



**NOTICE OF SPECIAL MEETING OF
THE BARTLESVILLE CITY COUNCIL
Friday, September 11, 2020
12:00 p.m.**

City Hall, Council Chambers
401 S. Johnstone Avenue
Bartlesville, OK 74003

**Mayor Dale Copeland
918-338-4282**

AGENDA

- 1. Call to order the business meeting of the Bartlesville City Council by Mayor Copeland.**
- 2. Roll Call and Establishment of a Quorum.**
- 3. Invocation.**
- 4. Citizens to be heard.**
- 5. Discuss and take possible action on a recommendation by the Bartlesville Redevelopment Trust Authority to amend the HUD Hope VI Main Street Grant Redevelopment Agreement between the City of Bartlesville, The Bartlesville Redevelopment Trust Authority and Johnstone OK Partners LLC to revitalize The Apartments at Hotel Phillips. Presented by Chris Wilson, Director, Bartlesville Redevelopment Trust Authority.**
- 6. Discuss and take possible action on a Resolution amending the budget of the City of Bartlesville, Oklahoma for Fiscal Year 2020-2021, appropriating unanticipated Federal Grant Revenue for the Restricted Revenue Fund. Presented by Jason Muninger, City Clerk/CFO.**
- 7. City Manager and Staff Reports.**
- 8. City Council Comments and Inquiries.**
- 9. Adjournment.**

The Agenda was received and filed in the Office of the City Clerk and posted in prominent public view at City Hall, 401 S. Johnstone Ave. Bartlesville, Oklahoma, at 12:00 p.m. on Wednesday, September 9, 2020.

Jason Muninger

Jason Muninger, City Clerk/CFO

/s/ Elaine Banes

by Elaine Banes, Deputy City Clerk

City of Bartlesville Webcast of meeting: <https://www.cityofbartlesville.org/city-government/city-council/webcast/>

All discussion items are subject to possible action by the City Council. Agenda items requiring a public hearing as required by law will be so noted. The City Council may at their discretion change the order of the business agenda items. City of Bartlesville encourages participation from all its citizens. If participation at any public meeting is not possible due to a disability, notification to the City Clerk at least one working day prior to the scheduled meeting is encouraged to make the necessary accommodations. The City may waive this rule if signing is not the necessary accommodation.

I. SUBJECT, ATTACHMENTS, AND BACKGROUND

Discuss and take possible action on a recommendation by the Bartlesville Redevelopment Trust Authority to amend the HUD Hope VI Main Street Grant Redevelopment Agreement between the City of Bartlesville, The Bartlesville Redevelopment Trust Authority and Johnstone OK Partners LLC to revitalize The Apartments at Hotel Phillips. Presented by Chris Wilson, Director, Bartlesville Redevelopment Trust Authority.

Attachments:

Original Executed The Apartments at Hotel Phillips Redevelopment Agreement
Proposed The Apartments at Hotel Phillips Amended Redevelopment Agreement

II. STAFF COMMENTS AND ANALYSIS

In order for the Budget Amendment to be approved, “The Apartments at Hotel Phillips Redevelopment Agreement” between the City of Bartlesville, Bartlesville Redevelopment Trust Authority and Johnstone OK Partners LLC must be amended. The proposed amendment is to Article IV, Section 4.01 Project Schedule of The Apartments at Hotel Phillips Redevelopment Agreement to state “The Redeveloper agrees to cause the design and construction of the project strictly in accordance with the provisions of this Agreement with approved Construction Documents submitted in accordance with this Article. Funds approved for the Project will pay for the Supplies and Equipment necessary to complete the nine (9) Main Street units for the construction of the Project as approved by HUD in the Development Proposal Approval Letter to be delivered to the City of Bartlesville on or after September 11, 2020. Construction of the Project will be completed on or before August 31, 2020. For purposes of this Agreement, “Completion” means the issuance of a Certificate of Occupancy by the City for the Main Street Units.”

The wording has also been changed to reflect the “Amended Agreement.”

Background:

On behalf of the City and the developer of the Memorial Hospital, BRTA brought together several organizations to make application for a grant to assist with the development of downtown housing. In 2015, the City of Bartlesville was awarded a 2014 US Department of Housing and Urban Development (HUD) Hope VI Main Street Grant in the amount of \$500,000 to construct four (4) units of Affordable Housing in the Memorial Hospital when that project was under development. The deadline to spend the funds is September 30, 2020 according to the Grant Agreement.

When the Memorial Hospital project fell through, BRTA petitioned HUD to transfer the funds to another project to be identified. That project was identified in July 2019 as the redevelopment of the Hotel Phillips by Johnstone OK Partners LLC. As a part of the award, BRTA and the owner/developer were required to submit Financial Worksheets, complete a Developer Proposal which included a local

Redevelopment Agreement between BRTA, the City of Bartlesville, and the Developer; and for HUD to conduct a Part 50 Environmental Review that also included a Section 106 Historic Preservation Review. The new project called for nine (9) units of affordable housing.

On November 4, 2019, the City approved the Redevelopment Agreement that spelled out the arrangement for payment and what each organization was responsible for including HUD. At the time COVID-19 was not on the radar of the United States as a major pandemic. A date of August 30, 2020 was assigned as the completion date for the nine (9) units of affordable housing, a full nine months. The construction of the other ninety-one (91) market rate apartment units were already under construction when this was taking place and HUD allowed the project to proceed since the Main Street affordable units had not yet begun.

In October, the City of Bartlesville submitted the Section 106 Historic Preservation Review as a part of the Part 50 Environmental Review. HUD asked the City to initiate the process first. In November, the City was notified by the Oklahoma State Historic Preservation Office (OKSHPO) that the Review could not take place because the property was already under construction. However, no one from the City, BRTA, or HUD knew what that meant and an answer was not found until late February. More than fifteen people from HUD, OK SHPO, BRTA, and the Developers participated in a conference call to talk about a path forward. It was decided by OKSHPO that the City/BRTA/Developer would need to complete a high-level examination of the building's architectural features and present that to OKSHPO for review via the Advisory Council on Historic Preservation (ACHP). By that time the pandemic was starting to be recognized and by the end of March we experienced various federal, state, and local lockdowns and travel restrictions on agencies and private business.

In June, knowing the September 30, 2020 deadline was rapidly approaching, the Assistant Secretary of Urban Development for Public Housing, Sue Wilson, took on the project inside HUD to guide staff to a successful completion. HUD stepped up their participation at that time and brought in Grace McKenzie from the Fort Worth HUD Office to assist in working on the Section 106 Compliance. BRTA approved a contract to reimburse the costs of a Historic Preservation Consultant to conduct a review of the building's historic features to determine what was left of the original building. Weekly conference calls ensued.

It was not until mid-June that travel restrictions had been lifted for private firms to feel comfortable enough traveling. Rosin Preservation from Kansas City, MO made a site visit to determine the historic features in the building and by June 25, 2020 issued a report. By late July, Grace McKenzie issued a letter and documentation to the ACHP who in turn approved the continuation of the Section 106 Historic Preservation Review by OKSHPO and by late August OKSHPO approved the Section 106 Historic Preservation Review. However, the approvals had to also be provided by the seven Tribal Historic Preservation Offices in this area and the Oklahoma Archeology Society no later than September 10, 2020. There was one requirement that OKSHPO put on the project. The project must replace all the current windows with clear glass and an applied horizontal muntin on the interior and exterior glass. Johnstone OK Partners LLC has agreed to the condition.

Following the September 10, 2020 deadline, the Part 50 Environmental Review will be officially completed and the grant will be signed off by all HUD Officials. On September 11, 2020, the Development Proposal Approval Letter will be issued containing the full Hotel Phillips Construction Budget and Permanent Budget as well as the Hope VI Main Street Budget which shows how HUD funds will be spent.

HUD expects the drawdown process of the funds to begin immediately upon execution of the amendment. While the Grant has a September 30, 2020 deadline, this is a deadline that represents the closure of the federal budget in which all funds must be spent and reconciled. The deadline for HUD to expend the funds is actually Monday, September 21, 2020, but HUD has requested that we begin the drawdown requests immediately to be sure there are no hiccups in the process that would prevent the transfer of funds. Once the drawdown request has been made, HUD has three days to make the money available and delays are possible. September 11 Request = September 14 Receipt. Depending on the number of draw down requests each day, we have until September 18 to file for the full amount of the grant to be received by September 21, 2020.

The original August 20, 2020 completion date in the Redevelopment Proposal was overlooked by all parties as the project was focused on the approval of the Section 106 Historic Preservation Review and all other HUD approvals of the budgets. It was not discovered until a review of the Redevelopment Agreement was conducted by BRTA when a Budget Resolution was proposed for the Tuesday, September 8, 2020 City Council Agenda.

The developer has performed all necessary actions required by the Redevelopment Agreement and has been very cooperative and highly responsive throughout the entire process. The market rate apartments have been in progress and coming on line to be rented as they are completed. The affordable units will start immediately after the approval letter has been sent to the City of Bartlesville.

The City in turn will have to approve the Budget Resolution in order to draw down the funds based on the Redevelopment Agreement and the Grant Agreement. The Redevelopment Agreement states how those funds are to drawn down and expended.

III. RECOMMENDED ACTION

The Bartlesville Redevelopment Trust Authority recommends approval of the Amended Agreement as presented.

**THE APARTMENTS AT HOTEL PHILLIPS
AMENDED REDEVELOPMENT AGREEMENT**

BETWEEN

THE CITY OF BARTLESVILLE

AND

THE BARTLESVILLE REDEVELOPMENT TRUST AUTHORITY

AND

JOHNSTONE OK PARTNERS LLC

THE APARTMENTS AT HOTEL PHILLIPS
AMENDED REDEVELOPMENT AGREEMENT

This Amended Agreement is made effective as of the _____ day of _____, 20____ (“Effective Date”), by and between the City of Bartlesville, a municipal corporation (“City”), the Bartlesville Redevelopment Trust Authority (“BRTA”), a public trust, and Johnstone OK Partners LLC (“Redeveloper”) (City, BRTA, and Redeveloper, collectively, “Parties”).

WITNESSETH:

WHEREAS, the City has adopted the Project Plan Relating to Increment District No. 2, City of Bartlesville, Oklahoma (Capitol Hill Increment District), as amended (“Project Plan”), which is a project plan pursuant to the Oklahoma Local Development Act, 62 O.S. § 850, *et seq.*, in an area located in the City of Bartlesville (“Project Area”); and

WHEREAS, under the terms of the Project Plan, BRTA is designated as the public entity with primary responsibility for carrying out and administering the Project Plan; and

WHEREAS, the objectives of the Project Plan include encouraging private redevelopment of the Project Area, stimulating private investment, and enhancing the City’s tax base; and

WHEREAS, the Redeveloper owns property in a part of the Project Area, which is shown on Exhibit A (“Property”), that it proposes to redevelop by rehabilitating and converting the property into a multifamily housing development, with a portion of the housing units to benefit persons of Low and Moderate-Income (“Project”); and

WHEREAS, the City has applied for and received HOPE VI Main Street Grant funding (“Grant”) from the United States Department of Housing and Urban Development (“HUD”) that it will provide the Redeveloper, pursuant to the terms of this Amended Agreement, to assist the Project provide an affordable housing component; and

WHEREAS, BRTA will assist the City in managing the requirements of the Grant; and

WHEREAS, the City and BRTA deems it appropriate and desirable to approve and enter into this Amended Agreement to provide for the implementation of the Project and has determined such Amended Agreement is vital and in the best interest of the City, as well as the health, safety, and welfare of its residents.

NOW, THEREFORE, in consideration of the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE I. NATURE OF THE AMENDED AGREEMENT.

Section 1.01. Scope of the Project.

The Project consists of the Redeveloper’s rehabilitation and redevelopment of the Property, which is located at 821 South Johnstone Avenue. The City and BRTA, in accordance with this Amended Agreement, will provide certain assistance in development financing to the Redeveloper to promote the redevelopment and rehabilitation of the Property, into a multifamily residential building hosting at least one hundred (100) apartment residences, with a portion of those residences to be rented to Low and Moderate-income persons for the first term of the lease. The Project supports the Project Plan and is intended to:

(a) Provide Housing in the Project Area

The Project shall include at least one hundred (100) new housing units in the Project Area, including at least nine (9) units that will be designated as “affordable” during their initial lease term (“Main Street Units”).

(b) Create Private Investment

The Project shall be constructed in a single phase and, upon completion, shall have a minimum hard and soft construction and development cost, including fixtures, furniture and equipment of at least four million, six hundred ninety-one thousand, five hundred forty-two dollars (\$4,691,542).

(c) Stimulate Additional Activity

The parties are hopeful that the addition of new residents to the Project Area resulting from the Project will stimulate additional redevelopment activity.

Section 1.02. Relationship of the Parties.

The undertaking of the Project is a complex process, which will require the mutual agreement of the Parties and their timely actions on matters appropriate or necessary to implementation of the Project. The Parties shall use their best efforts in good faith to perform and to assist others in performing their respective obligations under this Amended Agreement.

ARTICLE II. OBLIGATIONS OF THE CITY

Section 2.01. Assistance in Development Financing—Generally.

The City shall provide the Redeveloper with Assistance in Development Financing in an amount not to exceed \$500,000 (“City Assistance”). The City Assistance shall be sourced solely from the proceeds of the Grant. The City Assistance shall pay the Redeveloper up to \$500,000 for incurred expenses that are eligible under a FY 2014 Hope VI Main Street Grant Agreement that was entered into between the City and HUD and is in the process of being amended (“Grant Agreement”), but only to the extent such expenses are incurred in connection with the provision of the Main Street Units (“Eligible Expenses”). The City Assistance is subject to all terms and

conditions of this Agreement and the Grant Agreement, as amended. An executed copy of the Grant Agreement, as amended, will be attached to this Agreement as Exhibit C, and is incorporated by reference into this Agreement. In the event that the amendments to the Grant Agreement are finalized after the execution of this Agreement, the terms of the amended Grant Agreement shall be inserted in place of the unamended Grant Agreement and incorporated by all references to “Grant Agreement” in this Agreement.

Section 2.02. Assistance in Development Financing—Payment Schedule.

Upon presentation of all proposed Eligible Expenses, and only after the City, BRTA, and HUD have approved and verified such Eligible Expenses, the City shall provide one hundred percent (100%) of the City Assistance to the Redeveloper within three (3) days of the date the City is able to drawdown funds under the terms of the Grant Agreement.

Section 2.03. Compliance with Grant Agreement.

(a) Generally

The City shall adhere to all requirements, conditions, and obligations that are or will be imposed on the City as Grantee under the Grant Agreement. The City shall use its best efforts to ensure open communications with the Redeveloper concerning, and from time to time to request from the Redeveloper any information needed to fulfill, such requirements, conditions, and obligations, with sufficient time for the Redeveloper to provide the requested information to the City, its agents, or to HUD in the format specified by the City, its agents, or HUD. The requirements, conditions, and obligations that are or will be imposed on the City pursuant to the Grant Agreement include, but are not limited to, the following:

- (i) Submitting Quarterly Reports to HUD;
- (ii) Submitting a Development Proposal to HUD by a specific date that HUD establishes; and
- (iii) Initiating closeout of the Grant within a certain period of time after completion of all Grant-funded activities.

(b) Affordable Housing Tenant Screening

The City shall consider entering into a professional services contract with the Washington County Affordable Housing Coalition, Inc., an Oklahoma not for profit corporation, or another qualified professional services provider to screen potential initial residents of the Main Street Units, as well as providing all additional services listed on the commitment letter attached as Exhibit D, which was included as part of the City’s Grant application, to ensure compliance with the terms and provisions of the Grant Agreement governing initial resident eligibility.

ARTICLE III. OBLIGATIONS OF BRTA

Section 3.01. Verification of Eligible Expenses.

Upon presentation of all proposed Eligible Expenses, BRTA shall provide assistance and support to the City in verifying that all proposed Eligible Expenses are eligible under the terms of the Grant Agreement.

Section 3.02. Compliance with Grant Agreement.

(a) Generally

BRTA shall provide assistance and support to the City in meeting its obligations imposed on it as grantee under the Grant Agreement, as referenced in Section 2.03 of this Amended Agreement. BRTA will lead the review of all submissions by the Redeveloper required under the Grant Agreement and this Amended Agreement, and will perform ongoing Grant management services during the Project's implementation.

(b) Section 106 Historic Preservation Requirements

BRTA shall lead the effort necessary for the Project to undergo historic preservation review and consultation pursuant to Section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. § 470f) and its implementing regulation, 36 CFR part 800, as applicable, in accordance with environmental review requirements under 24 CFR part 50.

ARTICLE IV. OBLIGATIONS OF THE REDEVELOPER

Section 4.01. Project Schedule.

