AGREEMENT BETWEEN

THE CITY OF EVANSVILLE, IN

AND

Name of CHDO (sources: Certificate of Existence & Board Resolution)

HOME-Funded CHDO Operating

THIS AGREEMENT MADE on this Enter Anticipated Date of Execution (e.g. 1st, 2nd, 3rd, 4th) day of January, 2011 by and between the City of Evansville, hereinafter referred to as the "CITY", and Name of CHDO (source: Certificate of Existence) an Indiana nonprofit corporation hereinafter referred to as the "CHDO".

WITNESSETH

WHEREAS, the CITY is the recipient of funds from the Home Investment Partnerships Program, hereinafter referred to as "HOME" from the U.S. Department of Housing and Urban Development (HUD), and

WHEREAS, the City has set aside a portion of its HOME Program funds for Community Housing Development Organizations(CHDOs) in accordance with the National Affordable Housing Act of 1990, as amended, (hereinafter called the "ACT"); and

WHEREAS, the City has certified the above named organization as a Community Housing Development Organization hereinafter referred to as a CHDO, pursuant to HUD rule 24 CFR Part 92.

WHEREAS, the CHDO has submitted a proposal for use of HOME funds in the amount of _____ for an eligible project under HOME regulations;

NOW, THEREFORE, in consideration of the mutual covenants and obligations herein contained, including the Attachments, and subject to the terms and conditions hereinafter stated, the parties hereto understand and agree as follows:

DEFINITIONS:

A. **AGENCY** – is hereby defined as the Evansville Department of Metropolitan Development, the HOME Program administering agency of the City of Evansville. For the purpose of this Agreement and all administration of HOME funds, the AGENCY shall act on behalf of the CITY in the execution and fiscal and programmatic control of this agreement. The term "Approval by the CITY" or like term used in this Agreement shall in no way relieve the CHDO from any duties or responsibilities under the terms of this Agreement, obligation, State or local law, or regulation.

B. **DIRECTOR** – is hereby defined as the Director of the Agency of the CITY.

C. **FEE** – is hereby defined as the amount of money the CITY agrees to pay and the CHDO agrees to accept as payment in full for all the professional, technical and construction services rendered pursuant to this Agreement to complete the WORK as further defined in Section IV - SCOPE OF PROFESSIONAL SERVICES, hereof.

D. **WORK** – is hereby defined as all the professional, technical and construction services to be rendered or provided by the CHDO as described in this agreement.

E. **PROJECT** – is defined in Section III below.

F. **HOME** – is hereby defined as the HOME Investment Partnerships Program as described in 24 CFR Part 92, under the authority of 42 U.S.C. 3535 (d) and 12701 - 12839.

Section I– Scope of Work

A. The CHDO, in close coordination with the CITY, shall perform all professional services (the "WORK") necessary to complete the development and occupancy of the following CHDO Project in full compliance with the terms of this Agreement: *insert project description, including HOME-assisted units descriptions & compliance term.[This section should briefly but completely describe the project associated with the CHDO Operating funds] also include services provided under CHDO Operating and as described above, the project or projects associated with CHDO Operating for this funded year.*

B. It is understood that the CHDO will provide a specific working budget and realistic timetable as relates to: CHDO Operating costs prior to any fund usage. Said budget shall identify all sources and uses of funds, and allocate HOME and non-HOME funds to activities or line items. Upon approval by the Agency these items shall be included by attachment as follows:

Exhibit A: Proposal Application

C. The aforementioned Work tasks will be performed in essentially the manner proposed in the CHDO's proposal as received by the AGENCY on Enter Date Stamped Date on CHDO's Approved Application. The aforementioned document will be considered to be a part and portion of this agreement for reference.

Section II – City Responsibilities

The CITY shall furnish the CHDO with the following services and information from existing

CITY records and CITY files:

A. The CITY shall provide to the CHDO information regarding its requirements for the PROGRAM.

B. The CITY will provide the CHDO with any changes in HOME regulations or program limits that affect the program, including but not limited to income limits, property value limits and rent limits.

