. Legal descriptions are as follows:

112 W. Johnson; Lots 9 and 10, Block 21, Highland Addition, Norman, Cleveland County, OK

114 W. Johnson; Lots 11 and 12, Block 21, Highland Addition, Norman, Cleveland County, OK

815 N. Stewart; Lots 17 and 18, Block 1, Hardie Field Addition, Norman, Cleveland County, OK

The affordability of the completed project will be secured by Deed Restriction throughout the required PERIOD OF AFFORDABILITY of not less than 20 years. Actual dates of the Period of Affordability to be established at the close-out of the construction activity (closeout in the IDIS system). Adjustments in the Period of Affordability are further detailed in the Written Agreement.

At initiation of the project (initial occupancy), all three of the units are considered HOME Assisted, will be restricted to tenants at 60% or less of Area Median Income (AMI). The OWNER will ensure that all tenant individuals and/or households in the HOME assisted units have incomes that do not exceed limits for Cleveland County as published annually by HUD. All units are designated as HOME units and final rent structure will consist of all units affordable at 80% AMI after the initial occupancy continuing through the 20 Year Period of Affordability as outlined in the Written Agreement.

In addition to the financial participation of the above listed entities, the City of Norman will provide \$121,989 of HOME Investment Partnership CHDO funds and \$535,686 of HOME Investment Partnerships Affordable Housing Development Funds towards the PROJECT for a total contribution of HOME funds of \$657,675. These funds will be in the form of a GRANT to the Norman CHDO 2015 to be utilized for the Construction as detailed within the Written Agreement. The City of Norman will not, commit HOME funds to a project without a firm financial commitment from all other funding sources. Documentation of these funding commitments must be provided at time of the Written Agreement.

HOME Investment Partnership Program funds are required to provide match in an amount that is no less than twenty-five percent (25%) of the total HOME contract amount (\$657,675 HOME funds for the 25% total Match contribution of \$164,419). Match contributions must meet the definition of eligible match under the federal program regulations at 24 CFR Part 92. Match is a permanent contribution to the development. Match is a non-federal contribution to the development. Match waivers granted by HUD will not affect this requirement. According to the summary of Financial Sources outlined in the Pro-Forma the \$112,125 contribution by the Norman Affordable Housing Corporation towards this project partially satisfies the match requirement. The remaining \$52,294 will be provided by accessing the balance of the HOME Match Log that is maintained by the City of Norman HOME Investment Partnerships Program and regularly monitored by HUD.

Since the inception of the HOME program in 1994, the City of Norman HOME Match Log has banked \$2,895,209 of excess match over what has been contributed towards HOME projects. These are not funds, meaning cash, that are readily available for use in development projects, instead they are funds that were contributed towards past HOME projects that were in excess of the match that was required. Each year the documentation of required match is provided to HUD and excess match funds are “banked” to be utilized in satisfying match requirement in future HOME activities. For another example, currently the Tenant Based Rental Assistance program funded by the City of Norman HOME program does not generate match and these banked funds are accessed to satisfy the requirement.

The banked amount in the HOME Match Log currently has a balance of \$2,895,209, accessing the required \$52,294 will reduce the available balance to \$2,842,915.

The PROJECT consists of three, three-bedroom, two bathroom units located at three individual single family lots. Each unit contains approximately 1,600 sq. ft. of living area exclusive of a single car garage, and includes standard amenities. Each structure meets the proposed Phase One criteria of the City of Norman Visitability Ordinance. Each SITE Will adhere to all City of Norman requirements for parking and site improvements in addition to installation of perimeter fencing.

Both the Norman CHDO 2015 and the Norman Affordable Housing Corporation, Inc. are required to have a clear understanding of the rules and regulations that govern the HOME Program, and must demonstrate their capacity to operate the HOME Program in accordance with all applicable regulations.

This Written Agreement entered into by and between the City of Norman, a Participating Jurisdiction of the HOME Investment Partnerships Program, the NORMAN CHDO 2015, Inc., an Oklahoma nonprofit corporation (hereinafter CHDO 2015), and the Norman Affordable Housing Corporation, Inc., an Oklahoma nonprofit corporation, (hereinafter "NAHC "), effective as of the 10th day of November 2020.

SUMMARY

City of Norman Contract Number: K-2021-66

TERM OF THIS WRITTEN AGREEMENT: Through November 9, 2022

TYPE OF ACTIVITY:

Rental Housing Home Ownership _____ Acquisition/Rehab _____

Administrative _____

AFFORDABILITY:

Minimum Period in Years: 20 years

Deed Restrictions: LURA: _____ Other: _____

HOME Funding Amount: \$ 118,134 CHDO; \$ 535,686 HOME

Submit Reimbursement Report To:

City of Norman
Grants Division
P. O. Box 370
Norman, OK 73070

Issue Payment To:

Norman CHDO 2015, Inc.
700 N. Berry Road
Norman, OK 73069

**Written Agreement
Components:**

Part I- Summary and
Signatures

Part II- Terms and Conditions

Part III-Special Conditions

Part IV- Budget

The City of Norman, the Norman CHDO 2015, Inc., and Norman Affordable Housing Corporation, Inc. acknowledge and agree that the rights and obligations of each are subject to and governed by the federal HOME Program (24 CFR 92), The HOME Program Final Rule and other Federal Regulations as may be promulgated from time to time, City of Norman HOME Program Rules and each of the terms and conditions set forth in Part I, Part II, Part III, and Part IV to this Written Agreement, attached hereto and incorporated by this reference.

Norman Affordable Housing Corporation, Inc.

Mariann Ratliff, President

Attest:

Karen Canavan, Secretary

Subscribed and sworn to before me this _____ day of _____, 2020.

My Commission Expires Notary Public

Norman CHDO 2015, Inc.

Steve Mohr, President

Attest:

Brandon Hopper, Secretary/Treasurer

Subscribed and sworn to before me this _____ day of _____, 2020.

My Commission Expires Notary Public

The City of Norman, Oklahoma

Brea Clark, Mayor

Attest:

Brenda Hall, City Clerk

Approved as to form and legality this day of , 2020.