Redeveloper agrees to cause the design and construction of the Project strictly in accordance with the provisions of this Amended Agreement and with approved Construction Documents submitted in accordance with this Article. Funds approved for the Project will pay for the Supplies and Equipment necessary to complete the nine (9) Main Street units for the construction of the Project as approved by HUD in the Development Proposal Approval Letter to be delivered to the City of Bartlesville on or after September 11, 2020.

Section 4.02. Submission of Information Needed for Eligible Expense Verification and Grant Agreement; Section 106 Historic Preservation Review.

The Redeveloper shall use its best efforts to timely submit information to the City, BRTA, or HUD, as requested by the City pursuant to Sections 2.02, 2.03, 3.01, and 3.02 above, in order for the City to fulfill its requirements, conditions, and obligations under the Grant Agreement. The Redeveloper shall allow access to the Project site and will provide any necessary assistance to BRTA in complying with the Section 106 Historic Preservation Requirements outlined in the Grant Agreement and Section 3.02(b) above.

Section 4.03. Main Street Unit Requirements.

The Redeveloper shall include the Main Street Units as part of the Project. The Main Street Units shall be developed, operated, and maintained in accordance with the requirements of the Grant Agreement for the period of time that the initial residents occupy each of the Main Street Units.

(a) Initial Resident Eligibility

Initial residents of the Main Street Units must be a low-income family as defined by Section 3(b)(2) of the United States Housing Act of 1937, as amended. Generally, this means initial residents of the Main Street Units must have an adjusted gross income that does not exceed eighty percent (80%) of the median family income for Washington County, Oklahoma, as adjusted for family size and as published by HUD as “Income Limits.”

(b) Initial Occupancy Period Requirements

During the period of initial occupancy, as defined in the Grant Agreement, initial residents of Main Street Units must be subject to the same rules regarding occupant contribution toward rent and terms of rental, as residents of public housing units that are developed as a part of a HOPE VI or Choice Neighborhoods Revitalization Grant development. Additionally, before any of the Main Street Units are initially rented, the Redeveloper must receive HUD approval of the rent determination methodology and resident grievance policies that will be in place for the Main Street Units.

(c) Tenant Screening and Other Services

The Redeveloper shall assist and cooperate with the Washington County Affordable Housing Coalition, Inc., or another professional services contracted with by the City, pursuant to Section 2.03, paragraph (b), in screening potential initial residents of the Main Street Units and in providing all services described in the commitment letter attached as Exhibit D, to help ensure that the City maintains compliance with the terms and provisions of the Grant Agreement governing initial resident eligibility.

Section 4.04. Submission of Design and Construction Documents.

As of the date of this Amended Agreement, the Redeveloper has already submitted to BRTA for BRTA’s review and approval Design and Construction Documents consisting of a completed HUD Form 50157 Developer Proposal and the HUD Form 52861 Main Street Data Sheet. These documents are attached to this Amended Agreement and incorporated into this Amended Agreement by reference. Revisions to the Design and Construction Documents must be submitted to BRTA for review and approval.

Section 4.05. Submission of Evidence of Financing Capacity.

As of the date of this Amended Agreement, the Redeveloper has submitted evidence, in a form that is commercially reasonable and satisfactory to BRTA, of financing capacity and any commitments necessary for construction of Project. This evidence is attached to this Amended

Agreement and incorporated into this Amended Agreement by reference. Revisions to the Evidence of Financing Capacity must be submitted to BRTA for review and approval if or when the proposed financing arrangement is changed from that described in and approved from previous submissions.

Section 4.06. Cost of Construction.

All costs incurred in connection with the design and construction of the Project pursuant to the Design and Construction Documents shall be borne by the Redeveloper, subject to the provisions of this Amended Agreement.

Section 4.07. Progress Reports.

Subsequent to execution of this Amended Agreement, and until completion of construction of the Main Street units as provided for in Section 4.01, the Redeveloper shall make reports, in such detail and at such times as may reasonably be requested by BRTA, as to the actual progress of the Redeveloper with respect to such construction.

ARTICLE V. CONDITIONS PRECEDENT TO CONSTRUCTION AND PAYMENTS OF ASSISTANCE IN DEVELOPMENT FINANCING

The Redeveloper's obligations to commence construction on the Project and its rights to receive any Assistance in Development Financing shall not be effective until each of the following conditions have been satisfied. If any one or more of such conditions are not satisfied or waived at or before the Commencement Date, then this Amended Agreement shall be of no further force and effect, and the Parties shall have no further obligations or liability under this Amended Agreement.

Section 5.01. Awarding of Grant.

The City shall have been awarded the Grant. *(As of the date of this Amended Agreement, the City has been awarded the Grant.)*

Section 5.02. Design and Construction Documents.

Design and construction documents for the Project consistent with the requirements in Article IV shall have been submitted to and approved by BRTA.

Section 5.03. Grant Agreement Requirements.

Any and all Grant Agreement requirements and HUD approvals for all items that the Grant Agreement requires to be satisfied or secured prior to commencement of construction or drawdown of the Grant funding to be used as the source of the City Assistance shall have been satisfied.

Section 5.04. Legal Proceedings.

No preliminary or permanent injunction or other order, decree, or ruling issued by a governmental entity, a new statute, rule, regulation, or executive order promulgated or enacted by a governmental entity, shall be in effect that restrains, enjoins, prohibits, or otherwise makes illegal

the consummation of the transactions contemplated by this Amended Agreement; no proceedings by a governmental entity shall be commenced or threatened against the City, BRTA, or the Redeveloper (or any of their respective affiliates, associates, directors, or officers) seeking to prevent or challenge the transactions contemplated by this Amended Agreement; and no proceedings before a court of competent jurisdiction shall have been commenced against the City, BRTA, or the Redeveloper (or any of their respective affiliates, associates, directors, or officers) seeking to prevent or challenge the transactions contemplated by this Amended Agreement.

Section 5.05. Evidence of Funds.

Redeveloper shall have provided written evidence, in a form that is commercially reasonable and satisfactory to BRTA, confirming good and sufficient funds are readily available for the complete design, development and construction of the Project.

ARTICLE VI. REPRESENTATIONS AND WARRANTIES OF THE CITY AND BRTA

The City and BRTA represent and warrant to the Redeveloper that the following statements are true as of the date of this Amended Agreement.

Section 6.01. Due Authority; No Conflict.

The City and BRTA have all requisite power and authority to execute and carry out their respective obligations under, and all transactions contemplated by, this Amended Agreement. This Amended Agreement has been, and the documents contemplated by it will be, duly executed and delivered by the City and BRTA, and constitute legal, valid and binding obligations enforceable against the Authority in accordance with its terms. The consummation by the City and BRTA of the transactions contemplated by this Amended Agreement is not in violation of or in conflict with, nor does it constitute a default under, any of the terms of any agreement or instrument to which the City or BRTA is a party, or by which the City or BRTA is bound, or of any provision of any applicable law, ordinance, rule or regulation of any governmental authority, or any provision of any applicable order, judgment, or decree of any court, arbitrator, or governmental authority.

Section 6.02. Survival of Representations and Warranties.

All representations and warranties of the City and BRTA under this Amended Agreement shall survive the execution of this Amended Agreement indefinitely.

Section 6.03. Oklahoma Governmental Tort Claims Act.

The obligations of both the City and BRTA under this Amended Agreement are subject to, and shall not constitute a waiver of, the protection or limits of liability under the Oklahoma Governmental Tort Claims Act, 51 O.S. § 150, *et seq.*

ARTICLE VII. REPRESENTATIONS AND WARRANTIES OF THE REDEVELOPER

Redeveloper represents and warrants to the City and to BRTA that the following representations and warranties are true as of the date of this Amended Agreement.

Section 7.01. Due Organization.

Redeveloper represents that it is a limited liability company duly organized and existing, in good standing, under the laws of the State of Oklahoma. Redeveloper is authorized to conduct business in the State of Oklahoma, is in good standing under the laws of Oklahoma, and is not in violation of any provisions of its articles of organization, operating agreement, or any other agreement governing the Redeveloper, or any law of the State of Oklahoma affecting Redeveloper's ability to perform under this Amended Agreement.

Section 7.02. Due Authority; No Conflict.

Redeveloper has all requisite power and authority to execute, deliver, and carry out its obligations under, and all transactions contemplated by, this Amended Agreement. This Amended Agreement has been, and the documents contemplated within it will be, duly executed and delivered by Redeveloper, and constitute legal, valid and binding obligations enforceable against Redeveloper in accordance with their terms. The consummation by Redeveloper of the transactions contemplated by this Amended Agreement is not in violation of or in conflict with, nor does it constitute a default under, any terms or provisions of organizational documents of Redeveloper, or any of the terms of any agreements or instruments to which Redeveloper is a party, or by which Redeveloper is bound, or of any provision of any applicable law, ordinance, rule or regulation of any governmental authority or any provision of any applicable order, judgment or decree of any court, arbitrator or governmental authority.

Section 7.03. Consents.

No consent, approval, order or authorization of, or declarations or filing of any governmental authority is required on the part of Redeveloper in connection with the execution and delivery of this Amended Agreement or for the performance of the transactions under this Amended Agreement contemplated by the Parties.

Section 7.04. Litigation.

To the best knowledge of the Redeveloper, there is no pending or threatened judicial, municipal or administrative proceedings, consent decree or judgments that might affect the Redeveloper's ability to consummate the transaction contemplated by this Amended Agreement.

Section 7.05. Survival of Redeveloper's Representations and Warranties.

The representations and warranties of Redeveloper under this Amended Agreement shall survive the execution of this Amended Agreement indefinitely.

Section 7.06. Compliance with Laws and Agreements.

Redeveloper will comply with all laws, ordinances, and regulations of, and agreements with or obligations to, any federal, state, municipal, or other governmental body as may apply to the performance of Redeveloper's obligations under this Amended Agreement.

ARTICLE VIII. TERMINATION

Section 8.01. Automatic Termination of Amended Agreement.

This Amended Agreement shall terminate and be of no further force and effect if the Project is not completed within the Project Schedule deadlines described in Section 4.01 and the submission of eligible expense information is not submitted with sufficient time for the City to be able to drawdown Grant funds under the provisions of the Grant Agreement prior to the Grant's September 30, 2020 expiration date. Upon such termination, both Parties will thereafter be discharged from further performance and all liability under this Amended Agreement.

Section 8.02. Termination by Agreement.

This Amended Agreement may be terminated by the written agreement of the Parties.

Section 8.03. Termination by the City or BRTA.

In addition to the automatic termination provisions described in Section 8.01 and the ability to terminate by mutual agreement described in Section 8.02, this Amended Agreement may be terminated by the City or BRTA: (a) if the Redeveloper materially defaults or breaches any of the terms of conditions of this Amended Agreement, and such default or breach is not cured within thirty (30) days after notice of such default or breach from the City or BRTA to the Redeveloper; (b) if Redeveloper fails to pay any real or personal property taxes on the Project, provided the Redeveloper shall have the right to timely and properly protest and contest any such taxes believed in good faith to be in error; or (c) if an Event of Bankruptcy or Insolvency occurs by the Redeveloper.

As stated in this Section, an "Event of Bankruptcy or Insolvency" means (i) the dissolution or termination of the Redeveloper's existence as a business entity, (ii) insolvency, (iii) the appointment of a receiver for any part of the Redeveloper's property where such appointment is not terminated within ninety (90) days after such appointment is initially made, (iv) the general assignment for the benefit of creditors of the Redeveloper, or (v) the commencement of any proceedings under any bankruptcy or insolvency laws by or against the Redeveloper where such proceeding is not dismissed within ninety (90) days after the filing of such proceeding.

Section 8.04. Termination by the Redeveloper.

Unless otherwise terminated under other Sections of this Article, this Amended Agreement may be terminated by the Redeveloper if the City or BRTA materially defaults or breaches any of the terms or conditions of this Amended Agreement, and such default or breach is not cured within sixty (60) days after notice of such default or breach from the Redeveloper to the City and BRTA.

ARTICLE IX. GENERAL PROVISIONS

Section 9.01. Assignment; Successors and Assigns.

This Amended Agreement may not be assigned by Redeveloper without the express written consent of the City and BRTA except to a real property holding company affiliate of Redeveloper

or to an affiliated entity owned by the same individuals or entities as own the Redeveloper. The terms and conditions of this Amended Agreement are binding upon the successors and assigns to the Parties.

Section 9.02. Applicable Law, Severability, and Entire Agreement.

This Amended Agreement shall be governed by and construed in accordance with the laws of the State of Oklahoma. If any provisions of this Amended Agreement or the application of such provisions to any persons or circumstances shall, to any extent, be invalid or unenforceable, then the remainder of this Amended Agreement, or the application of such provision, or portion of this Amended Agreement, and each provision of this Amended Agreement, shall be valid and enforceable to the fullest extent permitted by law. This Amended Agreement and the attached Exhibits set forth the entire understanding among the City, BRTA, and the Redeveloper.

Section 9.03. Third Parties.

Except as expressly provided otherwise in this Amended Agreement, the provisions of this Amended Agreement are for the exclusive benefit of the Parties and not for the benefit of any other persons, as third-party beneficiaries or otherwise, and this Amended Agreement shall not be deemed to have conferred any rights express or implied, upon any other person.

Section 9.04. No Partnership or Joint Venture Created.

This Amended Agreement specifically does not create any partnership or joint venture between the Parties or render any party liable for any of the debts or obligations of any other party.

Section 9.05. Time is of the Essence.

The Parties understand and agree that time is of the essence with regard to all the terms and provisions of this Amended Agreement.

Section 9.06. Notices and Demands.

Any notice, demand, or other communication under this Amended Agreement shall be sufficiently given or delivered when it is deposited in the United States mail, registered or certified mail, postage prepaid, return receipt requested, or delivered personally to:

(a) In the case of the Redeveloper:

Johnstone OK Partners LLC
Attn: Travis Reese
61 N Trail Canyon Drive
Glade Park, CO 81523

(b) In the case of the City:

City of Bartlesville
Attn: Mike Bailey, City Manager

401 South Johnstone Avenue, 2nd Floor
Bartlesville, Oklahoma, 74003

(c) In the case of BRTA:

Bartlesville Redevelopment Trust Authority
Attn: Chris Wilson, Director
401 South Dewey Avenue, Suite 812
Bartlesville, Oklahoma 74003

or to such other address as the Parties may from time to time designate in writing. Any communication under this Amended Agreement given by a party under this Section shall be given to each other party to this Amended Agreement.

Section 9.07. Modifications.

This Amended Agreement cannot be changed orally, and no executory agreement shall be effective to waive, change, modify or discharge it in whole or in part unless such executory agreement is in writing and is signed by the party or parties against whom enforcement of any waiver, change, modification or discharge is sought.

Section 9.08. Further Assurances.

Each party agrees that it will, without further consideration, execute and deliver such other documents and take such other action as may be reasonably requested by any of the Parties to consummate more effectively the purposes or subject matter of this Amended Agreement.

Section 9.09. Attorneys' Fees.

In the event of any controversy, claim or dispute between the Parties affecting or relating to the subject matter or performance of this Amended Agreement, the parties agree that neither, as the prevailing party or otherwise, shall be entitled to recover any of its attorneys' fees, costs, or other expenses incurred in the prosecution of the proceeding. To that end, the Parties expressly waive every statutory or other basis for the recovery of attorneys' fees, costs, or other expenses in any proceeding.

Section 9.10. Construction of this Amended Agreement.