C. The CITY will conduct progress inspections of work completed to protect its interests as lender and regulatory authority for the CHDO eligible project associated with the CHDO Operating expenses, and will provide information to the CHDO regarding any progress inspections or monitoring to assist it in ensuring compliance.

D. At the CITY's sole discretion it may engage the CHDO in technical assistance and training in order to address capacity issues with CHDO. Technical assistance services for this PROGRAM include technical assistance and training for the following:

Initial inspections	Yes	☐	No	☐
Cost estimating	Yes	☐	No	☐
Development of scopes of work	Yes	☐	No	☐
Bid packaging and procurement	Yes	☐	No	☐
Construction management	Yes	☐	No	☐
Client intake and underwriting	Yes	☐	No	☐
File set up and administration	Yes	☐	No	☐

Other:

The CITY's review and approval of the WORK will relate only to overall compliance with the general requirements of this Agreement and HOME regulations, and all CITY regulations and ordinances.

Nothing contained herein shall relieve the CHDO of any responsibility as provided under this Agreement.

Section III-Provisions Related to Administrative Requirements

The CHDO is responsible for adhering to all HOME Investment Partnerships Regulations pertaining to CHDOs. Under these HOME regulations, the CHDO is responsible for maintaining files for five years following the completion of the CHDO Operating agreement and for Projects as identified in [92.300] associated with the CHDO Operating agreement for five years following the completion of the Affordability Period determined in the Project contract based on HOME affordability requirements.

Section IV. Project Requirements.

The CHDO agrees to comply with all requirements of the HOME Program as stated in 24 CFR Part 92, including but not limited to the following.

A. No HOME program funds will be advanced, and no costs can be incurred, until the City has conducted an environmental review of the proposed program as required under 24 CFR Part 58. The environmental review may result in a decision to proceed with, modify or cancel the program.

B. Notwithstanding any provision of this Agreement, the parties hereto agree and acknowledge that this Agreement does not constitute a commitment of funds or site approval, and that such commitment of funds or approval may occur only upon satisfactory completion of environmental review and receipt by the City of Evansville a release of funds from the U.S. Department of Housing and Urban Development under 24 CFR Part §58. Further, the CHDO will not undertake or commit any funds to CHDO Operating expenses prior to the environmental clearance, and must indicate that the violation of this provision may result in the denial of any funds under the agreement.

C. The CHDO will ensure that any expenditure of HOME funds will be in compliance with the requirements at 92.208 that states, "These funds may not be used to pay operating expenses incurred by a CHDO acting as a sub recipient or contractor under the HOME Program. Operating expenses means reasonable and necessary costs for the operation of the community housing development organization. Such costs include salaries, wages, and other employee compensation and benefits; employee education, training,and travel; rent; utilities; communication costs; taxes; insurance; equipment; materials and supplies. The requirements and limitations on the receipt of these funds by CHDOs are set forth in § 92.300 (e) and (f).(b) HOME funds may be used for capacity building costs under § 92.300(b)".and acknowledges that HOME funds will only be provided as reimbursement for eligible costs incurred, including actual expenditures or invoices for work completed.

Section V- Provisions to Specify HOME's Program Requirements

A. CHDOs are certified by the City on an annual basis. To be certified, an organization must meet the requirements in [24 CFR part 92]of the HOME regulations. Upon determination of eligibility, an organization is provided a letter stating the designation as a CHDO. A copy of this letter is attached and included in this agreement as Exhibit B.
B. Regulations state that at least 15 percent of the HOME Investment Partnership allocation to the City be designated to CHOD set-aside projects and that up to 5 percent of the City's allocation may be spent on CHDO Operating expenses directly related to CHDO eligible Projects as outlined in [92.300].