City Attorney's Office

GENERAL TERMS AND CONDITIONS

WITNESSETH:

WHEREAS, Norman CHDO 2015, Inc. has submitted an Application for funding under the HOME Investment Partnerships Program (the "HOME Program"), which HOME Program is administered by the City of Norman as a designated Participating Jurisdiction (PJ) by the United States Department of Housing and Urban Development; and

WHEREAS, based upon the representations, statements and warranties contained in the Application the PROJECT is defined that the project will be a CHDO project. Norman CHDO 2015, Inc.'s CHDO role will be Sponsor. Norman CHDO 2015, Inc. as the project sponsor will assist Norman Affordable Housing Corporation, Inc., Inc. a nonprofit organization, to own/acquire, develop, and manage a rental project. Norman CHDO 2015, Inc. will receive the initial commitment of CHDO set-aside and HOME Investment Partnership funds with the requirement that it has designated up-front the nonprofit organization Norman Affordable Housing Corporation, Inc. to assume the grant/loan obligations at a specified time in the development process (at completion of the construction or November 9, 2022 whichever occurs first). These General Terms and Conditions as referred to Norman CHDO 2015, Inc. are limited to the Construction of the Project. Fulfillment of HOME Regulations pertaining to activities after the transfer of property is the sole responsibility of Norman Affordable Housing Corporation, Inc. for the duration of the Period of Affordability

WHEREAS, based upon the representations, statements and warranties contained in the Application and exhibits and amendments to either filed with, and accepted by, the City of Norman (hereinafter collectively the "Application"), the City of Norman has approved funding for the HOME Project; and

NOW THEREFORE, for and in consideration of the mutual agreements and covenants contained in this Written Agreement (Parts I, II, III and IV by reference), the City of Norman and Norman CHDO 2015, Inc. hereby agree to the following terms and conditions as follows:

1. AVAILABILITY OF HOME FUNDS

All payments to NORMAN CHDO 2015, INC. contemplated by this Written Agreement are to be made only from HOME Funds made available to the City of Norman by the U.S. Department of Housing and Urban Development ("HUD") for use in the HOME Program (the "HOME Funds"). Notwithstanding any other provisions of this Written Agreement, payments to be made to NORMAN CHDO 2015, INC. pursuant to this Written Agreement are subject to the continued availability of such HOME Funds, as determined by federal and/or state action and/or law. In the event HOME Funds become unavailable to fund this Written Agreement, either in whole or in part, the City of Norman may, upon written notice to NORMAN CHDO 2015, INC., terminate this

Written Agreement, reduce the allocation contemplated by this Written Agreement and the payments to NORMAN CHDO 2015, INC. or take such other appropriate action necessitated by any change in the availability of HOME Funds. Said notice shall be delivered by the U.S. Postal Service certified mail return receipt requested or in person with proof of delivery. The effective date of such termination the reduction of the Written Agreement allocation or payments to NORMAN CHDO 2015, INC. shall be specified in the notice or shall be the actual effective date of the federal and/or state determination, whichever is later. THE CITY OF NORMAN shall be the final authority as to the availability of HOME Funds.

2. MODIFICATION OR AMENDMENTS TO WRITTEN AGREEMENT

2.1. Written agreement required. This Written Agreement may be extended, renewed or otherwise modified or amended only by the written agreement of the duly-authorized representatives of THE CITY OF NORMAN and NORMAN CHDO 2015, INC., unless an amendment or modification is required by federal or state law or regulation, in which case such amendment or modification may be unilaterally made by THE CITY OF NORMAN.

2.2. Prior approval of THE CITY OF NORMAN required. All proposed modifications or amendments to this Written Agreement, including the waiver of any provisions herein, must be submitted to THE CITY OF NORMAN, in writing, and approved by the Director of Planning and Community Development prior to NORMAN CHDO 2015, INC.'s Policies and Procedures of the proposed modification or amendment.

2.3. De-obligation of HOME Funds. THE CITY OF NORMAN may unilaterally modify this Written Agreement to de-obligate funds not obligated by NORMAN CHDO 2015, INC. as of the close of the Funding Period specified in Part I of this Written Agreement.

3. City of Norman HOME Investment Partnerships Program

3.1. Funding of HOME Project. Subject to the terms and conditions set forth herein and to the availability of HOME Funds as described in Part II, paragraph 1 of this Written Agreement, THE CITY OF NORMAN will provide HOME Funds for use in the HOME Project described in the Application and approved by THE CITY OF NORMAN, up to the total allocation specified in Part I of this Written Agreement.

3.2. Monitoring. THE CITY OF NORMAN shall, throughout the term of this Written Agreement and any extension thereof including transfer of property to Norman Affordable Housing Corporation, Inc., monitor and evaluate the financial feasibility and progress of the HOME Project and continuing fiscal responsibility and compliance with HOME Program requirements and the terms and conditions of this Written Agreement. Such monitoring and evaluation shall not in any manner, relieve or waive any obligations of the Owner under this

Written Agreement or pursuant to applicable state and federal statutes, regulations and rules. Any representation to the contrary by the Owner to any third party is strictly prohibited and may be grounds for the termination of this Written Agreement by THE CITY OF NORMAN.

4. ACKNOWLEDGMENTS AND CERTIFICATIONS OF NORMAN CHDO 2015, INC.

4.1. General acknowledgments and certifications. NORMAN CHDO 2015, INC. acknowledges, represents, warrants and certifies without limitation to THE CITY OF NORMAN that:

a. The Application was relied upon by THE CITY OF NORMAN in approving this Written Agreement and that the information, representations and statements contained in the Application were true and correct as of the date of the filing of the Application and as of the making of this Written Agreement, and agrees to inform THE CITY OF NORMAN, in writing, of any changes in any information filed with THE CITY OF NORMAN, including representations contained in the Application, within ten (10) days of the occurrence of same. NORMAN CHDO 2015, INC. acknowledges and agrees to be bound by the obligations, duties and representations contained in the Application, which Application is incorporated and made a part of this Written Agreement by reference;

b. All requirements of THE CITY OF NORMAN's *Policies and Procedures Manual* currently utilized in the administration of the HOME Program, and as may be amended during the term of this Written Agreement, which is incorporated and made a part of this Written Agreement by reference (hereinafter the "Policies and Procedures Manual"), shall be complied with by NORMAN CHDO 2015, INC. and NORMAN CHDO 2015, INC.'s employees and agents and any sub-contractors;