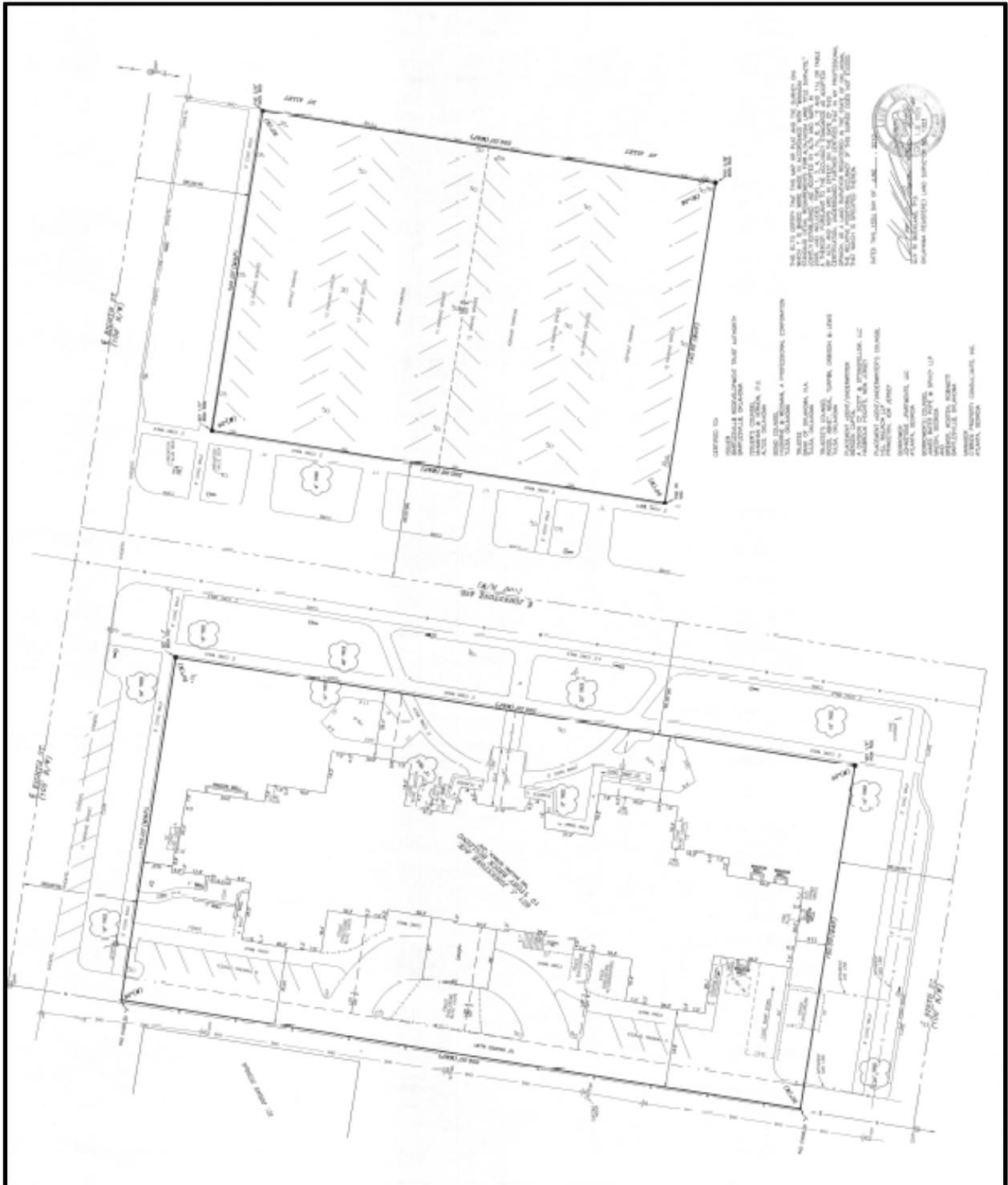
The Parties acknowledge that the Parties and their counsel have reviewed and revised this Amended Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Amended Agreement or any exhibits or amendments.

IN WITNESS WHEREOF, the City has caused this Amended Agreement to be duly executed in its name and on its behalf by its Mayor, BRTA has caused this Amended Agreement

to be duly executed in its name and behalf by its Chairman, and the Redeveloper has caused the Amended Agreement to be duly executed in its name and behalf by its Manager.

(signature pages follow)

EXHIBIT A: PROPERTY ILLUSTRATION



Phillips Apartments at Johnstone
Amended Redevelopment Agreement

EXHIBIT B: PROPERTY LEGAL DESCRIPTION

Lots One (1), Two (2), Three (3), and Four (4) (the “Lots”) in Block 69, and the Easterly half (E/2) of the vacated 20-foot alley adjoining the Lots on the west, of the Original Town Addition to the City of Bartlesville, Washington County, Oklahoma according to the recorded plat thereof;

and

Lots Five (5) and Six (6) in Block 68 of the Original Town Addition to the City of Bartlesville, Washington County, Oklahoma according to the recorded plat thereof.

EXHIBIT C: GRANT AGREEMENT

[Insert Grant Agreement]

EXHIBIT D: WCAHC COMMITMENT LETTER



Washington County Affordable Housing Coalition

March 31st, 2015

RE: HOPE VI Main Street Grant

NAME OF PROVIDING RESOURCE: Washington County Affordable Housing Coalition, Inc.

NAME OF CONTACT: Eric C. Jaekel, President
918-214-4310
wcahcpres@gmail.com

This letter of commitment is written in support of the City of Bartlesville's HOPE VI Main Street grant application. The Washington County Affordable Housing Coalition, Inc. is pleased to be a partner in this important endeavor to provide affordable housing to low income individuals residing in Bartlesville, Oklahoma. Our organization is passionate about helping low income individuals find safe, healthy housing and connect them with supportive community resources. The Washington County Affordable Housing Coalition, Inc. agrees to provide the following in-kind services:

<u>Service Provided:</u>	<u>In-Kind Cost:</u>
Screening of applicants (36 applicants x \$20 per staff hour x 36 hours) =	\$720.00
Comprehensive needs assessment with applicant (16 residents x \$20 per staff hour x 32 hours Based on a two hour assessment) =	\$640.00
Development of an individual/family service plan (16 residents x \$20 per staff hour x 16 hours) =	\$320.00
Connection to supportive community resources/ Case Management (16 residents' x \$20 per staff hour x 40 hours) =	\$800.00
Facilitation of life skills/education workshop series (6 Workshop Modules) x 12 hours @ \$20 per hour	\$240.00
Printing of life skills/education materials (20 education notebooks) \$300.00	
Consultation for housing development & management (20 hours x \$50 per staff hour)	\$1,000.00
TOTAL IN-KIND DONATION:	\$4,020.00

Washington County Affordable Housing Coalition
822 S. Johnstone Ave
Bartlesville, OK 74003

Eric Jaekel
918-214-4310
wcahcpres@gmail.com

*Original
Chris Wilcox*

**APARTMENTS AT HOTEL PHILLIPS
REDEVELOPMENT AGREEMENT**

BETWEEN

THE CITY OF BARTLESVILLE

AND

THE BARTLESVILLE REDEVELOPMENT TRUST AUTHORITY

AND

JOHNSTONE OK PARTNERS LLC

APARTMENTS AT HOTEL PHILLIPS REDEVELOPMENT AGREEMENT

This Agreement is made effective as of the 22 day of October, 2019 (“Effective Date”), by and between the City of Bartlesville, a municipal corporation (“City”), the Bartlesville Redevelopment Trust Authority (“BRTA”), a public trust, and Johnstone OK Partners LLC (“Redeveloper”) (City, BRTA, and Redeveloper, collectively, “Parties”).

WITNESSETH:

WHEREAS, the City has adopted the Project Plan Relating to Increment District No. 2, City of Bartlesville, Oklahoma (Capitol Hill Increment District), as amended (“Project Plan”), which is a project plan pursuant to the Oklahoma Local Development Act, 62 O.S. § 850, *et seq.*, in an area located in the City of Bartlesville (“Project Area”); and

WHEREAS, under the terms of the Project Plan, BRTA is designated as the public entity with primary responsibility for carrying out and administering the Project Plan; and

WHEREAS, the objectives of the Project Plan include encouraging private redevelopment of the Project Area, stimulating private investment, and enhancing the City’s tax base; and

WHEREAS, the Redeveloper owns property in a part of the Project Area, which is shown on Exhibit A (“Property”), that it proposes to redevelop by rehabilitating and converting the property into a multifamily housing development, with a portion of the housing units to benefit persons of Low and Moderate-Income (“Project”); and

WHEREAS, the City has applied for and received HOPE VI Main Street Grant funding (“Grant”) from the United States Department of Housing and Urban Development (“HUD”) that it will provide the Redeveloper, pursuant to the terms of this Agreement, to assist the Project provide an affordable housing component; and

WHEREAS, BRTA will assist the City in managing the requirements of the Grant; and

WHEREAS, the City and BRTA both deem it appropriate and desirable to approve and enter into this Agreement to provide for the implementation of the Project and has determined such Agreement is vital and in the best interest of the City, as well as the health, safety, and welfare of its residents.

NOW, THEREFORE, in consideration of the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE I. NATURE OF THE AGREEMENT.

Section 1.01. Scope of the Project.

The Project consists of the Redeveloper’s rehabilitation and redevelopment of the Property, which is located at 821 South Johnstone Avenue. The City and BRTA, in accordance with this Agreement, will provide certain assistance in development financing to the Redeveloper to promote the redevelopment and rehabilitation of the Property, into a multifamily residential

building hosting at least one hundred (100) apartment residences, with a portion of those residences to be rented to Low and Moderate-income persons for the first term of the lease. The Project supports the Project Plan and is intended to:

(a) Provide Housing in the Project Area

The Project shall include at least one hundred (100) new housing units in the Project Area, including at least nine (9) units that will be designated as “affordable” during their initial lease term (“Main Street Units”).

(b) Create Private Investment

The Project shall be constructed in a single phase and, upon completion, shall have a minimum hard and soft construction and development cost, including fixtures, furniture and equipment of at least four million, six hundred ninety-one thousand, five hundred forty-two dollars (\$4,691,542).

(c) Stimulate Additional Activity

The parties are hopeful that the addition of new residents to the Project Area resulting from the Project will stimulate additional redevelopment activity.

Section 1.02. Relationship of the Parties.

The undertaking of the Project is a complex process, which will require the mutual agreement of the Parties and their timely actions on matters appropriate or necessary to implementation of the Project. The Parties shall use their best efforts in good faith to perform and to assist others in performing their respective obligations under this Agreement.

ARTICLE II. OBLIGATIONS OF THE CITY

Section 2.01. Assistance in Development Financing—Generally.

The City shall provide the Redeveloper with Assistance in Development Financing in an amount not to exceed \$500,000 (“City Assistance”). The City Assistance shall be sourced solely from the proceeds of the Grant. The City Assistance shall pay the Redeveloper up to \$500,000 for incurred expenses that are eligible under a FY 2014 Hope VI Main Street Grant Agreement that was entered into between the City and HUD and is in the process of being amended (“Grant Agreement”), but only to the extent such expenses are incurred in connection with the provision of the Main Street Units (“Eligible Expenses”). The City Assistance is subject to all terms and conditions of this Agreement and the Grant Agreement, as amended. An executed copy of the Grant Agreement, as amended, will be attached to this Agreement as Exhibit C, and is incorporated by reference into this Agreement. In the event that the amendments to the Grant Agreement are finalized after the execution of this Agreement, the terms of the amended Grant Agreement shall be inserted in place of the unamended Grant Agreement and incorporated by all references to “Grant Agreement” in this Agreement.

Section 2.02. Assistance in Development Financing—Payment Schedule.

Upon presentation of all proposed Eligible Expenses, and only after the City, BRTA, and HUD have approved and verified such Eligible Expenses, the City shall provide one hundred percent (100%) of the City Assistance to the Redeveloper within three (3) days of the date the City is able to drawdown funds under the terms of the Grant Agreement.

Section 2.03. Compliance with Grant Agreement.

(a) Generally

The City shall adhere to all requirements, conditions, and obligations that are or will be imposed on the City as Grantee under the Grant Agreement. The City shall use its best efforts to ensure open communications with the Redeveloper concerning, and from time to time to request from the Redeveloper any information needed to fulfill, such requirements, conditions, and obligations, with sufficient time for the Redeveloper to provide the requested information to the City, its agents, or to HUD in the format specified by the City, its agents, or HUD. The requirements, conditions, and obligations that are or will be imposed on the City pursuant to the Grant Agreement include, but are not limited to, the following:

- (i) Submitting Quarterly Reports to HUD;
- (ii) Submitting a Development Proposal to HUD by a specific date that HUD establishes; and
- (iii) Initiating closeout of the Grant within a certain period of time after completion of all Grant-funded activities.

(b) Affordable Housing Tenant Screening

The City shall consider entering into a professional services contract with the Washington County Affordable Housing Coalition, Inc., an Oklahoma not for profit corporation, or another qualified professional services provider to screen potential initial residents of the Main Street Units, as well as providing all additional services listed on the commitment letter attached as Exhibit D, which was included as part of the City's Grant application, to ensure compliance with the terms and provisions of the Grant Agreement governing initial resident eligibility.

ARTICLE III. OBLIGATIONS OF BRTA

Section 3.01. Verification of Eligible Expenses.

Upon presentation of all proposed Eligible Expenses, BRTA shall provide assistance and support to the City in verifying that all proposed Eligible Expenses are eligible under the terms of the Grant Agreement.

Section 3.02. Compliance with Grant Agreement.

(a) Generally

BRTA shall lead the effort, provide assistance and support to the City in meeting its obligations imposed on it as grantee under the Grant Agreement, as referenced in Section 2.03 of this Agreement. BRTA will lead the review of all submissions by the Redeveloper required under the Grant Agreement and this Agreement, and will perform ongoing Grant management services during the Project's implementation.

(b) Section 106 Historic Preservation Requirements

BRTA shall lead the effort, provide assistance and support to the City necessary for the Project to undergo historic preservation review and consultation pursuant to Section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. § 470f) and its implementing regulation, 36 CFR part 800, as applicable, in accordance with environmental review requirements under 24 CFR part 50.

ARTICLE IV. OBLIGATIONS OF THE REDEVELOPER

Section 4.01. Project Schedule.

Redeveloper agrees to cause the design and construction of the Project strictly in accordance with the provisions of this Agreement and with approved Construction Documents submitted in accordance with this Article. *Construction of the Project will be completed on or before August 31, 2020.* For purposes of this Agreement, "Completion" means the issuance of a certificate of occupancy by the City for the Main Street Units.

Section 4.02. Submission of Information Needed for Eligible Expense Verification and Grant Agreement; Section 106 Historic Preservation Review.

The Redeveloper shall use its best efforts to timely submit information to the City, BRTA, or HUD, as requested by the City pursuant to Sections 2.02, 2.03, 3.01, and 3.02 above, in order for the City to fulfill its requirements, conditions, and obligations under the Grant Agreement. The Redeveloper shall allow access to the Project site and will provide any necessary assistance to BRTA in complying with the Section 106 Historic Preservation Requirements outlined in the Grant Agreement and Section 3.02(b) above.

Section 4.03. Main Street Unit Requirements.

The Redeveloper shall include the Main Street Units as part of the Project. The Main Street Units shall be developed, operated, and maintained in accordance with the requirements of the Grant Agreement for the period of time that the initial residents occupy each of the Main Street Units.

(a) Initial Resident Eligibility

Initial residents of the Main Street Units must be a low-income family as defined by Section 3(b)(2) of the United States Housing Act of 1937, as amended. Generally, this means initial residents of the Main Street Units must have an adjusted gross income that does not exceed eighty percent (80%) of the median family income for Washington County, Oklahoma, as adjusted for family size and as published by HUD as "Income Limits."

(b) Initial Occupancy Period Requirements

During the period of initial occupancy, as defined in the Grant Agreement, initial residents of Main Street Units must be subject to the same rules regarding occupant contribution toward rent and terms of rental, as residents of public housing units that are developed as a part of a HOPE VI or Choice Neighborhoods Revitalization Grant development. Additionally, before any of the Main Street Units are initially rented, the Redeveloper must receive HUD approval of the rent determination methodology and resident grievance policies that will be in place for the Main Street Units.

(c) Tenant Screening and Other Services

The Redeveloper shall assist and cooperate with the Washington County Affordable Housing Coalition, Inc., or another professional services contracted with by the City, pursuant to Section 2.03, paragraph (b), in screening potential initial residents of the Main Street Units and in providing all services described in the commitment letter attached as Exhibit D, to help ensure that the City maintains compliance with the terms and provisions of the Grant Agreement governing initial resident eligibility.

Section 4.04. Submission of Design and Construction Documents.

As of the date of this Agreement, the Redeveloper has already submitted to BRTA for BRTA's review and approval Design and Construction Documents consisting of a completed HUD Form 50157 Developer Proposal and the HUD Form 52861 Main Street Data Sheet. These documents are attached to this Agreement and incorporated into this Agreement by reference. Revisions to the Design and Construction Documents must be submitted to BRTA for review and approval.

Section 4.05. Submission of Evidence of Financing Capacity.

As of the date of this Agreement, the Redeveloper has submitted evidence, in a form that is commercially reasonable and satisfactory to BRTA, of financing capacity and any commitments necessary for construction of Project. This evidence is attached to this Agreement and incorporated into this Agreement by reference. Revisions to the Evidence of Financing Capacity must be submitted to BRTA for review and approval if or when the proposed financing arrangement is changed from that described in and approved from previous submissions.

Section 4.06. Cost of Construction.

All costs incurred in connection with the design and construction of the Project pursuant to the Design and Construction Documents shall be borne by the Redeveloper, subject to the provisions of this Agreement.

Section 4.07. Progress Reports.

Subsequent to execution of this Agreement, and until completion of construction of the Main Street units as provided for in Section 4.01, the Redeveloper shall make reports, in such detail and at such times as may reasonably be requested by BRTA, as to the actual progress of the Redeveloper with respect to such construction.