Section VI- Other Federal Requirements

The CHDO must carry out each activity in in accordance with Subpart H pertaining to nondiscrimination, affirmative marketing to minority populations, the responsibility of carrying out environmental reviews as required by the project, Uniform Relocation Act requirements as required by project type, prevailing wages if applicable, other such labor provisions, lead-based paint policies as adopted by HUD and the City of Evansville, conflict of interest as applicable, Executive Order as applicable for reallocations, and execution of allowable consultant services.(E.G. Displacement, relocation, fair housing, nondiscrimination, labor provisions, conflict of interest, affirmative marketing and minority/woman outreach, and lead provisions).

Section VII – Conflict of Interest Provisions

The CHDO warrants and covenants that it presently has no interest and shall not acquire any interest, directly or indirectly, which could conflict in any manner or degree with the performance of its services hereunder. The CHDO further warrants and covenants that in the performance of this contract, no person having such interest shall be employed.

HOME conflict of interest provisions, as stated in 92.356. apply to the award of any contracts under the agreement and the selection of tenant households to occupy HOME-assisted units.

No employee, agent, consultant, elected official, or appointed official of the CHDO may obtain a financial interest or unit benefits from a HOME-assisted activity, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter. This prohibition includes the following:

Any interest in any contract, subcontract or agreement with respect to a HOME-assisted project or program administered by the CHDO, or the proceeds thereunder.

This prohibition does not apply to an employee or agent of the CHDO who occupies a HOME-assisted unit as the on-site project manager or maintenance worker.

In addition, no member of Congress of the United States, official or employee of HUD, or official or employee of the Participating Jurisdiction shall be permitted to receive or share any financial or unit benefits arising from the HOME-assisted project or program.

Prior to the implementation of the HOME-assisted activity, exceptions to these provisions may be requested by the CHDO in writing to the Participating Jurisdiction. The CHDO must demonstrate and certify that the policies and procedures adopted for the activity will ensure fair treatment of all parties, and that the covered persons referenced in this policy will have no inside information or undue influence regarding the award of contracts or benefits of the HOME assistance. The Jurisdiction may grant exceptions or forward the requests to HUD as permitted by 24 CFR 92.356, 85.36 and 84.42, as they apply.

Section VIII – Reimbursement of Expenses

A. Program expenses shall be paid based on vouchers for actual expenses incurred or paid. Requests for payment must be submitted by the CHDO on forms specified by the CITY, with adequate and proper documentation of eligible costs, including but not limited to time sheets and payroll registers, incurred in compliance with 92.206 and necessary for HUD IDIS disbursement requirements. All such expenses shall be in conformance to the approved project budget. Budget revision and approval shall be required prior to payment of any expenses not conforming to the approved project budget.

C. The CITY reserves the right to inspect records and project sites of the associated CHDO project to determine that reimbursement and compensation requests are reasonable. The CITY also reserves the right to hold payment until adequate documentation has been provided and reviewed.

D. The CHDO may submit a final invoice upon completion. Final payment shall be made after the CITY has determined that all services have been rendered, files and documentation delivered, and units associated with the CHDO eligible project have been placed in service in full compliance with HOME regulations, including submission of a completion report and documentation of eligible occupancy, property standards and long-term use restrictions.

E. The CITY shall have the right to review and audit all records of the CHDO pertaining to any payment by the CITY. Said records shall be maintained for a period of five years after completion of the program.

F. The CHDO must expend all funds by_____. Funds remaining after this date will revert back to the City for reallocation.

G. Invoices pertaining to CHDO Operating reimbursement may not be submitted more frequently than once a month.

Section IX- Reversion of Assets (Close-out Provisions)

In the event there are remaining HOME funds at the expiration of this agreement, any funds remaining under this agreement that have not been drawn will revert back to the City.

Section X – Reporting Responsibilities

The CHDO agrees to submit any and all monthly reports required by HUD or the CITY to the AGENC by the 5th day following the end of each month and the 5th day following the completion of this agreement. The CHDO agrees to submit any and all annual reports required by HUD or the CITY to AGENCY by January 10th of each year, unless provided elsewhere.

CHDO agrees to provide:

A. Annual HOME CHDO Program Compliance Report
B. Annual financial statements and report based upon an examination of the books and records of CHDO, prepared and certified by a Certified Public Accountant.