c. No costs sought to be reimbursed with HOME funds or otherwise shall be incurred in connection with the HOME Project until NORMAN CHDO 2015, INC. has received written notice of the release of HOME Funds by THE CITY OF NORMAN;

d. NORMAN CHDO 2015, INC. has full responsibility for the payment of all employee benefits or deductions required by law, including without limitation, Workers' Compensation insurance, unemployment insurance, social security, state and federal income tax;

e. NORMAN CHDO 2015, INC. is an independent Contractor, notwithstanding any other provisions of this Written Agreement, and shall be fully responsible for and shall have the sole and exclusive control of NORMAN CHDO 2015, INC.'s

employees, sub-contractors and agents in the means and methods required to fulfill the obligation of NORMAN CHDO 2015, INC. under this Written Agreement; and

f. NORMAN CHDO 2015, INC. is solely responsible for insuring that the use of all HOME Funds received pursuant to this Written Agreement comply with all applicable federal, state, and local statutes, regulations and/or other legal authority, as may be modified or amended during the term of this Written Agreement, or any extension thereof, related to the expenditure or use of said HOME Funds.

4.2. Compliance with applicable laws. NORMAN CHDO 2015, INC. specifically certifies to THE CITY OF NORMAN and HUD that NORMAN CHDO 2015, INC. and NORMAN CHDO 2015, INC.'s employees, agents and sub-contractors have read and are familiar with the 24 CFR Parts 91 and 92 HOME Investment Partnerships Program and the HOME Final Rule, as amended from time to time, and will comply with those requirements and will comply with all applicable terms of the following statutes, regulations and executive orders, the terms and requirements of which are specifically incorporated in this Written Agreement by this reference. Any conflict between the Written Agreement and 24 CFR Parts 91 and 92 or the Final Rule shall be controlled by 24 CFR Parts 91 and 92 or the Final Rule, except in those cases where THE CITY OF NORMAN has adopted more restrictive requirements than those included in 24 CFR Parts 91 and 92. The following are for general reference and do not constitute or represent all of the HOME Program or other federal regulations and are referenced in 24 CFR Part 92 Subpart H Other Federal Requirements:

4.2.1 Non-discrimination and Equal Opportunity

Equal opportunity: No person in the United States shall, on the grounds of race, color, national origin, religion, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with HOME Funds. In addition, HOME Funds must be made available in accordance with the following:

a. Title VI of the Civil Rights Act of 1964 (42 USC §2000d, et seq.), which prohibits discrimination on the basis of race, color, or national origin under any program receiving federal funds. Implementing regulations are at 24 CFR, Part 1;

b. Title VIII of the Civil Rights Act of 1968 (42 USC §3600-3620, 1988), popularly known as the Fair Housing Act;

- c. Executive Order 11063 (1962), as amended by Executive Order 12259 (3 CFR, 1958-1963 Comp., p. 652 and 3 CFR, 1980 Comp., p. 307), which requires equal opportunity in housing. Implementing regulations are at 24 CFR, Part 107;
- d. Age Discrimination Act of 1975 (42 USC §6101-07), which prohibits discrimination on the basis of age. Implementing regulations are at 24 CFR, Part 8;
- e. Section 504 of the Rehabilitation Act of 1973 (29 USC §794), which prohibits discrimination against disabled individuals. Implementing regulations are at 24 CFR, Part 8;
- f. Executive Order 11246 (3 CFR 1964-65, Comp., p.339), which prohibits discrimination on the basis of race, color, religion, sex, or national origin and requires affirmative action in connection with federally assisted construction Written Agreements. Implementing regulations are at 41 CFR, Part 60;
- g. Section 3 of the Housing and Urban Development Act of 1968 (12 USC, Section 1701u), which requires that, to the greatest extent feasible, opportunities for training and employment be provided to lower-income persons in the project area and that Written Agreements for work in connection with the project be awarded to businesses in or owned in, substantial part by residents of the project area. Regulations are at 24 CFR, Part 135;

4.2.2 92.352 Environmental Review

- a. National Environmental Policy Act of 1969 (42 USC §4231, et seq.) and other provisions of law that further the purposes of the Act as specified in HUD Environmental Review Regulations at 24 CFR, Part 58;
- b. The NORMAN CHDO 2015, INC. certifies that the administrative activities in HOME Investment Partnerships Program are exempt from Environmental Review Requirements of NEPA and Other Federal Authorities listed in 24 CFR, Part 58.

4.2.3 Displacement, relocation and acquisition:

All requirements of 24 CFR, Part 92.353, Displacement, Relocation and Acquisition;

4.2.4 92.354 Labor

- a. Davis-Bacon Act (40 USC §276a-276a-5), which requires payment of the prevailing wage for the locality to workers on construction Written Agreements with 12 or more units assisted. (This activity includes three units and is therefore exempt from 40 USC§276a-276a-5.) Regulations are at 29 CFR, Part 5. The NORMAN CHDO 2015, INC. further certifies that it shall include in its bidders' packages the U. S. Department of Labor Wage Determination List and a statement that the NORMAN CHDO 2015, INC. and any sub-contractors must comply with these wage rates in performance of the work required;
- b. Copeland (Anti-Kickback) Act (18 USC §874, 40 USC §176c), which applies to all Written Agreements covered by Davis-Bacon and provides that workers must be paid weekly, with only permissible deductions allowed. Regulations are at 29 CFR, Part 3;
- c. Written Agreement Work Hours and Safety Standards Act (40 USC §327, et seq.), which requires overtime compensation. Regulations are at 29 CFR, Part 5;
- d. Fair Labor Standards Act of 1938 as amended (29 USC §20, et seq.) which establishes the basic minimum wage for all work and requires payment of over-time at the rate of at least time and a half.