ARTICLE V. CONDITIONS PRECEDENT TO CONSTRUCTION AND PAYMENTS OF ASSISTANCE IN DEVELOPMENT FINANCING

The Redeveloper's obligations to commence construction on the Project and its rights to receive any Assistance in Development Financing shall not be effective until each of the following conditions have been satisfied. If any one or more of such conditions are not satisfied or waived at or before the Commencement Date, then this Agreement shall be of no further force and effect, and the Parties shall have no further obligations or liability under this Agreement.

Section 5.01. Awarding of Grant.

The City shall have been awarded the Grant. *(As of the date of this Agreement, the City has been awarded the Grant.)*

Section 5.02. Design and Construction Documents.

Design and construction documents for the Project consistent with the requirements in Article IV shall have been submitted to and approved by BRTA.

Section 5.03. Grant Agreement Requirements.

Any and all Grant Agreement requirements and HUD approvals for all items that the Grant Agreement requires to be satisfied or secured prior to commencement of construction or drawdown of the Grant funding to be used as the source of the City Assistance shall have been satisfied.

Section 5.04. Legal Proceedings.

No preliminary or permanent injunction or other order, decree, or ruling issued by a governmental entity, a new statute, rule, regulation, or executive order promulgated or enacted by a governmental entity, shall be in effect that restrains, enjoins, prohibits, or otherwise makes illegal the consummation of the transactions contemplated by this Agreement; no proceedings by a governmental entity shall be commenced or threatened against the City, BRTA, or the Redeveloper (or any of their respective affiliates, associates, directors, or officers) seeking to prevent or challenge the transactions contemplated by this Agreement; and no proceedings before a court of competent jurisdiction shall have been commenced against the City, BRTA, or the Redeveloper

(or any of their respective affiliates, associates, directors, or officers) seeking to prevent or challenge the transactions contemplated by this Agreement.

Section 5.05. Evidence of Funds.

Redeveloper shall have provided written evidence, in a form that is commercially reasonable and satisfactory to BRTA, confirming good and sufficient funds are readily available for the complete design, development and construction of the Project.

ARTICLE VI. REPRESENTATIONS AND WARRANTIES OF THE CITY AND BRTA

The City and BRTA represent and warrant to the Redeveloper that the following statements are true as of the date of this Agreement.

Section 6.01. Due Authority; No Conflict.

The City and BRTA have all requisite power and authority to execute and carry out their respective obligations under, and all transactions contemplated by, this Agreement. This Agreement has been, and the documents contemplated by it will be, duly executed and delivered by the City and BRTA, and constitute legal, valid and binding obligations enforceable against the Authority in accordance with its terms. The consummation by the City and BRTA of the transactions contemplated by this Agreement is not in violation of or in conflict with, nor does it constitute a default under, any of the terms of any agreement or instrument to which the City or BRTA is a party, or by which the City or BRTA is bound, or of any provision of any applicable law, ordinance, rule or regulation of any governmental authority, or any provision of any applicable order, judgment, or decree of any court, arbitrator, or governmental authority.

Section 6.02. Survival of Representations and Warranties.

All representations and warranties of the City and BRTA under this Agreement shall survive the execution of this Agreement indefinitely.

Section 6.03. Oklahoma Governmental Tort Claims Act.

The obligations of both the City and BRTA under this Agreement are subject to, and shall not constitute a waiver of, the protection or limits of liability under the Oklahoma Governmental Tort Claims Act, 51 O.S. § 150, *et seq.*

ARTICLE VII. REPRESENTATIONS AND WARRANTIES OF THE REDEVELOPER

Redeveloper represents and warrants to the City and to BRTA that the following representations and warranties are true as of the date of this Agreement.

Section 7.01. Due Organization.

Redeveloper represents that it is a limited liability company duly organized and existing, in good standing, under the laws of the State of Oklahoma. Redeveloper is authorized to conduct

business in the State of Oklahoma, is in good standing under the laws of Oklahoma, and is not in violation of any provisions of its articles of organization, operating agreement, or any other agreement governing the Redeveloper, or any law of the State of Oklahoma affecting Redeveloper's ability to perform under this Agreement.

Section 7.02. Due Authority; No Conflict.

Redeveloper has all requisite power and authority to execute, deliver, and carry out its obligations under, and all transactions contemplated by, this Agreement. This Agreement has been, and the documents contemplated within it will be, duly executed and delivered by Redeveloper, and constitute legal, valid and binding obligations enforceable against Redeveloper in accordance with their terms. The consummation by Redeveloper of the transactions contemplated by this Agreement is not in violation of or in conflict with, nor does it constitute a default under, any terms or provisions of organizational documents of Redeveloper, or any of the terms of any agreements or instruments to which Redeveloper is a party, or by which Redeveloper is bound, or of any provision of any applicable law, ordinance, rule or regulation of any governmental authority or any provision of any applicable order, judgment or decree of any court, arbitrator or governmental authority.

Section 7.03. Consents.

No consent, approval, order or authorization of, or declarations or filing of any governmental authority is required on the part of Redeveloper in connection with the execution and delivery of this Agreement or for the performance of the transactions under this Agreement contemplated by the Parties.

Section 7.04. Litigation.

To the best knowledge of the Redeveloper, there is no pending or threatened judicial, municipal or administrative proceedings, consent decree or judgments that might affect the Redeveloper's ability to consummate the transaction contemplated by this Agreement.

Section 7.05. Survival of Redeveloper's Representations and Warranties.

The representations and warranties of Redeveloper under this Agreement shall survive the execution of this Agreement indefinitely.

Section 7.06. Compliance with Laws and Agreements.

Redeveloper will comply with all laws, ordinances, and regulations of, and agreements with or obligations to, any federal, state, municipal, or other governmental body as may apply to the performance of Redeveloper's obligations under this Agreement.

ARTICLE VIII. TERMINATION

Section 8.01. Automatic Termination of Agreement.

This Agreement shall terminate and be of no further force and effect if the Project is not completed within the Project Schedule deadlines described in Section 4.01 and the submission of eligible expense information is not submitted with sufficient time for the City to be able to drawdown Grant funds under the provisions of the Grant Agreement prior to the Grant's September 30, 2020 expiration date. Upon such termination, both Parties will thereafter be discharged from further performance and all liability under this Agreement.

Section 8.02. Termination by Agreement.

This Agreement may be terminated by the written agreement of the Parties.

Section 8.03. Termination by the City or BRTA.

In addition to the automatic termination provisions described in Section 8.01 and the ability to terminate by mutual agreement described in Section 8.02, this Agreement may be terminated by the City or BRTA: (a) if the Redeveloper materially defaults or breaches any of the terms of conditions of this Agreement, and such default or breach is not cured within thirty (30) days after notice of such default or breach from the City or BRTA to the Redeveloper; (b) if Redeveloper fails to pay any real or personal property taxes on the Project, provided the Redeveloper shall have the right to timely and properly protest and contest any such taxes believed in good faith to be in error; or (c) if an Event of Bankruptcy or Insolvency occurs by the Redeveloper.

As stated in this Section, an "Event of Bankruptcy or Insolvency" means (i) the dissolution or termination of the Redeveloper's existence as a business entity, (ii) insolvency, (iii) the appointment of a receiver for any part of the Redeveloper's property where such appointment is not terminated within ninety (90) days after such appointment is initially made, (iv) the general assignment for the benefit of creditors of the Redeveloper, or (v) the commencement of any proceedings under any bankruptcy or insolvency laws by or against the Redeveloper where such proceeding is not dismissed within ninety (90) days after the filing of such proceeding.

Section 8.04. Termination by the Redeveloper.

Unless otherwise terminated under other Sections of this Article, this Agreement may be terminated by the Redeveloper if the City or BRTA materially defaults or breaches any of the terms or conditions of this Agreement, and such default or breach is not cured within sixty (60) days after notice of such default or breach from the Redeveloper to the City and BRTA.

ARTICLE IX. GENERAL PROVISIONS

Section 9.01. Assignment; Successors and Assigns.

This Agreement may not be assigned by Redeveloper without the express written consent of the City and BRTA except to a real property holding company affiliate of Redeveloper or to an

affiliated entity owned by the same individuals or entities as own the Redeveloper. The terms and conditions of this Agreement are binding upon the successors and assigns to the Parties.

Section 9.02. Applicable Law, Severability, and Entire Agreement.

This Agreement shall be governed by and construed in accordance with the laws of the State of Oklahoma. If any provisions of this Agreement or the application of such provisions to any persons or circumstances shall, to any extent, be invalid or unenforceable, then the remainder of this Agreement, or the application of such provision, or portion of this Agreement, and each provision of this Agreement, shall be valid and enforceable to the fullest extent permitted by law. This Agreement and the attached Exhibits set forth the entire understanding among the City, BRTA, and the Redeveloper.

Section 9.03. Third Parties.

Except as expressly provided otherwise in this Agreement, the provisions of this Agreement are for the exclusive benefit of the Parties and not for the benefit of any other persons, as third-party beneficiaries or otherwise, and this Agreement shall not be deemed to have conferred any rights express or implied, upon any other person.

Section 9.04. No Partnership or Joint Venture Created.

This Agreement specifically does not create any partnership or joint venture between the Parties or render any party liable for any of the debts or obligations of any other party.

Section 9.05. Time is of the Essence.

The Parties understand and agree that time is of the essence with regard to all the terms and provisions of this Agreement.

Section 9.06. Notices and Demands.

Any notice, demand, or other communication under this Agreement shall be sufficiently given or delivered when it is deposited in the United States mail, registered or certified mail, postage prepaid, return receipt requested, or delivered personally to:

(a) In the case of the Redeveloper:

Johnstone OK Partners LLC
Attn: Travis Reese
61 N Trail Canyon Drive
Glade Park, CO 81523

(b) In the case of the City:

City of Bartlesville
Attn: Mike Bailey, City Manager
401 South Johnstone Avenue, 2nd Floor

Bartlesville, Oklahoma, 74003

(c) In the case of BRTA:

Bartlesville Redevelopment Trust Authority
Attn: Chris Wilson, Director
401 South Dewey Avenue, Suite 812
Bartlesville, Oklahoma 74003

or to such other address as the Parties may from time to time designate in writing. Any communication under this Agreement given by a party under this Section shall be given to each other party to this Agreement.

Section 9.07. Modifications.

This Agreement cannot be changed orally, and no executory agreement shall be effective to waive, change, modify or discharge it in whole or in part unless such executory agreement is in writing and is signed by the party or parties against whom enforcement of any waiver, change, modification or discharge is sought.

Section 9.08. Further Assurances.

Each party agrees that it will, without further consideration, execute and deliver such other documents and take such other action as may be reasonably requested by any of the Parties to consummate more effectively the purposes or subject matter of this Agreement.

Section 9.09. Attorneys' Fees.

In the event of any controversy, claim or dispute between the Parties affecting or relating to the subject matter or performance of this Agreement, the parties agree that neither, as the prevailing party or otherwise, shall be entitled to recover any of its attorneys' fees, costs, or other expenses incurred in the prosecution of the proceeding. To that end, the Parties expressly waive every statutory or other basis for the recovery of attorneys' fees, costs, or other expenses in any proceeding.

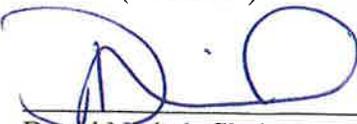
Section 9.10. Construction of this Agreement.

The Parties acknowledge that the Parties and their counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments.

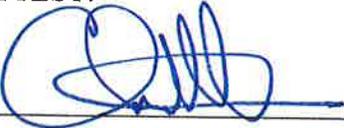
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(signature pages follow)

**BARTLESVILLE REDEVELOPMENT TRUST AUTHORITY,
a public trust ("BRTA")**

By: 
David Nickel, Chairman

ATTEST:


Secretary

ACKNOWLEDGMENT

STATE OF OKLAHOMA,)
) ss.
COUNTY OF WASHINGTON.)

Before me, the undersigned, a Notary Public in and for said County and State, on this 22 day of OCTOBER, 2019 personally appeared David Nickel, to me known to be the identical person who executed the foregoing instrument as the Chairman of the Bartlesville Redevelopment Trust Authority, and acknowledged to me that he executed the same as his free and voluntary act on behalf of the Bartlesville Redevelopment Trust Authority, for the uses and purposes therein set forth.

Witness my hand and official seal the day and year above written.




Notary Public

My Commission Expires: March 3, 2020

My Commission Number: 16002433

EXHIBIT A: PROPERTY ILLUSTRATION

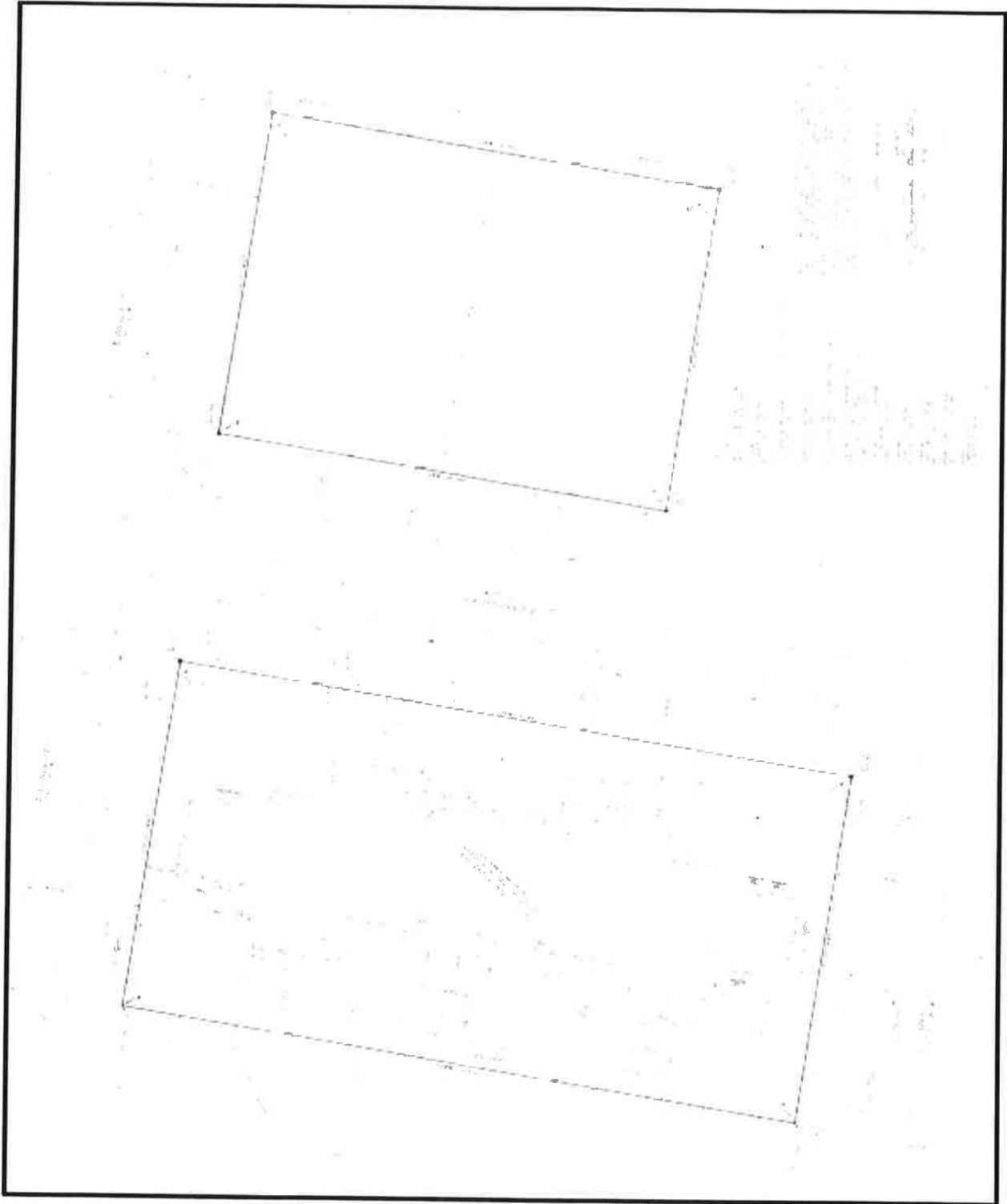




EXHIBIT B: PROPERTY LEGAL DESCRIPTION

Lots One (1), Two (2), Three (3), and Four (4) (the "Lots") in Block 69, and the Easterly half (E/2) of the vacated 20-foot alley adjoining the Lots on the west, of the Original Town Addition to the City of Bartlesville, Washington County, Oklahoma according to the recorded plat thereof;

and

Lots Five (5) and Six (6) in Block 68 of the Original Town Addition to the City of Bartlesville, Washington County, Oklahoma according to the recorded plat thereof.