The AGENCY will send the CHDO one reminder notice if an annual or monthly report has not been received fourteen (14) days after the due date. If the CHDO has not submitted a report fourteen (14) days after the date on the reminder notice, the CITY will have the option to terminate the contract as described in this agreement. In addition, the CHDO agrees to provide the AGENCY information as required to determine program eligibility, in meeting national objectives, and financial records pertinent to the project.

The CHDO must submit monthly reports. The monthly reports must be attached to the monthly invoices. In addition to the monthly report, an annual report is also required prior to the final payment being disbursed to the CHDO. Monthly and Annual Report templates will be provided by the City.

The City reserves the right to amend reporting requirements as needed to satisfy the U.S. Department of Housing and Urban Development, the State Board of Accounts, and/or the City.

The City has the right to inspect and audit any and all files related to this agreement at anytime upon request. The CHDO must supply the requested information in a timely manner and make reasonable accommodations for on-site inspections and or audits associated with this contract.

Section XI – Inspection, Monitoring, Access to Records and Long-term Compliance

The CITY reserves the right to inspect, monitor, and observe work and services performed by the CHDO at any and all reasonable times.

The CITY reserves the right to audit the records and/or the projects of the CHDO any time during the performance of this Agreement and for a period of five years after final payment is made under this Agreement.

If required, the CHDO will provide the AGENCY with a certified audit of the CHDO's records representing the Fiscal Year during which the PROJECT becomes complete whenever the amount listed in SECTION VII is at or exceeds $500,000, pursuant to the requirements of OMB Circular A-133.

Access shall be immediately granted to the CITY, HUD, and the Comptroller General of the United

States, or any of their duly authorized representatives to any books, documents, papers, and records of the CHDO or its contractors which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.

Section XII – Suspension & Termination

In accordance with 24 CFR 85.43, suspension or termination may occur if the CHDO materially fails to comply with any term of the award, and that the award may be terminated for convenience in accordance with 24 CFR 85.44.

If, through any cause, the CHDO shall fail to fulfill in timely and proper manner its obligations under this contract, or if the CHDO shall violate any of the covenants, agreements, or stipulations of this contract, the CITY shall thereupon have the right to terminate this contract by giving written notice to the CHDO of such termination and specifying the effective date thereof, at least five (5) days before the effective date of such termination. In such event, the CHDO shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder to the date of said termination. Notwithstanding the above, the CHDO shall not be relieved of liability to the CITY for damages sustained by the CITY by virtue of any breach of the contract by the CHDO and the CITY may withhold any payments to the CHDO for the purpose of setoff until such time as the exact amount of damages due the CITY from the CHDO is determined whether by court of competent jurisdiction or otherwise.

Section XIII – Term

The CHDO expressly agrees to complete all work required by this agreement in accordance with the timetable set forth in the original proposal as attached in Exhibit. A.

Timely completion of the work specified in this agreement is an integral and essential part of performance. Failure to meet deadlines may be cause to withhold payments.

The expenditure of HOME funds is subject to Federal deadlines and could result in the loss of the Federal funds. By the acceptance and execution of this agreement, it is understood and agreed by the CHDO that the PROGRAM will utilize the CHDO Operating funds in the year of allocation in association with an

approved CHDO set-aside, eligible project. Failure to meet this requirement can result in cancellation of this contract and the revocation of HOME funds.

In the event the CHDO is unable to meet the above schedule or complete the above services because of delays resulting from Acts of God, untimely review and approval by the CITY and other governmental authorities having jurisdiction over the PROJECT, or other delays that are not caused by the CHDO, the CITY shall grant a reasonable extension of time for completion of the WORK. It shall be the responsibility of the CHDO to notify the CITY promptly in writing via change order at least ten (10) days prior to the stated milestone deadline, whenever a delay is anticipated or experienced, and to inform the City of Evansville all facts and details related to the delay.