4.2.5 92.355 Lead-Based Paint: Housing assisted with HOME funds constitutes HUD associated housing for the purpose of Title IV of the Lead-Based Paint Poisoning Prevention Act (42 USC §4821, et seq.) and is, therefore, subject to 24 CFR, Part 35. NORMAN CHDO 2015, INC.s are responsible for notification, testing and abatement activities;

4.2.6 Flood Insurance: All applicable requirements of 24 CFR, Part 92.352, 24 CFR, Part 58 and Section 202 of the Flood Disaster Protection Act of 1973, as amended (42 USC, §4106). [Under the Flood Disaster Protection Act of 1973, as amended, HOME Funds may not be used in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, unless: (i) the community in which the area is located is participating in the National Flood Insurance Program, or less than one year has passed since FEMA notification regarding such special flood hazards; and (ii) flood insurance protection is obtained as a condition of the approval of financial assistance.]

4.2.7 92.356 Conflict of interest: All applicable requirements of 24 CFR Part 92.356 Conflict of Interest.

- 4.2.8 92.357 Executive Order 12372: All requirements of 24 CFR, Part 92.357 regarding Executive Order 12372, Inter-governmental Review of Federal Programs. Regulations are at 24 CFR, Part 52;
- 4.2.9 92.358 Consultant activities: No person providing consultant services in an employer–employee type relationship shall receive more than a reasonable and customary rate of compensation for personal services paid with HOME funds.
- 4.3. Written Agreement Administration. NORMAN CHDO 2015, INC. specifically certifies to THE CITY OF NORMAN and HUD that NORMAN CHDO 2015, INC. shall comply with the following, the terms and requirements of which are specifically incorporated in this Written Agreement by this reference:
- a. 24 CFR, Part 92.502 and the requirements of THE CITY OF NORMAN contained in the Policies and Procedures Manual concerning cash management of federal funds; and
 - b. unless directed otherwise in writing by THE CITY OF NORMAN, 24 CFR, Parts 84.21 and 92, as amended, and the requirements of THE CITY OF NORMAN contained in the Policies and Procedures Manual related to the application, acceptance and use of federal funds.

5. INSURANCE AND BONDING REQUIREMENTS

5.1. Insurance. NORMAN CHDO 2015, INC. shall maintain insurance covering NORMAN CHDO 2015, INC. and NORMAN CHDO 2015, INC.'s employees and the HOME Project of the type and in the amounts required by the Policies and Procedures Manual, including without limitation general liability insurance and Worker's Compensation Insurance as required by applicable state and federal worker's compensation statutes. Proof of insurance shall be maintained and made available to THE CITY OF NORMAN upon request.

5.2. Bonding. THE CITY OF NORMAN may, as provided in the Policies and Procedures Manual, require surety bonds for all officers, directors or employees of NORMAN CHDO 2015, INC. responsible for the financial transactions contemplated in this Written Agreement or related thereto. If THE CITY OF NORMAN requires surety bonds, NORMAN CHDO 2015, INC. must comply with the requirement. Proof of any required bonds shall be maintained and made available to THE CITY OF NORMAN upon request.

6. SUB-CONTRACTORS

6.1. NORMAN CHDO 2015, INC. responsibility. NORMAN CHDO 2015, INC. shall advise each sub-contractor, if any, of the sub-contractors obligations to adhere to the applicable terms, conditions and certifications of this Written Agreement, including without limitation the right of THE CITY OF NORMAN to audit. NORMAN CHDO 2015, INC. shall require all sub-contractors to meet the minimum insurance requirements as required by reference to State law and as set forth in the Policies and Procedures Manual. NORMAN CHDO 2015, INC. shall be responsible to THE CITY OF NORMAN for all acts and omissions of NORMAN CHDO 2015, INC.'s sub-contractors and of persons directly or indirectly employed by said sub-contractor.

6.2. Sub-contractor certifications. NORMAN CHDO 2015, INC. shall require that all sub-contractors execute a certification, as required by 24 CFR, Part 92.350, certifying that neither the sub-contractor nor any principal thereof is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in any government program. NORMAN CHDO 2015, INC. also agrees, upon request of THE CITY OF NORMAN, to obtain from NORMAN CHDO 2015, INC.'s sub-contractors any of the certifications described in paragraph 4 of this Written Agreement. Any certifications required under this paragraph 6.2 or obtained at the request of THE CITY OF NORMAN shall be maintained by the NORMAN CHDO 2015, INC. in accordance with paragraph 10.2 of this Written Agreement.

6.3. Indemnification of THE CITY OF NORMAN by sub-contractors. NORMAN CHDO 2015, INC. shall require that all sub-contractors to execute a *Hold Harmless and Indemnification Agreement* in the form prescribed by THE CITY OF NORMAN. The Hold Harmless and Indemnity Agreement shall be maintained by the NORMAN CHDO 2015, INC. in accordance with paragraph 10.2 of this Written Agreement.

6.4. Independent Contractors. Nothing herein shall be deemed to create a contractual relationship between any sub-contractor and THE CITY OF NORMAN, nor shall any sub-contractor incur or purport to incur any obligation on the behalf of THE CITY OF NORMAN.

7. HOLD HARMLESS CLAUSE

NORMAN CHDO 2015, INC. shall hold and save harmless HUD, THE CITY OF NORMAN and their respective agents, officers, and employees from all claims and actions, all expenses defending same, that are brought as a result of any injury or damage sustained by any person or property in consequence of any act or omission by NORMAN CHDO 2015, INC.. NORMAN CHDO 2015, INC. shall hold and save harmless HUD, THE CITY OF NORMAN and their respective agents, officers, and employees from any claim or amount recovered as a result of infringement of patent, trademark or copyright or from any claim or amounts arising or recovered under Workers' Compensation Law or any other law. In any agreement with any sub-contractor or any

agent for NORMAN CHDO 2015, INC., NORMAN CHDO 2015, INC. will specify that such sub-contractors or agents shall hold harmless HUD, THE CITY OF NORMAN, and their respective agents, officers, and employees for all the here in before described expenses, claims, actions, or amounts recovered.

8. POLITICAL ACTIVITY

8.1. Hatch Act. All employees of NORMAN CHDO 2015, INC. shall observe the limitations on political activities to which they may be subject under the Hatch Act (5 USC §1501s, et seq., 18 USC §595).

8.2. Prohibition on use of HOME Funds. No portion of the HOME Funds may be used for any political activity or to further the election or defeat of any candidate for public office, or for lobbying activities.