EXHIBIT C: GRANT AGREEMENT

FY 2014 HOPE VI MAIN STREET GRANT AGREEMENT

This grant agreement ("Grant Agreement") is made by and between the United States Department of Housing and Urban Development ("HUD") and the jurisdiction ("Grantee") identified on the funds obligation document (Form HUD 1044). The Grantee received a HOPE VI Main Street Grant from fiscal year 2014 funds for the activities described in the Notice of Funding Availability application and the Main Street Housing Plan, as defined in Article II. The fully executed form HUD-1044 for this assistance and the exhibits are incorporated into, and subject to the terms of, this Grant Agreement.

The assistance that is the subject of this Grant Agreement is authorized by, and required to be used in accordance with, Section 24 of the U.S. Housing Act of 1937 ("Section 24"). Funding for Section 24 is appropriated by the Consolidated Appropriations Act, 2014, (Public Law 113-76, approved January 17, 2014). In accordance with 31 U.S.C. § 1552, all FY 2014 Section 24 funds must be expended by September 30, 2020. Any funds that are not expended by that date will be cancelled and recaptured by the Treasury, and thereafter will not be available for obligation or expenditure for any purpose. See Article I.(N) for further information.

HUD agrees, subject to the terms of this Grant Agreement, to provide grant funds to the Grantee, in the total amount listed on the form HUD-1044, attached hereto, for the above referenced activities.

HUD and the Grantee hereby agree to be bound by the following terms and conditions of this Grant Agreement:

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FY 2014 HOPE VI MAIN STREET GRANT AGREEMENT

ARTICLE I HOPE VI Requirements

The Grantee agrees to conduct all activities to be assisted with funds provided under this Grant Agreement in accordance with the following requirements, as such requirements now exist or as they may hereafter be amended (hereafter collectively referred to as the "HOPE VI Main Street Requirements"):

- (A) Section 24(n) of the U.S. Housing Act of 1937 (42 U.S.C. 1437 v), as amended by Section 535 of the Quality Housing and Work Responsibility Act of 1998 (Pub. L. 105-276, 112 Stat. 2461 approved October 21, 1998) , including the HOPE VI Authorization, and all implementing regulations ("Section 24");
- (B) The HOPE VI Program Reauthorization and Small Community Mainstreet Rejuvenation and Housing Act of 2003 (Pub. L. 108-186, 117 Stat.2685, approved December 16, 2003), and all implementing regulations;
- (C) Consolidated Appropriations Act, 2014, (Public Law 113-76, approved January 17, 2014);
- (D) HOPE VI Main Street Grants Notice of Funding Availability published on <http://www.grants.gov> on July 4, 2014 (the "Main Street NOFA");
- (E) Notice of HUD's Fiscal Year (FY) 2014 Notice of Funding Availability (NOFA) Policy Requirements and General Section to HUD's FY2014 NOFAs for Discretionary Programs; dated February 19, 2014 including Fair Housing Requirements stated therein, and its amendments.
- (F) Any other statutes, regulations, handbooks, notices, or policies applicable to the activities being conducted with funds provided under this Grant Agreement;
- (G) Any executive orders applicable to the activities being conducted with funds provided under this Grant Agreement;
- (H) The terms and requirements of this Grant Agreement, and any amendments or addenda thereto;
- (I) Section 319 of Public Law 101-121, which prohibits recipients of Federal contracts, grants, and loans from using appropriated funds for lobbying the Executive or Legislative Branches of the Federal Government, implemented for HUD at 24 CFR part 87, as the same may be amended from time to time. The Grantee will disclose promptly any commitment or expenditure of non-appropriated funds for lobbying activities if those activities would be prohibited if paid with appropriated funds; and,
- (J) 31 U.S.C. § 1552. In accordance with this statute, all FY 2014 Choice Neighborhoods funds must be expended by September 30, 2020. Any funds that are not expended by that date will be cancelled and recaptured by the Treasury, and thereafter will not be available for obligation or

expenditure for any purpose. Specific funding accounts from each Fiscal Year are stated on form HUD-718, which is attached hereto and is incorporated as part of this Grant Agreement.

ARTICLE II HOPE VI Main Street Affordable Housing Project Plan

- (A) General. The HOPE VI Main Street Affordable Housing Plan ("Main Street Housing Plan") consists of a series of documents and submissions that are reviewed and approved by HUD to govern the development of affordable housing under this Grant Agreement.
- (B) Components of the Main Street Housing Plan. The Grantee's Main Street Housing Plan includes each of the following components, as approved by HUD:
- (1) The Grantee's HOPE VI Main Street application, submitted in response to the Main Street NOFA (the "Main Street Application"). In the event that the Main Street housing units are part of a larger development that is described in the Main Street Application, the total number of housing units considered to come under this Grant Agreement must have a Total Development Cost Limit (TDC), as described in Article VI(B)(2)(b), that exceeds the grant amount. Additional development units need not be considered Main Street units and need not comply with Main Street Use Restrictions as defined in Article IV(A) of this Grant Agreement;
 - (2) A HOPE VI Budget, as defined in Article V, and requests for funds for predevelopment costs;
 - (3) Submissions that HUD requires the Grantee to submit following grant award, including, but not limited to:
 - (a) any waiver requests;
 - (b) any other information or documentation that is not otherwise required under any other component of the Main Street Housing Plan, but that is requested by HUD to supplement or refine information provided in the Main Street Application and Development Proposal or to meet any terms or conditions of the Grant Agreement.
 - (4) A Development Proposal, as described in Article III(C); and,
 - (5) Any amendment or modification of the foregoing, as approved in writing by HUD.
- (C) Consistency with the Main Street Housing Plan. Any submissions provided to HUD as part of the Main Street Housing Plan under paragraph (B) of this Article, and that are approved in writing by HUD, will be deemed to amend the Main Street Housing Plan.
- (D) Incorporation into Grant Agreement. As each component of the Main Street Housing Plan is approved in writing by HUD, it will be deemed to be incorporated into this Grant Agreement.
- (E) Time Periods for Implementation. The Grantee agrees to implement its Main Street Housing Plan in accordance with an approved schedule ("Program Schedule"), including but not limited to the following time periods:

- (1) The time periods and milestones as stated in the Program Schedule that is included in the Main Street Application and in accordance with Article I(F), above.
 - (2) Components of the Main Street Housing Plan must be submitted in accordance with the Quarterly Progress Report as detailed in Article XVII, as approved by HUD.
 - (3) The Grantee must submit the Development Proposal portion of the Main Street Housing Plan within nine months after the date of Grant Agreement execution. The Development Proposal portion of the Main Street Housing Plan is required regardless of the type of units being built. If construction will be broken into more than one financial phase, each with its own financial closing, the Development Proposal only needs to cover the first phase. For this purpose, "financial closing" means all financial and legal arrangements have been executed and actual activities (construction, etc.) are ready to commence.
 - (4) The Grantee must start construction within 15 months from the date of Grant Agreement execution.
 - (5) The Grantee must complete construction of housing units funded by this Grant Agreement and receive Certificates of Occupancy, or the local equivalent, for these units within 36 months from the date of grant award. "Housing units funded by this Grant Agreement" shall be referred to as "Main Street units." This Grant Agreement does not pertain to housing units funded by sources of funds other than this grant. In the event that funds from this Grant Agreement are pro-rated over a larger development that includes Main Street units, the Main Street units will be identified by implementation of the HOPE VI Main Street Use Restrictions. The number and unit mix of Main Street units shall be determined by HUD approval of the Development Proposal.
 - (6) In accordance with Section 24(i) of the 1937 Act, if the Grantee does not proceed within a reasonable time frame, as described in Sections (E)(1) through (5) above, HUD may withdraw any funds not expended by the Grantee. Depending upon statutory appropriations requirements, said funds will either be cancelled and returned to the Treasury or HUD shall redistribute any withdrawn amounts to one or more other Grantees eligible for HOPE VI assistance or to one or more other entities capable of proceeding expeditiously in the same locality in carrying out the Main Street Housing Plan of the original Grantee. HUD may also pursue actions as described in Article XIX, "Unsatisfactory Performance/Default."
- (F) Time Extensions. All requests for extensions of the time periods for implementation listed in Section II(E) above must be requested by the Grantee in advance of the deadline dates being extended. All requests for extensions must be made in writing, and will be reviewed and approved or disapproved by the Deputy Assistant Secretary for the Office of Public Housing Investments or designee.
- (G) Special Conditions. HUD has the right to establish special conditions with respect to the Grantee's performance of activities under this Grant Agreement, either prior to the execution of this Grant Agreement, or under the circumstances set forth in Article XIX(A).

ARTICLE III Main Street Activities and Requirements

- (A) The Main Street Grant may be expended on the following activities, such activities will constitute the Grantee's project ("Project"):
- (1) New construction, reconfiguration, acquisition and rehabilitation of Main Street-related affordable rental and homeownership housing. Reconfiguration and rehabilitation apply to housing units that do not comply with HUD's decent, safe and sanitary standard, uninhabitable housing units or commercial space. New construction and acquisition of commercial space apply to space that is substantially and reasonably connected to the affordable rental or homeownership housing units and will be used to assist such residents.;
 - (2) Architectural and Engineering activities, surveys, permits, and other planning and implementation costs related to the construction and rehabilitation of Main Street-related affordable housing;
 - (3) Tax credit syndication;
 - (4) Funding of moving expenses for any persons displaced as a result of construction or rehabilitation of the units funded by the Main Street Grant, in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. § 4601 et seq; 49 CFR part 24) (URA).
 - (5) Economic development activities that directly promote the economic self-sufficiency of low-income residents of the Project;
 - (6) Long-term lease or transfer of title for the purposes of obtaining tax credits or implementation of extended use restrictions, provided that the recipient owner entity of the title or lease includes the applicant;
 - (7) Acquisition of a property that will be reconfigured or rehabilitated in accordance with Article III(A)(1), above;;
 - (8) Management improvements necessary for the proper development and management of Main Street-related affordable housing, including, but not limited to:
 - (9) Staff training (including travel) related to affordable housing development and management and public housing property management;
 - (a) staff time and materials or contractor services to revise or develop;
 - (b) procedure manuals;
 - (c) accounting systems, excluding accounting services;
 - (d) lease documents;
 - (e) resident screening procedures; and,

(f) data processing systems.

(10) Costs of Leveraging non-HOPE VI funds and in-kind services; and

(11) Community and Supportive Services.

(B) The Main Street Grant must NOT be expended on the following activities:

- (1) Development, redesign, rehabilitation, or reconfiguration of a public housing project;
- (2) Demolition, sale, or lease of the site, in whole or in part, excluding the transfer of title or acquisition stated in Article III(5) and (6). However, funds from sources other than this grant may be used for these purposes.
- (3) Administrative costs of the applicant;
- (4) Payment of legal fees;
- (5) Replacement housing and rental assistance under section 8 of the 1937 Act; and,
- (6) Transitional security activities.

(C) Development Proposal. For new construction and rehabilitation of Main Street-related affordable rental and homeownership housing, the Grantee must obtain HUD approval of a Main Street Affordable Housing Project Development Proposal ("Development Proposal"), which includes the documents or information below (The HUD HOPE VI Main Street Development Proposal Summary form contains much of the following and should be used):

- (1) A narrative summary including a comprehensive description of:
 - (a) the Project ownership structure, including ownership of the land and improvements;
 - (b) the distribution and type of residential units and non-residential uses of the Project as defined in the Main Street Application. The number, type and size of units that will be developed through this proposal must equal the number, type and size of units stated in form HUD-52861 submitted in the application, unless otherwise approved by HUD in accordance with Article III(F), below; and,
 - (c) the terms and conditions of Project financing including investments or other participation by the local government and private entities.
- (2) Identification of participating parties and the activities of each party in the development process.
 - (a) the Grantee must disclose the relationship of the parties and whether there is any identity of interest between any party(ies), e.g., if an owner entity is acting as its own

general contractor, if a Developer or other managing entity contracts with a subsidiary or otherwise-related general contractor.

- (b) the Grantee must certify that open competition will be used by the grantee to select a development partner and/or equity investor, if applicable.
- (3) HOPE VI Cost Control and Safe Harbor Standards
- (a) the Grantee will comply with HUD guidance and policies regarding cost controls that establish reasonable costs for implementing the development, such as fees for development services, and general contractor services.
 - (b) if the Project contains Low Income Housing Tax Credits, the Department will conduct a subsidy layering review pursuant to regulations at 24 CFR Part 4 and the subsidy layering guidelines published in the Federal Register on February 25, 1994 (59 FR 9332-01).
- (4) A Program Schedule consistent with Article II(E) of this document.
- (5) Financing documentation of all development costs including but not limited to the cost of construction and rehabilitation, acquisition, architectural and engineering activities, surveys, permits, and other planning and implementation, tax credit syndication, relocation, economic development activities, management improvements, leveraged non-Section 24 funds and in-kind services, and community and supportive services. HUD will evaluate whether the sources listed are sufficient to build the Project, whether the sources are construction (temporary) or Permanent, their timing, the terms of loans and grants, and whether the uses appear reasonable. The Grantee must submit the following documentation:
- (a) permanent funding sources and uses (form HUD-52861, available at <http://www.hud.gov/offices/pih/programs/ph/hope6/grants/mainstreet/> may be used);
 - (b) form HUD-52825-A, HOPE VI Budget, as defined in Article V;
 - (c) five-year rental pro forma, assuming Initial Residences of two years; and,
 - (d) Third party project construction cost estimate for identity of interest construction as stated in Article III(2)(a), above.
- (6) Site locations, including a site plan, to inform the Department of the planned site and layout of the units.

- (7) Design plans, consistent with the requirements of Article XIII and XIV, for the proposed activity including the following:
 - (a) building plans including individual residential unit plans and any non-residential uses;
 - (b) for new construction, building sections and elevations as appropriate for new construction to convey the massing, scale and finishes of the completed Project;
 - (c) supporting documentation or outline specification supporting the use of higher energy and water efficiency standards in building construction than the Model Energy Code including the use of Energy Star appliances.
 - (8) Rental/Homeownership Use Restrictions. The ownership entity must develop and submit a written statement of its rent or terms of sale determination methodology and rental resident grievance policies
- (D) Relocation. Funding of moving expenses for any persons displaced as a result of construction or rehabilitation under the Main Street Housing Plan, must be provided in accordance with the URA;
- (1) The Grantee will provide suitable, decent, safe, and sanitary housing for each family required to relocate as a result of grant activities under the Main Street Housing Plan.
 - (2) The Grantee must carry out its relocation activities in compliance with a relocation plan that conforms with the following statutory and regulatory requirements, as applicable (the "Standard Relocation Plan"):
 - (a) relocation or temporary relocation carried out as a result of rehabilitation under an approved Main Street Housing Plan is subject to the URA.
 - (b) relocation carried out as a result of acquisition under an approved Main Street Housing Plan is subject to the URA;
 - (c) relocation carried out as a result of demolition under an approved Main Street Housing Plan is subject to the URA.
- (E) Community and Supportive Services. If said services are included in the Development Plan:
- (1) The Grantee must provide a detailed narrative explanation of the use of funds for economic development activities that promote the economic self-sufficiency of low-income residents of the Project.
 - (2) Provision of Housing Counseling is required for prospective purchasers of homeownership units developed with Grant funds.

(F) Changes to the Main Street Housing Plan

- (1) Changes Requiring Prior HUD Approval. If any of the following portions of the Main Street Housing Plan are to be modified or amended, the Grantee must request and obtain prior HUD approval:
 - (a) the Program Schedule. The Grantee must inform HUD immediately, in writing, of any problems, delays or adverse conditions that will impair materially the Grantee's ability to comply with the Program Schedule, and include a statement of action taken, or proposed to be taken, and any assistance needed to resolve the situation. HUD must approve any proposed changes to the Program Schedule that would modify any date or time period;
 - (b) the total number of Main Street units to be developed or rehabilitated, whether or not there is an associated budgetary revision requiring prior approval;
 - (c) changes in any HOPE VI Budget, as defined in Article V, or phase budget that propose an increase or decrease in any line item, except as permitted by Article VI (Drawdowns);
 - (d) changes in the entities or individuals specified in the Main Street Housing Plan as having key responsibilities for carrying out the Main Street Housing Plan (or any component(s) of the Main Street Housing Plan). Subgranting, subcontracting or otherwise obtaining the services of a third party to perform activities that are central to the purposes of the Main Street Housing Plan will constitute such a change in entities or individuals; and,
 - (e) changes requested by a subgrantee that relate to any of the itemized categories listed in this paragraph (A) and (C) of this Article.
- (2) Changes Requiring Grant Agreement Amendment. For the following types of revisions to the Main Street Housing Plan, the Grantee must request prior approval in writing to HUD. Upon HUD approval, the change will be implemented by the execution of an amendment to this Grant Agreement, and shall consist of a revised form HUD-1044 that defines the changes.
 - (a) decrease in the total dollar amount of the grant; and/or
 - (b) change in the Main Street area for which funds provided under this Grant Agreement are made available.