XIV-Conditions for Religious Organizations

Religious activities must be voluntary; Faith-based organizations retain independence; Discrimination based on religious affiliation is prohibited.[92.257]

- A religious organization that participates in the HOME program will retain its independence from federal, state, and local governments, and may continue to carry out its mission, including the definition, practice, and expression of its religious beliefs, provided that it does not use direct HOME funds to support any inherently religious activities, such as worship, religious instruction, or proselytization. Among other things, faith-based organizations may use space in their facilities, without removing religious art, icons, scriptures, or other religious symbols. In addition, a HOME-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.

- HOME funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for inherently religious activities. HOME funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this part. Where a structure is used for both eligible and inherently religious activities, HOME funds may not exceed the cost of those portions of the acquisition, construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to HOME funds in this part. Sanctuaries, chapels, or other rooms that a HOME-funded religious congregation uses as its principal place of worship, however, are ineligible for HOME-funded improvements. Disposition of real property after the term of the grant, or any change in use of the property during the term of the grant, is subject to government-wide regulations governing real property disposition (see 24 CFR parts 84 and 85).

- If a state or local government voluntarily contributes its own funds to supplement federally funded activities, the state or local government has the option to segregate the federal funds or commingle them. However, if the funds are commingled, this section applies to all of the commingled funds.

Section XV – General Conditions

A. All notices or other communication which shall or may be given pursuant to this Agreement shall be in writing and shall be delivered by personal service, by the U.S. Postal Service, or by registered mail addressed to the other party at the address indicated herein or as the same may be changed from time to time. Such notice shall be deemed given on the day on which personally served; or, if by mail, on the fifth day after being posted or the date of actual receipt, whichever is earlier.

Notice to City: City of Evansville

Department of Metropolitan Development

1 NW Martin Luther King Jr. Blvd, Room 306

Evansville, IN 47708

Attn: Community Development Coordinator

Notice to CHDO: Enter CHDO Name (source: Certificate of Existence)

Enter CHDO Address (source: Application)

Evansville, IN Enter CHDO ZIP (source: Application)

Attn: Enter CHDO Contact (source: Board Resolution)

B. Title and paragraph headings are for convenient reference and are not a part of this Agreement.

C. In the event of conflict between the terms of this Agreement and any terms or conditions contained in any attached documents, the terms in this Agreement shall rule.

D. No waiver or breach of any provision of this Agreement shall constitute a waiver of a subsequent breach of the same or any other provision hereof, and no waiver shall be effective unless made in writing.

E. The parties hereto agree that this Agreement shall be construed and enforced according to the laws of the State of Indiana.

F. Should any provisions, paragraphs, sentences, words or phrases contained in this Agreement be determined by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable under the laws of the State of Indiana or the City of Evansville, such provisions, paragraphs, sentences, words or phrases shall be deemed modified to the extent necessary in order to conform with such laws, or if not modifiable to conform with such laws, then same shall be deemed severable, and in either event, the remaining terms and provisions of this Agreement shall remain unmodified and in full force and effect.

G. The CHDO shall comply with the provisions of the Copeland Anti-Kick-Back Act (18 U.S.C. 874) as supplemented in the AGENCY of Labor Regulations (29 CFR Part 3), as amended.

H. The CHDO shall comply with the provisions of sections 103 and 107 of the Contract Work Hours and Safety Standard Act (40 U.S.C. 327-330) as supplemented by AGENCY of Labor regulations (29 CFR, Part 5), as amended.

I. The CHDO further warrants and agrees to include or cause to be included the criteria and requirements of paragraphs (G) through (H) of this section in every nonexempt subcontract. The CHDO also agrees to take such action as the federal, state or local government may direct to enforce aforesaid provisions.

J. The obligations undertaken by CHDO pursuant to this Agreement shall not be delegated or assigned to any other person or agency unless CITY shall first consent to the performance or assignment of such service or any part thereof by another person or agency.

K. The Agreement shall be binding upon the parties hereto, their heirs, executors, legal representative, successors and assigns.