9. NO-CONFLICT COVENANT

NORMAN CHDO 2015, INC. certifies, warrants and covenants to HUD and THE CITY OF NORMAN that other than the compensation for services contemplated by this Written Agreement, no governing board member, director, officer, agent, consultant, employee or sub-contractor of NORMAN CHDO 2015, INC. has any interest, direct or indirect, in the HOME Project covered by this Written Agreement nor will any such person or entity receive any benefit from the HOME-assisted activities and projects under this Written Agreement and that none of the enumerated persons shall acquire any such interest during their tenure in office or employment by NORMAN CHDO 2015, INC. and for one year thereafter. NORMAN CHDO 2015, INC. further covenants that in the performance of this Written Agreement no person having any such interest will be employed by NORMAN CHDO 2015, INC. NORMAN CHDO 2015, INC. warrants to THE CITY OF NORMAN that, in the event NORMAN CHDO 2015, INC. becomes aware that any governing board member, director, officer, agent, consultant or employee of NORMAN CHDO 2015, INC. has a prohibited interest in or is receiving any benefit from the HOME-assisted activities, HOME Funds and HOME Project(s) covered by this Written Agreement, NORMAN CHDO 2015, INC. shall immediately notify THE CITY OF NORMAN.

10. RECORDS, PUBLICATIONS AND OTHER MATERIALS

10.1. Maintenance of HOME Project Records. NORMAN CHDO 2015, INC. shall be responsible for the creation, compilation and maintenance of records and materials pertaining to the use and expenditure of the HOME Funds and the Home Project(s) funded or assisted by said HOME Funds pursuant to this Written Agreement, including, but not limited to, work plans, work orders, invoices, site drawings, interim statements and summaries, photographs, video tapes, correspondence, financial and accounting records and reports, property and personnel

records, and any other records set forth in 24 CFR, Part 92.508, *Recordkeeping*, and other instruments and supporting documents, exhibits and records (hereinafter collectively the "HOME Project Records"). NORMAN CHDO 2015, INC. shall keep and maintain all HOME Project Records in an organized, systemized fashion at principal office of NORMAN CHDO 2015, INC. All HOME Project Records maintained by NORMAN CHDO 2015, INC. shall be segregated from NORMAN CHDO 2015, INC.'s other records at all times.

10.2. Retention of records. NORMAN CHDO 2015, INC. shall retain all HOME Project Records for at least as long as the minimum period(s) specified in 24 CFR, Part 92.508(c).

10.3. Ownership of HOME Project Records. All HOME Project Records are the property of THE CITY OF NORMAN and NORMAN CHDO 2015, INC. shall have no proprietary claim to same. THE CITY OF NORMAN shall have unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, any reports and materials prepared pursuant to this Written Agreement. No materials or records created, produced or maintained by NORMAN CHDO 2015, INC. pursuant to this Written Agreement shall be made subject by NORMAN CHDO 2015, INC. to copyright in the United States or any other country.

10.4. Legend. Any publication or other material produced as a result of this Written Agreement shall include in a prominent location near the beginning the following statement:

This (type of material) was financed
in whole or in part by funds from the
U.S. Department of Housing and
Urban Development as administered
by the City of Norman.

10.5. Audits. All records and accounts of NORMAN CHDO 2015, INC. shall be made available on demand to the Oklahoma State Auditor and Inspector, the U.S. Department of Housing and Urban Development, the Comptroller General of the United States and THE CITY OF NORMAN and their respective agents and designees for inspection and use in carrying out its responsibilities for administration of HOME Funds.

10.6. Reporting requirements. NORMAN CHDO 2015, INC. shall furnish THE CITY OF NORMAN with narrative reports and financial reports related to the HOME Project, HOME Funds and compliance with the terms and conditions of this Written Agreement, in the form and at such times as might be required by THE CITY OF NORMAN. NORMAN CHDO 2015, INC. shall provide THE CITY OF NORMAN with timely copies of reports from any audits that include HOME Funds received pursuant to this Written Agreement.

10.7. Closeout reports. NORMAN CHDO 2015, INC. shall submit closeout documents in accordance with the forms and requirements of the Policies and Procedures Manual. NORMAN CHDO 2015, INC. may closeout a Written Agreement when all HOME Funds have been drawn down, expended and accounted for in accordance with the terms of this Written Agreement.

11. COMPENSATION TO NORMAN CHDO 2015, INC.

11.1. Amount of allocation. The total allocation of HOME Funds for use in the HOME Project is set forth in Part I of this Written Agreement.

11.2. Requests for reimbursements. Requests for reimbursements may not exceed the allocation amount. All requests for reimbursement shall be submitted to THE CITY OF NORMAN during the Funding Period specified in Part I of this Written Agreement. NORMAN CHDO 2015, INC.'s final request for reimbursement must be submitted not later than sixty (60) days after the close of the Funding Period. Requests for reimbursement submitted more than sixty (60) days after the close of the Funding Period may be disallowed by THE CITY OF NORMAN.

11.3. Decrease in reimbursement request. In order to effect proper cash management, THE CITY OF NORMAN may, if THE CITY OF NORMAN determines that NORMAN CHDO 2015, INC. has HOME Funds on hand at the time a reimbursement request is made, modify the basis for compensation to NORMAN CHDO 2015, INC. and decrease the amount of the reimbursement request. NORMAN CHDO 2015, INC. agrees that the determination to decrease a reimbursement request shall be at the sole discretion of THE CITY OF NORMAN.

11.4. Uses of HOME Funds. HOME Funds allocated pursuant to this Written Agreement shall be used only for expenses incurred during the Funding Period specified in Part I of this Written Agreement for the purposes and activities approved and agreed to by THE CITY OF NORMAN, except as provided in the Final Rule at 24 CFR Part 92.206(d)(1), and consistent with the terms and conditions of this Written Agreement. No HOME Funds may be used for expenses or obligations incurred after the Funding Period.

11.5. Audit expenses. Allowable audit expenses may be accrued for an audit to be performed after the end of the Funding Period.

12. PROPERTY PROCUREMENT

12.1. Property acquired. Procurement, management, and disposition of property acquired with HOME Funds shall be governed by NORMAN CHDO 2015, INC.'s internal policies and applicable state laws.

12.2. Construction material. Materials acquired for construction purposes shall be deemed real property once they have become a part of the project.