(G) Waiver Requests.

- (1) Standard for approval. The activities to be conducted under this Grant Agreement are subject to the terms of this Grant Agreement and the Main Street Requirements.

- (2) Waiver request procedure. If the Grantee wants HUD to approve a waiver of a regulatory requirement, it must submit a request with sufficient information and justification to enable HUD to make a determination of good cause for granting any such request to deviate from existing regulations. Until such time as the Grantee requests and HUD, in its discretion, approves any such requests in writing, the Grantee does not have authority to implement the activities described in the Main Street Application to which the request for approval applies (or for which a request for approval is needed).

ARTICLE IV Affordable Housing Units

- (A) Compliance with Main Street Requirements. The Grantee agrees that each affordable housing unit that is developed under the Main Street Housing Plan will be developed, operated, and maintained in accordance with the Main Street Requirements for the period of time that the initial resident occupies each of the affordable housing units.
 - (1) Requirements for families occupying affordable units. The initial occupant of an affordable unit developed with the benefit of Section 24 funds must be a low-income family as defined in Section 3(b)(2) of the 1937 Act, as amended. Generally meaning a family or resident whose adjusted gross income does not exceed 80 percent of median family income for the local area, adjusted for family size. HUD publishes these Income Limits at <http://www.huduser.org/portal/datasets/il.html>.
 - (2) Requirements during the initial occupancy period for rentals:
 - (a) initial residents of affordable rental units must be subject to the same rules regarding occupant contribution toward rent, and terms of rental, as residents of public housing units that are developed as a part of a HOPE VI or Choice Neighborhoods revitalization grant development; and
 - (b) before any unit in the Main Street Affordable Housing Project is initially rented, the ownership entity must develop a written statement, with HUD approval, of its rent determination methodology and resident grievance policies.
 - (3) Requirements for initial homeownership sale. Initial resident purchasers of affordable homeownership units must be subject to the same rules regarding occupant contribution toward purchase, and terms of purchase, as residents of homeownership units in a HOPE VI development. Generally, a family must not pay more than 35 percent of their income toward their mortgages and must contribute a minimum of one percent of the purchase price for their downpayment.
 - (4) Term of use restrictions. Each unit must be maintained as affordable housing only for the occupancy period of the initial resident of each unit or the period of the initial resident's ownership. Main Street Use Restrictions beyond this initial occupancy period may or may not be applied to the unit at the discretion of the Grantee.

- (5) For homeownership units, equity sharing between the resident owner and the Grantee may or may not be applied to the homeownership unit at the discretion of the Grantee.

(B) Public Housing and Market Rate Units

- (1) No ACC. The Grantee acknowledges that all units of the Main Street Affordable Housing Project are currently not subject to an Annual Contributions Contract ("ACC") with HUD, i.e., are not housing units that are subsidized with funds originally appropriated for HUD Section 9 programs ("Public Housing") and will not become such units.
- (2) Public housing or market rate units. The Grantee may not use funds provided under this Grant Agreement to develop public housing or unrestricted market rate units.

ARTICLE V HOPE VI Budget and Funding Requests

- (A) Types of Budgets. The Grantee must ensure that funds provided under this Grant Agreement are expended in accordance with the HOPE VI Main Street Requirements and:
 - (2) HOPE VI Budget. Each Grantee must submit to HUD for approval a HOPE VI Budget as part of the Main Street Housing Plan. The HOPE VI Budget, as used for this Main Street Grant, allocates all funds, for all phases, into Budget Line Items. The HOPE VI Budget will serve as the primary budget and may be subject to revision; and
 - (3) Budget for each financial or construction phase of the Project.
- (C) Budget Form. Each budget submitted in accordance with paragraph (A) of this Article must be submitted on Form HUD-52825-A, Parts I and II ("HOPE VI Budget"). Part I must be signed and dated by the Mayor, City Manager, or other agent of the grantee that has been granted contractual signatory authority by the grantee, and Part II must include separate sub-line items for each financial phase of the project, e.g., pre-development, construction phases.
- (D) Predevelopment Costs.
 - (2) Funding Requests. Subsequent to execution of this Grant Agreement, the Grantee may submit a HOPE VI Budget for the purpose of requesting Main Street Grant funds for pre-development costs. Upon written approval by HUD of the HOPE VI Budget (with any modifications required by HUD), funds may be drawn down for eligible Pre-development Costs (as defined in subparagraph (2) below), subject to the requirement for an environmental review under Article XII, in accordance with the provisions of this Grant Agreement.
 - (3) Eligible Predevelopment Costs. Eligible predevelopment costs ("Predevelopment Costs") may include funds for:
 - (a) Administrative improvement costs related to Grantee training or automation for the implementation of activities on the Main Street Housing Plan;

- (b) fees and costs related to procuring goods and services from third parties in connection with eligible pre-development activities such as architectural and engineering (A&E) fees;
 - (c) acquisition of property
 - (d) relocation;
 - (e) limited community and supportive services costs, including costs dedicated to case management and services consistent with Sections 24(d)(1)(L) and 24(j)(3) of the 1937 Act and the Main Street NOFA. The Grantee may use an amount up to 15 percent of the total HOPE VI funds to pay the costs of community and supportive service programs.
 - (f) site remediation costs, subject to the requirement for an environmental review under Article XII.
- (4) Pre-Grant Agreement Execution Costs. After the execution of this Grant Agreement, the Grantee may include in its HOPE VI Budget, and draw down funds for, costs that were incurred under the Main Street Housing Plan prior to execution of this Grant Agreement, provided that such costs:
- (a) were incurred after the date of HUD's award notification letter, awarding this Main Street Grant to the Grantee; and
 - (b) are directly associated with the activities under the Main Street Housing Plan to be funded with the Main Street Grant.
- (5) Pre-development Funds. Upon review and approval of the HOPE VI Budget, as described in Article V(C)(1), HUD will make the approved predevelopment funds available to the Grantee for drawdown in the Line of Credit Control System (LOCCS). The Grantee will ensure that the funds are expended in conformance with the HOPE VI Budget.
- (E) Program Income. Unless otherwise approved by HUD in accordance with 24 CFR § 85.25, if the Grantee receives program income prior to grant closeout (e.g., from repayment of loans or sale of homeownership units) the program income:
- (2) Must be used for low-income housing purposes, as approved by HUD; and
 - (3) Must be used for eligible activities authorized under this Grant Agreement before the Grantee may draw down additional cash payments from this Main Street Grant.

ARTICLE VI Project Drawdowns

- (A) LOCCS Payment System. Notwithstanding any contrary provisions set forth in 24 CFR § 85.21, the Grantee will request all drawdowns of Main Street Grant funds under the Line of Credit Control System (LOCCS), unless and until another payment system is designated by HUD. The Grantee will comply with all rules, guidelines, and notices established for HOPE VI under

LOCCS, or any substitute system, in connection with any drawdown of the Main Street Grant funds. If HUD designates a different payment system, it will be based upon the provisions of 24CFR §85.21.

(B) Drawdowns.

- (1) Without HUD approval, the Grantee may draw down Main Street Grant funds for a Budget Line Item (BLI) in an amount up to 110 percent of the amount of that BLI that HUD has approved and made available for drawdown.
- (2) With HUD approval, the Grantee may request funds that exceed 110 percent of a BLI, provided that any such change does not cause, or result from, a revision to the scope or objectives of the Main Street Housing Plan and that:
 - (a) HUD's total grant obligation will not be increased;
 - (b) the Main Street grant funds contribution to the average per unit hard costs for units to be reconstructed, rehabilitated or acquired will not exceed 100 percent of the Total Development Cost Limits ("TDC Limits") as published by HUD at the time of HUD's Development Proposal approval; and
 - (c) the Grantee will comply with the requirements of Article V(C), relating to the percentage of funding that may be expended for community and supportive service activities.
- (3) Notwithstanding sections (B)(1) and (B)(2) above, the Grantee may not request more than 100 percent of the amount authorized for BLIs 1408 (Management Improvements/Community and Supportive Services) and 1410 (Administration).
- (4) Any request for funds in excess of 5 percent of the entire grant amount in any month must be approved by HUD.

(C) Drawdown Consequences of Default.

- (1) Withholding of Payments. HUD may withhold payments in accordance with 24 CFR § 85.21(g).
- (2) Grantee Representations. Each drawdown request by the Grantee will constitute, and be deemed to be, a representation by the Grantee that the Grantee is not in default under this Grant Agreement (except as the Grantee previously may have disclosed to HUD in writing).

ARTICLE VII Matching Funds

- (A) Overall Match. The Grantee agrees to provide resources, other than Section 24 program funds, in an amount that is not less than 5 percent of the Main Street Grant amount. Matching funds must be directly applicable to the construction, rehabilitation or acquisition of the site.

- (B) Eligible Match Contributions. Matching funds may include amounts from other Federal sources, any State or local government sources, any private contributions, the value of any donated material or building, the value of any lease on a building, the value of the time and services contributed by volunteers, and the value of any other in-kind services or administrative costs provided, except for Grantee staff time.
- (C) Enforcement of Leveraged Resources. The Grantee agrees that it will pursue and enforce any firm commitment (including commitments for services) obtained from any public or private entity for any contribution or firm commitment to the Main Street Housing Plan or surrounding area, as included in its Main Street Application.

ARTICLE VIII Finance and Accounting

- (A) Commingling of Grant Funds. The Grantee agrees that, in its accounts and recordkeeping, it will not commingle funds provided under the Main Street Grant with funds from any other sources including, but not limited to, other HUD program funds or funds from other Federal, State or local government agencies, or private sector contributions. (Such other funds may be used to carry out the Main Street Housing Plan, so long as they are not commingled in the Grantee's accounts and recordkeeping.)
- (B) Duplication of Funding. The Grantee will ensure that funds provided under the Main Street Grant are not used to duplicate work that is funded with any other HUD funds, funds from any other Federal, State or local program, or private sector contributions, or from any other funding source identified under the Main Street Housing Plan, and will establish controls to assure non-duplication of funding.
- (C) Cost Limitations.
 - (1) The Main Street Grant may be used for eligible expenditures, as authorized under this Grant Agreement and the Main Street Requirements.
 - (a) HUD's TDC Limits apply to the expenditure of funds provided under this Grant Agreement for the development of housing units under this Grant Agreement.
 - (b) HUD's Cost Controls and Safe Harbors apply to the expenditure of funds provided under this Grant Agreement for the development of housing units under this Grant Agreement.
 - (2) Funds from this Main Street Grant shall not be used to develop public housing units.
- (D) HUD Reform Act. The Grantee will comply with Section 102 of the Department of Housing and Urban Development Reform Act of 1989, as implemented at 24 CFR part 4, subpart A, which contains provisions regarding documentation of funding decisions to subgrantees, the disclosure of any pecuniary interest of any interested party, and the amount of government assistance made available to the Grantee. A subsidy layering review will be performed to ensure that the Grantee will not provide to the Project more assistance under the Main Street Grant than is necessary to provide affordable housing after taking into account other governmental assistance provided.

ARTICLE IX Recordkeeping

- (A) Recordkeeping Authorities. The Grantee will comply with and be subject to all Federal recordkeeping requirements, including, but not limited to:
- (1) Retention and access requirements for records under 24 CFR § 85.41;
 - (2) Non-Federal audit requirements under 24 CFR § 85.26, including, without limitation, the requirements relating to each subgrantee to which the Grantee provides \$300,000 or more of the Main Street Grant in any fiscal year; and,
 - (3) Requirements of 24 CFR § 85.20 that facilitate an effective audit to determine compliance with program requirements.
- (B) Recordkeeping Requirements. Grantees must retain records in accordance with the requirements of paragraph (A) of this Article, including, but not limited to:
- (1) The amount and disposition of funds received under this Main Street Grant, including sufficient records that document the reasonableness and necessity of each expenditure;
 - (2) The amount and nature of any other assistance, including cash, services, or other items contributed in accordance with the Main Street Housing Plan or as a condition of receiving this Main Street Grant;
 - (3) Any other proceeds received for, or otherwise used in connection with, the Main Street Housing Plan; and,
 - (4) Fair housing and equal opportunity data, including racial and ethnic beneficiary data, information on the affirmative marketing strategy and any other information to demonstrate compliance with the fair housing and equal opportunity requirements of this program as identified in Article XIII.
- (C) Access to Records. For the purpose of audit, examination, monitoring, and evaluation, the Grantee will give HUD (including any duly authorized representatives and the Inspector General) access, and will ensure that any participating party will give HUD such access, to any books, documents, papers, and records of the Grantee, or such participating party, that are pertinent to assistance received under this Main Street Grant or under the Main Street Housing Plan, including all records required to be kept by paragraph (B) of this Article.

ARTICLE X Subgrantees and Contractors

- (A) General Grantee Responsibilities.
- (1) Implementation Team. The Grantee agrees to promptly assemble a competent implementation team, if they have not already, to assist the Grantee in working with the

Grantee's partners and collaborators and coordinating all phases of the development process. HUD reserves the right to require a Grantee to procure program management services from an independent private entity.

- (2) Main Street Requirements. The Grantee shall ensure that any entity to which it makes grant funds available will comply with the Main Street Requirements.
- (3) Administrative Requirements. Administrative requirements applicable to Grantees are:
 - (a) 24 CFR part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments),
 - (b) 2 CFR, Part 225 (OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments).
- (4) Required Certifications.
 - (a) the Grantee must ensure that all subgrantees and contractors execute an original document in the form of Exhibit A or B, as appropriate, to this Grant Agreement at the time the Grantee executes any contract with any subgrantee or contractor to provide goods or services under this Grant Agreement. The Grantee will retain the executed original certification together with the executed contract documents.
 - (b) the Grantee must ensure that the requirements contained in the General Conditions for Construction Form (Form HUD-5370) are included in any solicitation for bids related to a construction contractor that will be made by the Grantee and paid for with assistance under this Grant Agreement. Such conditions must also be included in any construction contract entered into by the Grantee. If a construction contract is solicited by the Grantee's developer, Form HUD-5370 is recommended but not required. The developer may use any General Conditions form that has been approved by the American Institute of Architects.
 - (c) the Grantee must ensure that the requirements contained in the General Conditions for Non-Construction Form (Form HUD-5370-C) are included in any solicitation in connection with non-construction contracts that will be made by the Grantee and paid for with assistance under this Grant Agreement. Such conditions must also be included in any non-construction contract entered into by the Grantee. If a construction contract is solicited by the Grantee's developer, Form HUD-5370-C is recommended but not required. The developer may use any General Conditions form that has been approved by the American Institute of Architects.

(B) Subgrant Agreements

- (1) Community and Supportive Services ("CSS") Providers. The Grantee may enter into subgrant agreements with non-profit entities or state or local governments (as defined in 24 CFR part 85) for the performance of CSS activities under the Main Street Housing Plan.

- (2) Grantee Responsibilities Regarding Subgrantees. The Grantee will be responsible for:
- (a) ensuring that subgrantees are aware of the requirements imposed upon them by Federal statutes, regulations, and this Grant Agreement;
 - (b) ensuring that all subgrant agreements between the Grantee and non-profit subgrantees contain all the provisions required by 24 CFR § 84.48 and Appendix A to Part 84;
 - (c) ensuring that subgrant agreements include any clauses required by Federal statutes and executive orders, and their implementing regulations; and
 - (d) monitoring subgrantees' performance to ensure compliance with the HOPE VI Main Street Requirements.
- (3) State or Local Subgrantee Requirements. State or local government subgrantees are subject to, and required to comply with, the Administrative requirements at 24 CFR part 85 ("Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments") and the cost principles of 2 CFR, Part 225.
- (4) Nonprofit Subgrantee Requirements. Nonprofit subgrantees are subject to, and required to comply with, the provisions and standards set forth in the regulations at 24 CFR part 84 ("Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations" or the "Nonprofit Administrative Requirements") and OMB Circular A-122 ("Cost Principles for Nonprofit Organizations" or the "Nonprofit Cost Principles").