L. CHDO shall indemnify and save CITY harmless from and against any negligent claims, liabilities, losses and causes of action which may arise out of CHDO's activities under this

Agreement, including all other acts or omissions to act on the part of CHDO, including any person acting for or on its behalf, and, from and against any orders, judgments, or decrees which may be entered, and from and against all costs, attorneys fees, expenses and liabilities incurred in the defense of any such claims, or in the investigation thereof.

M. CHDO and its employees and agents shall be deemed to be independent contractors, and not agents or employees of the CITY, and shall not attain any rights or benefits under the civil service or pension ordinances of the CITY, or any rights generally afforded classified or unclassified employee; further they shall not be deemed entitled to state Compensation benefits as an employee of the CITY.

N. Funding for this Agreement is contingent on the availability of funds and continued authorization for program activities and is subject to amendment or termination due to lack of funds, or authorization, reduction of funds, and/or change in regulations.

Section XVI – Repayment of Loan

All HOME funds are subject to repayment in the event the PROJECT does not meet the Project Requirements as outlined above.

Section XVII – CHDO Provisions

It is understood that the CHDO has certified that it is and will maintain CHDO (Community Housing Development Organization) status for the term of the PROJECT/AGREEMENT in accordance with 24 CFR 92. CHDO agrees to provide information as may be requested by the AGENCY to document its continued compliance, including but not limited to an annual board roster and certification of continued compliance.

Any funds advanced to the CHDO as CHDO Operating Expenses must be expended in compliance with 24 CFR 92.208/

Section XVIII – Procurement Standards

The CHDO shall adhere to the City of Evansville and State of Indiana procurement procedures to ensure that materials and services are obtained in a cost-effective manner.

In addition, it is understood that any CHDO that can be considered to be a religious organization shall abide by all portions of 24 CFR 92.257.

Section XIX – Equal Employment Opportunity

During the performance of this contract, the CHDO agrees as follows:

A. The CHDO will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin(s). The CHDO will take affirmative action to ensure the applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin(s). Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CHDO agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer of the CITY setting forth the provisions of this nondiscrimination clause.

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

C. The CHDO will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice advising the labor union or worker's representative of the CHDO's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

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

E. The CHDO will furnish all information and reports required by Executive Order 11246 of

September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the AGENCY and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and order.

F. In the event the CHDO is found to be in noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations or orders, this contract may be canceled, terminated or suspended in whole or in part and the CHDO may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of

September 24, 1965 or by rule, regulations, or order of the Secretary of Labor or as otherwise provided by law.

G. The CHDO will include the provisions of paragraphs (a) through (g) of this agreement in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The CHDO will take such action with respect to any subcontract or purchase order as the AGENCY may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event the CHDO becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the AGENCY, the CHDO may request the United States to enter into such litigation to protect the interest of the United States.

Section XX – Labor, Training & Business Opportunity

The CHDO agrees to comply with the federal regulations governing training, employment and business opportunities as follows:

A. It is agreed that the WORK to be performed under this agreement is on a project assisted under a program providing direct Federal financial assistance from the US Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701 u, as well as any and all applicable amendments thereto. Section 3 requires that, to the greatest extent feasible, opportunities for training and employment be given low and moderate income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in the project area.

B. The CHDO shall comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 Code of Federal Regulations and all applicable rules and orders of the AGENCY of Housing and Urban Development issued thereunder as well as any and all applicable amendments thereto prior to the execution of this contract as well as during the term of this contract. The CHDO certifies and agrees that it is under no contractual or other disability, which would prevent it from complying with these requirements as well as any and all applicable amendments thereto.

C. The CHDO will include this Section 3 clause in every subcontract for work in connection with the project and will, at the direction of the CITY, take appropriate action pursuant to the subcontractor upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, in 24 Code of Federal Regulations. The CHDO will not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 code of Federal Regulations and will not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with these requirements as well as with any and all applicable amendments thereto.