13. AUDIT and DISALLOWED COSTS

NORMAN CHDO 2015, INC. shall comply with 24 CFR, Part 45 and PART 200—Uniform Administrative Requirements Cost Principles, and Audit Requirements for Federal Awards which are incorporated and made a part hereof. In the event an audit by a CPA firm, THE CITY OF NORMAN compliance audit or other disclosure results in the determination that NORMAN CHDO 2015, INC. has expended HOME funds on disallowed or ineligible costs or other misuses of said funds, NORMAN CHDO 2015, INC. shall immediately reimburse THE CITY OF NORMAN in full for any and all such costs.

14. REPAYMENTS AND RECAPTURED FUNDS

Repayment of HOME Funds is required to be made in accordance with 24 CFR, Part 92.503, *Program Income, repayments, and recaptured funds* and 24 CFR Part 85. NORMAN CHDO 2015, INC. shall record the receipt and expenditure of repayment in accordance with the standards specified in 24 CFR, Part 92.503 and shall ensure that repayments are used for additional HOME activities consistent with the representations made in the Application or returned to THE CITY OF NORMAN immediately.

15. TERMINATION OR SUSPENSION

15.1. By agreement. This Written Agreement may be terminated or suspended in whole or in part at any time by written agreement of the parties.

15.2. For cause. This Written Agreement may be terminated or suspended by THE CITY OF NORMAN, in whole or in part, for cause, after notice and an opportunity for NORMAN CHDO 2015, INC. to present reasons why such action should not be taken. Procedures for such a process shall be in accordance with THE CITY OF NORMAN's Administrative Rules. Grounds constituting cause include, but are not limited to:

- a. NORMAN CHDO 2015, INC. fails to comply with provisions of this Written Agreement or with any applicable laws, regulations, guidelines, or procedures, including THE CITY OF NORMAN policies and issuances, or is unduly dilatory in executing its commitments under this Written Agreement;
- b. Purposes for the HOME Funds have not been or will not be fulfilled or would be illegal to carry out;

- c. NORMAN CHDO 2015, INC. has submitted incorrect or incomplete documentation pertaining to this Written Agreement;
- d. NORMAN CHDO 2015, INC. is unduly dilatory in executing its commitments under this or a prior Written Agreement with THE CITY OF NORMAN, including, but not limited to, submission of any audits due, resolution of audit findings, and monitoring results.

15.3. Bankruptcy. If a Petition in Bankruptcy is filed by, or against NORMAN CHDO 2015, INC. or the HOME Project, THE CITY OF NORMAN may, at its option cancel and terminate this Written Agreement.

15.4 De-obligate Funding: THE CITY OF NORMAN may unilaterally modify this Written Agreement to de-obligate funds not properly drawn down, expended and accounted for by the NORMAN CHDO 2015, INC. as of the final date of the term of the contract, or such earlier date as determined by THE CITY OF NORMAN in the event of an uncured default by NORMAN CHDO 2015, INC..

15.5 Liability for breach. NORMAN CHDO 2015, INC. shall not be relieved of liability to THE CITY OF NORMAN for damages sustained by THE CITY OF NORMAN by virtue of any breach of this agreement by NORMAN CHDO 2015, INC. THE CITY OF NORMAN may withhold payments due under this agreement pending resolution of the damages.

16. MISCELLANEOUS PROVISIONS

16.1. Interpretation and Enforceability. In the event the terms or provisions of this Written Agreement are breached by either party or in the event that a dispute may arise between the parties regarding the meaning, requirements, or interpretation of the terms and provisions of this Written Agreement, then such breach or dispute shall be resolved pursuant to the terms of this Written Agreement and the administrative procedures available under THE CITY OF NORMAN's Administrative Rules and the Oklahoma Administrative Procedures Act, 75 Oklahoma Stat., Sections 251, et seq. In the event THE CITY OF NORMAN must initiate proceedings to enforce the terms and conditions of this Written Agreement or seek redress for damages caused by NORMAN CHDO 2015, INC.'s breach of this Written Agreement, THE CITY OF NORMAN shall be entitled to recover all costs, including without limitation, court costs and attorney's fees, incurred in such proceedings.

16.2. Non-Waiver of Defaults. Any failure by THE CITY OF NORMAN, at any time, to enforce or require the performance of any of the terms or conditions of this Written Agreement, or to exercise a right hereunder, or payment or reimbursement of NORMAN CHDO 2015, INC.,

shall not, nor shall it be construed to constitute a waiver or limitation of any terms, conditions or rights of THE CITY OF NORMAN, the State of Oklahoma or HUD hereunder or at law.

16.3. Assignment. NORMAN CHDO 2015, INC. shall not assign this Written Agreement in whole or in part, without the prior written consent of THE CITY OF NORMAN, nor shall NORMAN CHDO 2015, INC. assign or pledge any moneys due to, or to become due to NORMAN CHDO 2015, INC. pursuant to this Written Agreement, without the prior written consent of THE CITY OF NORMAN.

16.4. Binding Effect. The terms and conditions of this Written Agreement shall extend and inure to the benefit of and be binding upon the respective successors, heirs, and assigns of the parties hereto. All indemnifications contained in this Written Agreement shall survive the completion of the Project, and the expiration or termination of this Written Agreement.

16.5. Entire Agreement. This Written Agreement, including Parts I, II, III and IV, attachments, documents and statutes, regulations and Executive Orders incorporated by reference, constitutes the entire agreement between the parties and supersedes all prior agreements and understandings between the parties relating to the matters set forth herein.

16.6. Construction. This Agreement shall be construed, enforced, and governed in accordance with the laws of the State of Oklahoma and applicable federal statutes and regulations.

16.7. General. The captions and headings used in this Written Agreement are intended for convenience only and shall not be used for purposes of construction or interpretation.

16.8. Notice. All notices, requests and demands shall be to the following persons:

THE CITY OF NORMAN
ATTENTION: Director of Planning and Community Development
201-A W. Gray
Mail: P.O. Box 370
Norman, OK 73070

Norman CHDO 2015, Inc.
700 N. Berry Road
Norman, Oklahoma 73069

Any notice, unless otherwise specified herein, will be deemed to have been given on the date such notice is personally delivered or deposited in the United States via certified mail, return receipt requested, properly addressed and with postage prepaid.