(C) Contractors and Subcontractors

(1) For-Profit Entities and CSS Coordinator

- (a) the Grantee may not enter into a subgrant agreement with a for-profit entity, or an entity that has the responsibility for coordinating the CSS activities to be provided under the Main Street Housing Plan.
 - (b) the Grantee must obtain the services of an entity described in subparagraph (C)(1)(a) of this Article through a competitive procurement under 24 CFR part 85. However, if the Grantee can demonstrate to HUD that the services to be provided by the for-profit entity or by the proposed community and supportive services coordinator can be obtained only from that one source, the Grantee may request HUD approval to select the applicant under a sole-source procurement in accordance with 24 CFR § 85.36(d)(4).
- (2) Consultant services provided under an independent contractor relationship are governed by the procurement requirements in 24 CFR § 85.36 and the principles of cost reasonableness contained in 2 CFR, Part 225.
- (3) Administrative Requirements. Administrative requirements applicable to for-profit organizations are:

- (a) 24 CFR part 84 (Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations), which HUD applies to both for-profit and non-profit entities; and
 - (b) 48 CFR part 31 (contract cost principles and procedures).
- (4) Trigger for the Submission of Contracts. Contract documents must be submitted to HUD for prior approval if otherwise required or requested by HUD under 24 CFR §85.36. Any modification of such contracts is also subject to HUD's approval before execution.
 - (5) Debarred or Suspended Parties. Prior to executing any contract, the Grantee will comply with, and ensure compliance with, 24 CFR § 85.35 and 24 CFR part 24, which prohibit the employment, engagement of services, awarding of contracts, subgrants, or funding of any recipients, or contractors or subcontractors, during any period of debarment, suspension, or placement in ineligibility status.
 - (6) Minority, Women's, and Resident-Controlled Business Enterprises. In accordance with Executive Orders 11246, 11625, 12432, and 12138, the Grantee will adopt the goal of awarding a specified percentage of the dollar value of the total of the Main Street contracts to be awarded as a result of this grant to minority business enterprises and take appropriate affirmative action to assist resident-controlled and women's business enterprises.

ARTICLE XI Community Involvement

(A) General.

- (1) The Main Street program is designed to involve support from the broader community. The Grantee shall consider the advice, counsel, recommendations and input of the broader community in its decision-making. Nevertheless, the Grantee retains the final decision-making authority to assure fiscal responsibility and accountability for funds provided under this Grant Agreement. Where community representatives are included on selection panels, the Grantee must constitute the majority of the panel membership.
 - (2) Members of the community shall be involved in the Main Street program in accordance with the provisions of the Grant Agreement and other resident and community participation guidelines as issued by HUD.
- (B) No Third Party Rights. The Grantee and HUD are the sole parties to this Grant Agreement and do not create any third party beneficiaries to this Grant Agreement.

ARTICLE XII Environmental Review

- (A) Requirement for Review. The Grantee may not undertake any actions that are choice-limiting or could have environmentally adverse effects, including demolition, disposition, development, acquisition, and may not expend HUD or local funds for such activities, until HUD has given approval for the action under 24 CFR part 50. HUD will conduct the environmental review in

accordance with the provisions of 24 CFR part 50. After selection by HUD for review, the Grantee shall provide any documentation to HUD that is needed to perform the environmental review.

- (B) Review. The Grantee must have a Phase I environmental site assessment completed in accordance with the American Society for Testing and Material (ASTM) Standards E 1527-00, as amended, for each affected site. A Phase I assessment is required for the environmental review completed under 24 CFR part 50. The results of the Phase I assessment must be included in the documents that must be provided to HUD for the environmental review. If the Phase I assessment recognizes environmental concerns or if the results are inconclusive, a Phase II environmental site assessment will be required, or the grantee may request HUD approval to change the site.
- (C) Section 106 Historic Preservation Requirements. Grantees may not commit HUD funds until HUD has completed the historic preservation review and consultation process under Section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. § 470f) and its implementing regulation, 36 CFR part 800, as applicable, in accordance with environmental review requirements under 24 CFR part 50. See <http://www.achp.gov/> for details on the Section 106 review process.
- (D) Restrictions on Activities Pending Environmental Review Approval. Where the environmental review is not completed before HUD approval of the Development Proposal, HUD's letter approving the Development Proposal shall instruct the Grantee to refrain from undertaking, or obligating or expending funds on, physical activities or other choice-limiting actions, until HUD has completed the environmental review. The letter approving the Development Proposal also shall advise the Grantee that the Main Street Housing Plan may be modified based on the results of the environmental review.
- (E) Environmental Certifications.
- (1) Flood Hazards. The Grantee certifies neither the Project nor any property identified in the Main Street Housing Plan is located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards. HUD has relied on this certification in executing the Grant Agreement in order to comply with the Flood Disaster Protection Act of 1973 (42 U.S.C. §§ 4001-4128). The Grantee will also ensure that no property that is hereafter identified for housing will be in an area identified by FEMA as having special flood hazards, unless:
- (a) the community in which the housing is situated is participating in the National Flood Insurance Program (see 44 CFR parts 59 through 79), or less than one year has passed since FEMA notification regarding such hazards; and
- (b) flood insurance is obtained as a condition of approval of any demolition or disposition application.
- (2) Coastal Barriers. The Grantee certifies that neither the Project nor any property identified in the Main Street Housing Plan is located in the Coastal Barrier Resources System. HUD has relied upon this certification in executing this Grant Agreement in order to comply with the Coastal Barrier Resources Act (16 U.S.C. § 3601). The Grantee also will ensure that no

property that is hereafter identified for housing will be in the Coastal Barrier Resources System.

- (3) Environmental Justice. The Grantee certifies that its Main Street Application was consistent with Environmental Justice Executive Order 12898 and acknowledges that HUD has relied upon this certification in executing the Grant Agreement. The Grantee will ensure that:
 - (a) the proposed housing under the Main Street Housing Plan will be developed only in environmentally sound and desirable locations that will avoid disproportionately high and adverse environmental effects on minority and low-income communities; and,
 - (b) the proposed activities will not have the effect of:
 - (i) excluding persons (including populations) from participation in the program,
 - (ii) denying persons (including populations) the benefits of the program, or
 - (iii) subjecting persons (including populations) to discrimination because of their race, color, or national origin.
- (4) Lead-Based Paint. The Grantee agrees to assure compliance with lead-based paint testing and abatement requirements for HUD-associated housing, as provided for under the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. § 4821, et seq.). The Grantee also will comply with 24 CFR part 35, 24 CFR § 965.701, and 24 CFR §968.110(k), as they may be amended or revised from time to time. Unless otherwise provided, the Grantee will be responsible for testing and abatement activities.

ARTICLE XIII Fair Housing Certifications

The following Federal Fair Housing requirements are applicable in the implementation of the Main Street Grant. The Grantee will comply with all of the applicable requirements of the following, as the same maybe amended from time to time, and any additional Fair Housing requirements that may become applicable to the Project:

- (A) The Fair Housing Act (42 U.S.C. §§ 3601-19) and regulations pursuant thereto 24 CFR part 100;
- (B) Executive Order 11063 (Equal Opportunity in Housing) and regulations pursuant thereto (24 CFR part 107);
- (C) The fair housing poster regulations (24 CFR part 110) and advertising guidelines (24 CFR part 108);
- (D) Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d) and regulations pursuant thereto (24 CFR part 1) relating to nondiscrimination in housing;
- (E) The prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. §§ 6101-07) and regulations issued pursuant thereto (24 CFR part 146);

- (F) The prohibitions against discrimination on the basis of disability, including requirements that the Grantee make reasonable modifications and accommodations and make units accessible, under Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794) and regulations issued pursuant thereto (24 CFR part 8);
- (G) The Americans with Disabilities Act (42 U.S.C. § 12101 et seq.) and its implementing regulation at 28 CFR part 36; and,
- (H) The Architectural Barriers Act of 1968, as amended (42 U.S.C. § 4151) and regulations issued pursuant thereto (24 CFR part 40).
- (I) The Rehabilitation Act Amendments of 1998 apply to all electronic information technology (EIT) used by a grantee for transmitting, receiving, using, or storing information to carry out the responsibilities of any Federal grant awarded. It includes, but is not limited to, computers (hardware, software, word processing, email and web pages) facsimile machines, copiers and telephones. When developing, procuring, maintaining or using EIT, the Grantee must ensure that the EIT allows:
 - (1) Employees with disabilities to have access to and use information and data that is comparable to the access and use of data by employees who do not have disabilities; and,
 - (2) Members of the public with disabilities seeking information or service from a grantee must have access to and use of information and data and comparable to the access and use of data by members of the public who do not have disabilities. If these standards impose on a grantee, they may provide an alternative means to allow the individual to use the information and data. No grantee will be required to provide information services to a person with disabilities at any location other than the location at which the information services are generally provided.

ARTICLE XIV Building Standards and Design

- (A) Sustainability of Units. Because the units that are the subject of this Grant Agreement are expected to be sustainable over the long term, the Grantee is encouraged to develop physical structures that serve the needs of housing residents over the long term and have the lowest possible life-cycle costs, taking into account future operating and replacement costs as well as original capital investments. Further, as indicated in HUD's FY2010-2015 Strategic Plan (i.e., Goal 3 and Goal 4) and the General Section, sustainability is a policy priority of the Department. Recognizing the fundamental role that HUD's investments play in defining the physical form of communities and quality of life for residents, HUD encourages its grantees to help communities embrace a more sustainable future. To HUD, sustainability means, among other things (as indicated in the General Section), that the land that we build on is clean or will be clean and the buildings we invest in are energy efficient and healthy. HUD encourages activities that actively promote sustainability through energy-efficient, environmentally-friendly, healthy design, including elements of visitability and universal design. HUD encourages among its grantees development that increases resource efficiency, reduces greenhouse gas emissions and promotes healthy living environments for residents.

(B) Construction Standards.

- (1) Building Codes. All activities that include construction, rehabilitation, lead-based paint removal, and related activities must meet or exceed local building codes.
- (2) Deconstruction. HUD encourages the Grantee to design programs that incorporate sustainable construction and demolition practices, such as the dismantling or "deconstruction" of housing units, recycling of demolition debris, and reusing salvage materials in new construction.
- (3) Energy Efficiency.
 - (a) New construction or rehabilitation must comply with the International Energy Conservation Code (IECC) 2009, or in the case of multifamily high rises, ASHRAE Standard 90.1-2004.
 - (b) Where local or State energy related building codes exceed the above standards, new construction and rehabilitation must comply with those local or State standards.
 - (c) The Grantee agrees that it must implement the commitments made in the NOFA Application concerning Energy Efficiency (Policy Priority), Rating Factor V.A.4.f. For green programs that require third-party certification, the Grantee must provide evidence of such certification to HUD after construction of the units. For green programs that require self-certification, the Grantee must provide evidence of the self-certification to HUD before the Grantee begins construction of the units. For energy efficiency measures that do not require a green program certification, i.e., inclusion of energy star appliances only, the Grantee must provide a self-certification to HUD before the Grantee begins construction of the units.
- (4) Universal Design. HUD encourages the Grantee to incorporate the principles of universal design in the construction or rehabilitation of housing, retail establishments, and community facilities, and when communicating with community residents at public meetings or events. Universal Design is the design of products and environments to be usable by all people, to the greatest extent possible, without the need for adaptation or specialized design. The intent of Universal Design is to simplify life for everyone by making products, communications, and the built environment more usable by as many people as possible at little or no extra cost. Universal Design benefits people of all ages and abilities. Examples include installing levers instead of doorknobs, and putting bathtub/shower grab bars in all units. Computers and telephones can also be set up in ways that enable as many residents as possible to use them. The Department has a publication that contains a number of ideas about how the principles of Universal Design can benefit persons with disabilities. To order a copy of Strategies for Providing Accessibility and Visitability for HOPE VI and Mixed Finance Homeownership, go to the publications and resource page of the HOPE VI website at <http://www.huduser.org/publications/pubasst/strategies.html>.

- (5) **Visitability.** HUD encourages the grantee to design as many visitable Main Street housing units as possible. The concept of Visitability does not offer a completely accessible house, but rather the opportunity for a disabled person to be able to egress to and from the home, upstairs, to go out for a meal at a public or private establishment and be able to fully partake in community activities and services, including transportation services. To help reach that goal, HUD encourages Main Street grantees to ensure that as many units as possible have walkways, pathways, entrances and exits and other doorways which permit free egress by persons with disabilities. HUD is also concerned that the interior design of housing units are free from barriers and allows persons with disabilities to be able to have access to kitchens and bathrooms without having to seek assistance. Housing that is accessible, attractive, affordable, and which welcomes disabled and aging Americans is an integral part of the healthy, sustainable communities that HUD is working to create.

ARTICLE XV Labor Standards

- (A) **Other Program Requirements.** If other federal programs are used in connection with the Grantee's Main Street activities, Davis-Bacon requirements apply to the extent required by the other federal programs. If an Grantee provides funds from the Main Street Grant to a public housing agency to construct, rehabilitate, or otherwise assist affordable housing under this NOFA, Davis-Bacon wage rates will apply to laborers and mechanics (other than volunteers under 24 CFR part 70) employed in the development of such units, and HUD-determined wage rates will apply to laborers and mechanics (other than volunteers) employed in the operation of such units.
- (B) **Section 3.** The Grantee will comply with Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. § 1701u) (Employment Opportunities for Lower Income Persons in Connection with Assisted Projects) and its implementing regulation at 24 CFR part 135.
- (C) **Salary Cap.** In accordance with Section 405 of the Consolidated Appropriations Act of 2005, no Main Street Grant funds may be used to pay (or provide reimbursement for payment of) the salary of a consultant (as opposed to a contractor) at more than the daily equivalent of the maximum rate paid to level IV of the Executive Schedule for Federal Employees.

ARTICLE XVI Conflict of Interest

- (A) **Prohibition.** In addition to the conflict of interest requirements in 24 CFR part 85, no person who is an employee, agent, officer, or elected or appointed official of the Grantee and who exercises or has exercised any functions or responsibilities with respect to activities assisted under this Main Street Grant, or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from the activity, or have an interest in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder, either for himself or herself or for those with whom he or she has family or business ties, during his or her tenure or for one year thereafter.
- (B) **HUD-Approved Exception.**

- (1) Standard. HUD may grant an exception to the exclusion in paragraph (A) of this Article on a case-by-case basis when it determines that such an exception will serve to further the purposes of Main Street and its effective and efficient administration.
- (2) Procedure. HUD will consider granting an exception only after the Grantee has provided a disclosure of the nature of the conflict, accompanied by:
 - (a) an assurance that there has been public disclosure of the conflict;
 - (b) a description of how the public disclosure was made; and
 - (c) an opinion of the Grantee's attorney that the interest for which the exception is sought does not violate State or local laws.
- (3) Consideration of Relevant Factors. In determining whether to grant a requested exception under paragraph (B) of this Article, HUD will consider the cumulative effect of the following factors, where applicable:
 - (a) whether the exception would provide a significant cost benefit or an essential degree of expertise to the Main Street Housing Plan that would otherwise not be available;
 - (b) whether an opportunity was provided for open competitive bidding or negotiation;
 - (c) whether the person affected is a member of a group or class intended to be the beneficiaries of the Main Street Housing Plan and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;
 - (d) whether the affected person has withdrawn from his or her functions or responsibilities, or the decision making process, with respect to the specific activity in question;
 - (e) whether the interest or benefit was present before the affected person was in a position as described in paragraph (A) of this Article;
 - (f) whether undue hardship will result either to the Grantee or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and
 - (g) any other relevant considerations.

ARTICLE XVII Reporting Requirements

(A) Quarterly Report.

- (1) The Grantee will submit to HUD a Quarterly Report via the Internet, by the due dates established by HUD. The substance of the Quarterly Report will include, at a minimum:
 - (a) the Grant amount;

- (b) the Grant Agreement execution date;
 - (c) the budget of Grant funds, by Budget Line Item;
 - (d) the amount of Grant funds authorized for expenditure, by Budget Line Item;
 - (e) the amount of Grant funds expended, by Budget Line Item;
 - (f) the Development Proposal submission date;
 - (g) the date that environmental approval is received from HUD;
 - (h) the date of closing of financing of the first construction phase or, if not applicable, the date of HUD approval of the Development Plan;
 - (i) the date of the start of construction of the first housing unit; and,
 - (j) the date of the completion of construction of the last housing unit.
 - (k) the date of first occupancy; and,
 - (l) the date of submission of form HUD-53001-A, "Actual HOPE VI Cost Certificate."
- (2) Failure to submit to HUD a timely Quarterly Report will result in a suspension of funds in LOCCS until such time as the report is received and approved by HUD, and/or any other default remedy authorized by Article XIX.
- (B) Obligations and Expenditures. The Grantee must enter cumulative obligation and expenditure data into LOCCS by the due dates established by HUD, whether or not there has been any change in the cumulative amounts since the end of the last quarter.
- (C) Additional Information Requests. Subject to paragraph (D) of this Article, the Grantee will comply with all other reporting requirements from time to time established by HUD, in its sole discretion, in connection with the Main Street program. The Grantee will:
- (1) Fully cooperate with all reasonable information gathering requests made by HUD or contractors of HUD in the course of authorized evaluations of the Main Street program; and,
 - (2) Submit any post-closeout and post-revitalization reports, in the forms prescribed by HUD, for the period of years designated by HUD.
- (D) Additional Requirements. The Grantee agrees to comply with all other terms and conditions HUD may establish to administer, monitor, or evaluate the Main Street program in an effective and efficient manner. Notwithstanding the foregoing, however, except as provided in Article XIX, HUD hereafter will not establish any additional terms and conditions without:

- (1) Consideration of the burden imposed on the Grantee by such conditions or requirements;
- (2) Consideration of the availability of less burdensome conditions or requirements; and
- (3) In the case of a term or condition applicable solely to the Grantee, consulting in advance with the Grantee.