D. Compliance with the provisions of Section 3, the regulations set forth in 24 Code of Federal Regulations and all applicable rules and orders of the AGENCY of Housing and Urban Development issued thereunder prior to the execution of the contract shall be a condition precedent to federal financial assistance being provided to the PROJECT as well as a continuing condition, binding upon the applicant or recipient for such assistance, its successors, and assigns. Failure to fulfill these requirements shall subject the CHDO or recipient, its contractors and subcontractors, its successors, and assigns to those sanctions specified by 24 Code of Federal Regulations as well as with any and all applicable amendment thereto.

Section XXI– Compliance with Federal, State & Local Laws

The CHDO covenants and warrants that it will comply with all applicable laws, ordinances, codes, rules and regulations of the state, local and federal governments, and all amendments thereto, including, but not limited to; Title 8 of the Civil Rights Act of 1968 PL.90-284; Executive Order 11063 on Equal Opportunity and Housing Section 3 of the Housing and Urban Development Act of 968; Housing and Community Development Act of 1974, as well as all requirements set forth in 24 CFR 92 of the HOME INVESTMENT PARTNERSHIP PROGRAM. The CHDO covenants and warrants that it will indemnify and hold the City forever free and harmless with respect to any and all damages whether directly or indirectly arising out of the provisions and maintenance of this contract.

The CHDO agrees to comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15).

The CHDO further warrants and agrees to include or cause to be included the criteria and requirements of this section in every non-exempt subcontract in excess of $100,000. The CHDO also agrees to take such action as the federal, state or local government may direct to enforce aforesaid provisions.

Section XXII – Termination for Convenience of the CITY

The CITY may terminate for its convenience this contract at any time by giving at least thirty (30) days notice in writing to the CHDO. If the contract is terminated by the CITY, as provided herein, the City will reimburse for any actual and approved expenses incurred, including those costs involved in terminating the contracts and shutting down the work as of the date of notice, and the CHDO will be paid as a FEE an amount which bears the same ratio to the total compensation as the services actually performed bear to the total service of the CHDO covered by this contract less payments of compensation previously made. Claims and disputes between the parties will be submitted to the American Arbitration Association for resolution. Award or judgment may be entered in any court having jurisdiction thereof.

Section XXIII – Default-Loss of Grant Funds

If the CHDO fails in any manner to fully perform and carry out any of the terms, covenants, and conditions of the agreement, and more particularly if the CHDO refuses or fails to proceed with the work with such diligence as will insure its completion within the time fixed by the schedule set forth in EXHIBIT A of this agreement, the CHDO shall be in default and notice in writing shall be given to the CHDO of such default by the AGENCY or an agent of the AGENCY. If the CHDO fails to cure such

default within such time as may be required by such notice, the CITY, acting by and through the AGENCY, may at its option terminate and cancel the contract.

In the event of such termination, all grant funds awarded to the CHDO pursuant to this agreement shall be immediately revoked and any approvals related to the PROGRAM shall immediately be deemed revoked and canceled. In such event, the CHDO will no longer be entitled to receive any compensation for work undertaken after the date of the termination of this agreement, as the grant funds will no longer be available for this project.

Such termination shall not effect or terminate any of the rights of the CITY as against the CHDO then existing, or which may thereafter accrue because of such default, and the foregoing provision shall be in addition to all other rights and remedies available to the CITY under the law and the note and mortgage (if in effect), including but not limited to compelling the CHDO to complete the project in accordance with the terms of this agreement, in a court of equity. The waiver of a breach of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant, or condition hereof.

IN WITNESS WHEREOF,

The City of Evansville and Name of Agency have caused their signatures to be hereunto affixed and duly attested:

For City of Evansville

_____

By: Thomas Barnett, Executive Director

Its Duly Authorized Agent

For Enter CHDO Name (source: Certificate of Existence)

_____

By: Enter CHDO Designee (source: Board Resolution), Enter Title of Designee (source: Board Resolution)

Its Duly Authorized Agent

Attest:_____

Jane Reel, Deputy Director
Department of Metropolitan Development

Exhibit A-Proposal with Revised Budget

Exhibit B-CHDO Certification