Norman CHDO 2015, Inc.

Norman Affordable Housing Corporation, Inc.

Steve Mohr, Board President

Mariann Ratliff, Board President

Attest:

Attest:

Brandon Hopper, Board Secretary

Karen Canavan, Board Secretary

The City of Norman, Oklahoma

Brea Clark, Mayor

Attest:

Brenda Hall, City Clerk

Approved as to form and legality this day of , 2020.

City Attorney's Office

SPECIAL CONDITIONS

The Norman CHDO 2015, Inc. (CHDO 2015) and Norman Affordable Housing Corporation, Inc. (NAHC) have read and reviewed all of the following Special Conditions and agrees and acknowledges that as Co-Applicants must comply with each as defined by their roles:

1. HOME Project Allocation and Use of HOME funds

- A. CHDO 2015 will utilize HOME funds in the amount of \$657,655 awarded by this Written Agreement for the construction of three (3) units of rental housing.
- B. The project will be a CHDO project. CHDO 2015's CHDO role will be Sponsor. CHDO 2015 as the project sponsor will assist NAHC, a nonprofit organization, to own/acquire, develop, and manage a rental project. CHDO 2015 will receive the initial commitment of CHDO set-aside and HOME Investment Partnership funds with the requirement that it has designated up-front the nonprofit organization NAHC to assume the grant/loan obligations at a specified time in the development process (at completion of the construction or on November 9, 2021 whichever occurs first).
- C. At completion of the construction, CHDO 2015 will relinquish their site control to NAHC. NAHC agrees to comply with the HOME regulations and the HOME Final Rule and required provisions at 24 CFR Part 92.504 and the terms of this Written Agreement.
- D. This subsidy from THE CITY OF NORMAN to CHDO 2015 is in the form of a grant.
- E. The minimum Match requirement for this Written Agreement is \$163,455. Of these funds \$112,125 will be provided by NAHC and designated as such in the pro-forma. The remaining \$52,294 of Match will be provided by the City of Norman HOME Match Log Bank.

2. HOME Project Description

- A. The units will be in City of Norman, Cleveland County. **The addresses of the units are 112 and 114 W. Johnson, and 815 N. Stewart, Norman, OK.**
- B. The units are three (3), three (3) bedroom, (2) bathroom single family dwellings with approximately 1,600 square feet of living space each.
- C. When completed, all three (3) units will be HOME Rental units.

3. Construction Standards

- A. The Architectural Plans and Specifications must be submitted to THE CITY OF NORMAN for approval prior to the commencement of any construction activity.
- B. Development will meet and/or exceed all City, State and local code requirements. CHDO 2015 will ensure THE CITY OF NORMAN's Written Construction Standards are met or exceeded. Building codes to be utilized will be the currently adopted codes for the City of Norman. A Building Permit issued by the City of Norman for each unit is required.
- C. Ensure that all housing assisted with HOME funds under this contract is carried out in compliance with the Lead Based Paint Regulations at 24 CFR Part 35 and Asbestos Regulations at 40 CFR Part 61, Subpart M.

4. Project Operational Requirements

- A. The initial occupants of all three of the HOME Assisted Units will be restricted to tenants at 60% or less of Area Median Income (AMI). CHDO 2015, until management turnover to NAHC, and NAHC after the turnover, will ensure that all tenant individuals and/or households have incomes that do not exceed the respective AMI for Cleveland County as published annually by HUD. Subsequent tenant households in the three units must have incomes at or below 80% of AMI for Cleveland County until the 20-year Period of Affordability requirements have been met.
- B. As management agent, NAHC will ensure tenant eligibility according to HOME income guidelines and the guidelines in THE CITY OF NORMAN's HOME Application packet.
- C. As management agent, NAHC will ensure that the rent charged for the units do not exceed the High HOME rent limit for Cleveland County as published annually by HUD.
- D. As management agent, NAHC must submit the initial rents to THE CITY OF NORMAN for approval, and thereafter on an annual basis. THE CITY OF NORMAN will review the rents annually for compliance and approve or disapprove as applicable.
- E. As management agent, NAHC must submit the proposed utility allowances for THE CITY OF NORMAN's verification and approval. Initially the utility allowances must be computed using the HUD Utility Schedule Model.
- F. **If any unit remains continuously vacant for more than ninety (90) days, as management agent, NAHC must notify THE CITY OF NORMAN and submit a marketing plan within thirty days of the notification to THE CITY OF NORMAN. Plan will be reviewed and approved by THE CITY OF NORMAN to ensure a sufficient occupancy level is maintained.**
- G. NAHC will manage the property. If in the future, NAHC will no longer manage, any substitute management company or individual must be approved by THE CITY OF NORMAN.
- H. The HOME units at all times must meet the Housing Quality Standards (HQS) in order to ensure that the unit is decent, safe and sanitary.
- I. As management agent, NAHC may not charge any fees that are not reasonable and customary for the area.

- J. As management agent, NAHC must adhere to its fair lease and grievance procedure and its program of tenant participation in management decisions, and approved by THE CITY OF NORMAN.

5. Period of Affordability

- A. The period of affordability is twenty (20) years. A Deed Restriction must be filed to protect the period of affordability. A Deed Restriction must be filed within thirty (30) days of issuance of the Release of Funds, and prior to any funds being drawn down. The beginning and ending dates of the period of affordability will not be known until the project is completed in HUD's IDIS System. At that time, the City of Norman will file an Amended Deed Restriction that sets forth the exact beginning and ending dates.
- B. **During the period of affordability, for every 180 days that any unit is continuously vacant, one year will be added to the period of affordability.**
- C. THE CITY OF NORMAN has the right to enforce all provisions of this Written Agreement throughout the period of affordability, twenty (20) years, regardless of the Written Agreement completion date.

6. Environmental Review

- A. Ensure that all appropriate environmental reviews are satisfactorily completed pursuant to the guidelines set out in 24 CFR Part 58. Under the HOME Environmental process, no funds, either HOME or non-HOME funds may be committed until the Release of Funds is received, except as noted in Section 8.E. below. Also, no contracts should be entered into during this timeframe, especially with a contractor. This contract is contingent upon successful completion of the environmental review process. Tiered review for the HOME and CHDO funds was completed in 2019, site specific reviews completed October 23, 2020.