ARTICLE XVIII Technical Assistance

- (A) Site Visits. The Grantee acknowledges and agrees that HUD, or its designees, may conduct site visits and inspections as deemed necessary by HUD based upon the Grantee's needs under the Main Street Housing Plan or the needs of the Main Street program. Technical assistance site visits may be provided by HUD or its designees:
 - (1) In response to requests from the Grantee;
 - (2) Based upon demonstrated needs of the Main Street program; or,
 - (3) As provided in paragraph (B) of this Article.
- (B) HUD Assessment. HUD representatives will visit the Project and make an assessment of any technical assistance and/or training that the Grantee may require for the proper and effective implementation of the Main Street Housing Plan. HUD will consult with the Grantee in determining the Grantee's specific technical assistance and training needs, and will carry out subsequent on-site assessments as necessary.
- (C) Technical Assistance Provider. If HUD determines, in its discretion, that technical assistance and/or training is necessary for the proper implementation of the Main Street Housing Plan, it will assign a technical assistance provider to work with the Grantee for this purpose.
- (D) Grantee Training/TA. The Grantee agrees to use its best efforts to attend any training and to accept any technical assistance provided or sponsored by HUD.

ARTICLE XIX Unsatisfactory Performance/Default

- (A) Special Conditions.
 - (1) General. HUD may require the Grantee, or any subgrantee, to comply with any or all of the following special conditions, in a manner satisfactory to HUD, if HUD determines that such action will assist in the proper and efficient implementation of the Main Street Housing Plan, regardless of whether the Grantee is in default under paragraph (B) of this Article.
 - (2) Types of Special Conditions. The special conditions that HUD may impose under paragraph (A)(1) of this Article include:

- (a) withholding authority to proceed to the next phase of activities until it receives evidence from the Grantee of acceptable performance over such period of time as specified by HUD;
 - (b) requiring additional, more detailed financial reports;
 - (c) requiring additional Project monitoring;
 - (d) requiring the Grantee (or subgrantee) to obtain technical or management assistance;
 - (e) establishing additional prior approvals; and,
 - (f) making arrangements satisfactory to HUD, in its sole discretion, for use of an entity other than the Grantee to carry out activities performed under the Main Street Housing Plan.
- (3) Notice of Conditions. If HUD decides to impose any such conditions or restrictions upon the Grantee (or subgrantee), HUD will notify the Grantee (or subgrantee) in writing, as early as possible. Such notice will contain the following information:
- (a) a description of the special conditions or restrictions;
 - (b) the nature of the unsatisfactory performance and the reason for imposing such special conditions or restrictions;
 - (c) the corrective actions which must be taken before the conditions or restrictions will be removed, and the time allowed for completing the corrective actions; and,
 - (d) the method for requesting reconsideration of the conditions or restrictions imposed.
- (B) Default. Each of the following events or occurrences, to the extent it constitutes a material breach or occurrence, may constitute a default by the Grantee under this Grant Agreement, as determined by HUD in its sole discretion:
- (1) Use of funds provided under this Grant Agreement for any purpose, in any manner or at any time, other than as authorized by this Grant Agreement;
 - (2) Failure to comply with the Main Street Requirements or any other Federal, State, or local laws, regulations or requirements applicable in implementing the Main Street Housing Plan;
 - (3) Failure to make any submission under Article II(B), perform any obligation, or otherwise fail to proceed in a manner consistent with the Main Street Housing Plan, (including, without limitation, failure to accomplish an activity by the date specified in the Program Schedule);
 - (4) Any material misrepresentation in any of the required submissions, including, without limit, any misrepresentations in any of the submissions required by Article II(B);

- (5) Failure to comply with, or any material breach of, any other requirements, conditions or terms of this Grant Agreement;
- (6) Failure to adhere to the time periods for implementation under Article II(E); and,
- (7) Failure to demonstrate in its Main Street Housing Plan that the Grantee has made necessary and appropriate arrangements, through staffing and/or contracts, to implement its Main Street Housing Plan.

(C) Notice of Default and Action(s) to Cure.

- (1) General. HUD will give the Grantee written notice of any default. The notice will give the Grantee the opportunity to cure such default within 30 days of the date of the notice, or to demonstrate within this time period, by submitting substantial evidence satisfactory to HUD, that it is not in default. If the default is not able to be cured within the 30-day period, the Grantee will demonstrate, to HUD's satisfaction, that the Grantee has taken actions necessary to cure the default and that the default is curable within 90 days from the date of the default notice. Additionally, the Grantee must agree to carry out such cure diligently and to complete the cure within the 90-day period.
- (2) Immediate Default. Notwithstanding the provisions of paragraph (C)(1) of this Article, HUD in its sole discretion may place the Grantee into immediate default for not being in compliance with its Program Schedule once written notification of default has been provided to the Grantee. At that time, HUD may immediately begin imposing consequences of default, including specifically the deduction of funds from the Main Street Grant.
- (3) Failure to Submit Development Proposal. Notwithstanding the provisions of subparagraph (C)(1) of this Article, if default is caused by failure to submit a Development Proposal acceptable to HUD within the time period required in Article II(E) of this Grant Agreement, HUD at its sole discretion may either:
 - (a) require the Grantee, within a time period established by HUD, to submit acceptable Development Proposal; or
 - (b) institute any of the remedies under paragraph (C)(5) of this Article, without any grace period.
- (4) Imminent Threat. Notwithstanding the provisions of subparagraph (C)(1) of this Article concerning the opportunity to cure defaults, if HUD determines, in HUD's sole discretion, that there is an imminent threat that the Grantee will expend additional Main Street Grant funds in violation of the provisions of this Grant Agreement, HUD may implement the remedial action provided for under subparagraph (C)(5)(d) of this Article to prevent any such unauthorized expenditure until such time as the Grantee has complied with the cure provisions set forth above. HUD will implement such remedial action by written notice set forth either in the notice of default given under paragraph (C)(1) of this Article or by subsequent written notice to the Grantee.

- (5) Consequences of Default. If the Grantee fails to cure all defaults specified in the notice of default within the time periods set forth in paragraph (C)(1) of this Article, or fails to diligently pursue or complete any cure as provided in paragraph (C)(1), HUD may take any of the following remedial actions, upon written notice to the Grantee:
- (a) require the Grantee, within a time period established by HUD, to prepare a revised Program Schedule, obtain HUD's approval thereto, and follow such revised Program Schedule to complete the activities under the Main Street Housing Plan;
 - (b) require the Grantee, within a time period established by HUD, to revise any activity under the Main Street Housing Plan in order to successfully complete the activities under the Main Street Housing Plan in a manner satisfactory to HUD, including, without limitation, exclusion or revision of affected activities, revision of the HOPE VI Budget as necessary, and substitution of other eligible activities;
 - (c) require submission of additional documentation before any additional request for funds will be approved;
 - (d) temporarily suspend the Grantee's authority to draw down the Main Street Grant for affected activities, or at HUD's sole discretion for all activities, for not more than ninety (90) days, pending action to cure the defaults;
 - (e) if, after the 90 days, the default is not cured, then restrict the Grantee's authority to draw down the Main Street Grant under LOCCS by prohibiting payment or reimbursement for all grant activities or, if more appropriate (in HUD's sole discretion), only for those activities affected by the default, for an unspecified period of time pending final action by HUD;
 - (f) disallow use of the Main Street Grant for all or part of the cost of the activity or action not in compliance;
 - (g) recover amounts determined by HUD to have been improperly expended, including any property obtained by the Grantee with such grant funds;
 - (h) require reimbursement by the Grantee for the Main Street Grant determined by HUD to have been improperly expended;
 - (i) require the Grantee to pay monetary fines in an amount determined by HUD. These fines may be in the form of deductions from the Main Street Grant; and,
 - (j) make arrangements satisfactory to HUD, in its sole discretion, for use of an entity other than the Grantee to carry out activities assisted under the Main Street Housing Plan.
- (6) Additional Enforcement Actions. If HUD determines that the remedial actions taken by HUD under paragraph (C)(5) of this Article have not been effective in curing the default, or if the Grantee has not complied with the requirements imposed by HUD under paragraph (C)(5) and has not otherwise cured the default, or if HUD exercises its discretion under subparagraph (C)(2) of this Article to institute any of the following actions, HUD may take

any of the following remedial or enforcement actions (in addition to any of the remedies permitted under paragraph (C) of this Article upon written notice to the Grantee):

- (a) petition for the appointment of a receiver (which may be a public housing agency, a private management corporation, or some other entity) for the Project to any district court of the United States or to any court of the State in which the Project is located;
- (b) reduce the Main Street Grant in the amount affected by the default;
- (c) terminate the Main Street Grant as to all further activities and initiate closeout procedures;
- (d) recapture any funds provided under the Main Street Grant not obligated by the Grantee.
 - (i) if the basis for the Grantee's default is its failure to comply with the reasonable time periods established by HUD under Article II(E), HUD shall, in accordance with section 24 of the 1937 Act, and unless otherwise approved by HUD under paragraph XIX(C)(5)(i), recapture any portion of the Main Street Grant not obligated by the Grantee.
 - (ii) if the Grantee fails to comply with the reasonable time periods established in Article II(E), HUD may take into account whether factors beyond the Grantee's control are the cause of the delay.
- (e) take action against the Grantee under 24 CFR part 24 and Executive Order 12549 with respect to future HUD or Federal grant awards; and,
- (f) take any other available legal or equitable remedial action, including, but not limited to, any remedial actions available under the Grant Agreement.

ARTICLE XX Project Close-Out

- (A) Main Street Affordable Housing Units in a Larger Development. In the event that the Development Proposal includes a number of units in excess of those that will be funded by this Main Street Grant, construction for this grant will be considered complete by HUD after HUD receives a Certificate of Occupancy, or equivalent local document, for the number and mix of units funded by this Main Street Grant, in addition to other documentation required by this Grant Agreement.
- (B) Termination of Disbursements Letter. Within 90 days after completion of all Main Street Grant funded activities, the Grantee will initiate close-out, in accordance with procedures established by HUD, by submitting a Termination of Disbursements letter, which states that:
 - (1) The Grantee has completed all activities to be performed using the Main Street Grant;
 - (2) All requirements of the Grant Agreement have been met;

- (3) All obligated funds provided under the Main Street Grant have been disbursed;
- (4) The Grantee will abide by any continuing Federal requirements; and,

At HUD's option, the Grantee may delay initiation of close-out until the resolution of any HUD monitoring findings. If HUD exercises this option, the Grantee must promptly resolve the findings.

- (C) Preliminary Closeout Materials. The Grantee must submit the following Preliminary Close-Out Materials along with the Termination of Disbursements Letter:
 - (1) A Final HOPE VI Budget;
 - (2) A Final Financial Status Report (Form SF-425), which contains a cumulative summary of all expenditures and indicates the balance of unexpended funds; and,
 - (3) An Actual HOPE VI Cost Certificate (AHCC) (Form HUD-53001-A), which summarizes the information on the Financial Status Report and serves as the document that officially closes out the grant.
 - (4) The Certificate of Occupancy, or local equivalent, for each Main Street affordable housing unit.
- (D) HUD Review of Preliminary Close-Out Materials. HUD will review Preliminary Close-Out Materials to confirm that:
 - (1) The amounts on the final HOPE VI Budget and AHCC agree as to funds approved, obligated and expended.
 - (2) The amount of funds approved and disbursed on the AHCC agrees with HUD records in LOCCS.
 - (3) If HUD disbursed more funds than the Grantee expended, the Grantee will immediately remit to HUD the excess funds, without waiting for completion of the final audit.
- (E) Final Audit. Following HUD approval of the Preliminary Close-Out Materials, the Grantee must conduct a final audit of the Main Street Grant in accordance with the requirements of 24 CFR 85.26 and forward the audit to HUD for approval.
- (F) AHCC. Upon receipt of the final audit, the designated HUD official will execute the AHCC once HUD determines to its satisfaction that:
 - (1) The expenditure of funds provided under this Grant Agreement was allowable and reasonable, as determined by the final audit;

- (2) The activities to be completed using Main Street Grant funds were completed, as required by the Grant Agreement; and,
- (3) All Federal requirements were satisfied.
- (G) Final Close-Out. Following execution of the AHCC, any funds remaining in the Main Street Grant will be recaptured by HUD. A Post-Audit Date will be entered into LOCCS and the grant will be closed.

ARTICLE XXI Effective date

The effective date of this agreement is the date that HUD executes the form HUD-1044, Assistance Award/Amendment, which will become the cover page to this Grant Agreement.

EXHIBIT D: WCAHC COMMITMENT LETTER



Washington County Affordable Housing Coalition

March 31st, 2015

RE: HOPE VI Main Street Grant

NAME OF PROVIDING RESOURCE: Washington County Affordable Housing Coalition, Inc.

NAME OF CONTACT: Eric C. Jaekel, President
918-214-4310
wcahcpres@gmail.com

This letter of commitment is written in support of the City of Bartlesville's HOPE VI Main Street grant application. The Washington County Affordable Housing Coalition, Inc. is pleased to be a partner in this important endeavor to provide affordable housing to low income individuals residing in Bartlesville, Oklahoma. Our organization is passionate about helping low income individuals find safe, healthy housing and connect them with supportive community resources. The Washington County Affordable Housing Coalition, Inc. agrees to provide the following in-kind services:

<u>Service Provided:</u>	<u>In-Kind Cost:</u>
Screening of applicants (36 applicants x \$20 per staff hour x 36 hours) =	\$720.00
Comprehensive needs assessment with applicant (16 residents x \$20 per staff hour x 32 hours Based on a two hour assessment) =	\$640.00
Development of an individual/family service plan (16 residents x \$20 per staff hour x 16 hours) =	\$320.00
Connection to supportive community resources/ Case Management (16 residents' x \$20 per staff hour x 40 hours) =	\$800.00
Facilitation of life skills/education workshop series (6 Workshop Modules) x 12 hours @ \$20 per hour	\$240.00
Printing of life skills/education materials (20 education notebooks) \$300.00	
Consultation for housing development & management (20 hours x \$50 per staff hour)	\$1,000.00
TOTAL IN-KIND DONATION:	\$4,020.00

Washington County Affordable Housing Coalition
822 S. Johnstone Ave
Bartlesville, OK 74003

Eric Jaekel
918-214-4310
wcahcpres@gmail.com

I. SUBJECT, ATTACHMENTS, AND BACKGROUND

A resolution amending the budget of the City of Bartlesville, Oklahoma for Fiscal Year 2020-2021, appropriating unanticipated Federal Grant Revenue for the restricted Revenue Fund.

Attachments:

Restricted Revenue Unanticipated Federal Grant Revenue Budget Resolution

II. STAFF COMMENTS AND ANALYSIS

The City of Bartlesville has been awarded the Hope IV Main Street Grant. The City will be working with the BRTA with the administering of said grant. This grant is to produce 9 affordable housing units in the Hotel Phillips building. The City at this time has not budgeted this grant and will need to appropriate these funds prior to issuing them to the redeveloper. The grant is in the amount of \$500,000.

III. RECOMMENDED ACTION

Staff recommends approval of the Budget Resolution.

RESOLUTION _____

A RESOLUTION AMENDING THE BUDGET OF THE CITY OF BARTLESVILLE, OKLAHOMA FOR FISCAL YEAR 2020–2021, APPROPRIATING AN UNANTICIPATED FEDERAL GRANT REVENUE IN THE RESTRICTED REVENUE FUND

WHEREAS, THE City of Bartlesville has received unbudgeted federal grant in the amount of \$500,000; and

WHEREAS, the City of Bartlesville is working in conjunction with the BRTA; and

WHEREAS, the City of Bartlesville needs to appropriate \$500,000 of these revenues prior to their expenditure;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BARTLESVILLE, OKLAHOMA that:

The General Govt Dept (170) of the Restricted Revenue Fund (243) shall be increased as follows:

Other Services (52510)	\$ 500,000
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APPROVED BY THE CITY COUNCIL AND SIGNED BY THE MAYOR OF THE CITY OF BARTLESVILLE THIS 8th DAY OF SEPTEMBER, 2020.

Mayor

Attest:

City Clerk