7. Project Documentation

- A. Documentation for all Federal Requirements (Fair Housing, Minority Outreach, Environmental, Housing Complaints, Conflict of Interest, and etc.) must be maintained and available for review.
- B. Create and maintain a complete record of all items pertaining to the Project, documentation and information that would help expedite the compliance monitoring process.

8. Disbursement of Funds and Construction Progress Inspections

- A. Requests for disbursement of funds cannot be submitted until such time as the funds are needed for payment of eligible costs. The amount of each request must be limited to the amount needed to pay eligible expenditures.

- B. THE CITY OF NORMAN will conduct construction progress inspections at all major stages of construction. Prior to construction commencement, THE CITY OF NORMAN's will meet with CHDO 2015 and NAHC to review the work write-ups and cost estimates and determine whether or not CHDO 2015 and NAHC are ready to proceed with construction.

9. Notice of Personnel Changes

- A. NAHC will notify THE CITY OF NORMAN anytime there is a change in any staff position that would be involved in this project, either in the construction phase or the ongoing management and oversight. NAHC's capacity will be reevaluated at that time.

10. Schedule for Completing Tasks and Deadlines

- A. **Construction must commence within 12 months of the execution of this Written Agreement modification, or the HOME funds must be repaid.**
- B. NAHC must fully complete the Project as set forth in the Application by no later than November 9, 2022. **In monitoring the performance of Norman CHDO 2015, Inc. and NAHC, THE CITY OF NORMAN will also refer to the more detailed schedule provided in the Application, which is a part of this Written Agreement and incorporated by reference.** The construction schedule provided indicates that the project will be constructed and ready for occupancy within one year of the date of this Written Agreement. If the project is delayed beyond November 9, 2022, Norman CHDO 2015, Inc. must advise THE CITY OF NORMAN. THE CITY OF NORMAN will work with Norman CHDO 2015, Inc. to complete the project as soon as reasonably possible.
- C. Norman CHDO 2015, Inc. must submit quarterly progress reports throughout the entire process of construction and initial lease-up, until all units have been initially leased to a qualifying household. The quarterly reports will be due on October 10th, January 10th, April 10th, and July 10th of each year, must use the form for HOME Program quarterly progress reports provided by the CITY OF NORMAN. **The initial quarterly progress report for this contract will be due January 10, 2021.** Failure to submit timely and accurate reports may result in a monitoring finding, and if it becomes a recurring problem it may result in termination of the contract. Quarterly progress reports should be submitted to Lisa D. Krieg, Grants Planner.
- D. Vacant units should be leased to an initial qualifying tenant household within 6 months of being placed in service. If the units have not been leased to qualifying tenant households within that timeframe, NAHC must submit a marketing plan to THE CITY OF NORMAN outlining what efforts it has taken and will take to locate qualifying tenant households. THE CITY OF NORMAN must approve the ongoing marketing plan. **If any vacant unit has not been leased to a qualifying tenant within 18 months of said unit being placed in service, NAHC must repay the HOME funds invested in that unit.**

11. Logs and Reports

- A. Establish and maintain a Use of Funds Log, which clearly identifies the amount of funds used in each project (HOME, other federal, private or a combination thereof).
- B. Establish and maintain a Match Tracking Log that will account for expenditures of Match contributions used in each project.
- C. Reimbursement Reports: Must be submitted by noon on Wednesday to be paid within 30 days.
- D. Activity Completion Reports: Must be submitted within 120 days of final activity draw.
- E. Closeout Documentation: Submit no later than 60 days after the end of the contract period or completion of project.
- F. The Minority Business Enterprises report is due on or before October 15th of each year for period from Oct. 1 - Sept 30.
- G. The Annual Performance Report (APR) is due on or before October 15th of each year for the period of October 1-September 30. The APR must also be submitted with the contract closeout.
- H. The Rental Annual Performance Report must be submitted to THE CITY OF NORMAN on or before October 15th of each year until the affordability period is exhausted.
- I. Provide other progress/performance and financial reports as required or upon the request of THE CITY OF NORMAN.

12. Match Requirements

All HOME Project Funds expended under this contract require a minimum of 25% in eligible match contributions. **Match liability is incurred at the time project funds are drawn.**

THE CITY OF NORMAN requests that all applicants meet the full 25% Match requirement, regardless of any Match waivers or reductions by HUD. The Match you committed and identified in your application may be banked based upon submission of proper documentation if the HOME funds are drawn during the Match waiver period.

13. Other Requirements

Perform all other tasks and meet all other requirements as outlined in the Application, which is incorporated herein and made a part hereof.

If Norman CHDO 2015, Inc. or NAHC fail to comply with the terms of this Written Agreement, THE CITY OF NORMAN may require Norman CHDO 2015 and/or NAHC to repay all or a part of the HOME funds invested in the project.

Norman CHDO 2015, Inc. and NAHC have read and reviewed all of the Special Conditions and agree and acknowledge that it must comply with each.

Norman CHDO 2015, Inc.

**Norman Affordable Housing Corporation,
Inc.**

Steve Mohr, Board President

Mariann Ratliff, Board President

Attest:

Attest:

Brandon Hopper, Board Secretary

Karen Canavan, Board Secretary

The City of Norman, Oklahoma

Breea Clark, Mayor

Attest:

Brenda Hall, City Clerk

Approved as to form and legality this day of , 2020.

City Attorney's Office

BUDGET

Cost Categories	Estimates
Construction	727,436
Soft Costs	38,509
Total Project Cost	<hr/> 765,945
CHDO Funds	118,134
City of Norman HOME Funds	535,686
Norman Affordable Housing Corporation, Inc. (Match Funds)	<hr/> 112,125
	765,945

In monitoring the performance of Norman CHDO 2015, Inc. and Norman Affordable Housing Corporation, Inc., The City of Norman will also refer to the more detailed budget provided in the Application, which is a part of this Written Agreement and incorporated by reference.

All HOME Project Funds expended under this contract require a minimum of 25% in eligible match contributions. **Match liability is incurred at the time project funds are drawn.**