

**CONTRACT FOR THE DISBURSEMENT OF COMMUNITY BASED DEVELOPMENT  
ORGANIZATION PROGRAM FUNDING, FISCAL YEAR 2012-13 FROM THE CITY  
OF FRANKLIN  
(COF Contract No. 2013-0049)**

This Contract, made and entered into this \_\_\_ day of \_\_\_\_\_, 2013, is by and between the City of Franklin, (hereinafter "THE CITY") and The Hard Bargain Mt. Hope Redevelopment, Inc. hereinafter called "THE ORGANIZATION").

**WITNESSETH:**

**WHEREAS**, THE CITY has identified a need to conduct a Community Based Development Organization (CBDO) Program funding; and

**WHEREAS**, THE ORGANIZATION is experienced in developing Affordable Housing projects, as defined by the United States Department of Housing and Urban Development and has met the certification requirements of becoming a CBDO; and

**WHEREAS**, THE ORGANIZATION replied to a publicly advertised Request For Proposals and was selected to participate as a CBDO in the City's Community Development Block Grant Program;

**NOW, THEREFORE**, in consideration of the mutual promises as contained herein, the parties hereto have agreed and hereby enter into this Contract according to the provisions as set forth herein.

**SECTION 1 - SCOPE OF SERVICES**

THE ORGANIZATION will carry out activities necessary for acquisition, or rehabilitation and resale, or new construction, of a home, or conversion of a non residential structure, for low to moderate income owner occupants in the City of Franklin. Low to moderate income is defined as households with incomes equal to or less that 80% of median family income for the Metropolitan Statistical Area.

When applicable, the work will also include testing, remediating, and clearing structures for lead-based paint hazards. All structures constructed pre-1978 must be tested and cleared for lead-based paint hazards. In the presence of lead-based paint hazards, contractors/workers are required to be certified in and use safe-work practices. **A United States Department of Housing and Urban Development (HUD) Environmental Review Report will be required.**

Incorporated into this contract is Exhibit A, the proposal by THE ORGANIZATION, which is attached hereto and made a part hereof.

## **SECTION 2 - RESPONSIBILITIES OF PARTIES**

- A. THE ORGANIZATION will perform the duties described above and in Exhibit A and take other actions necessary to accomplish the spirit of this agreement.
- B. THE ORGANIZATION will submit regular reports (not less often than quarterly) as directed by THE CITY detailing the progress of their project.
- C. At the request of THE CITY, THE ORGANIZATION will periodically send a representative to neighborhood or other public meetings to discuss and promote their project.
- D. THE CITY will provide funding for the program from the Community Development Block Grant program as set forth in Section 3 of this contract.

## **SECTION 3 – COMPENSATION**

THE ORGANIZATION will receive up to Thirty-Four Thousand Seventy-Six and No/100 Dollars (**\$34,076.00**) for the services outlined above and contained in Exhibit A from the approved Community Development Block Grant program for eligible expenses.

## **SECTION 4 – TIME OF PERFORMANCE**

Services shall start within one hundred twenty (120) days of this signed agreement and end no later than one (1) year thereafter.

## **SECTION 5 - PAYMENT TERMS AND CONDITIONS**

- A. THE CITY shall reimburse THE ORGANIZATION for services rendered based on submittal of valid invoices for project costs with a description and documentation of work performed. The CITY has the option of inspecting the completed work prior to making any payments.
- B. The Schedule of Payments, if applicable, is attached as Exhibit B.
- C. Invoices shall be submitted monthly.
- D. Final payment will be subject to receipt of a final report that is satisfactory to THE CITY.

## **SECTION 6 - NOTICES**

All notices under this Agreement shall be in writing and sent by certified mail to the address listed below for each party.

**Vernon J. Gerth  
City of Franklin  
City Hall  
109 3<sup>rd</sup> Avenue South  
Franklin, TN 37064**

## **SECTION 7 - PROGRAM PROCEEDS**

THE ORGANIZATION is acting as a Community Based Development Organization (CBDO) and not as a subrecipient under the terms of this agreement. Revenues generated by activities undertaken by THE ORGANIZATION with funds provided through this agreement are not considered to be program income. The City of Franklin does require THE ORGANIZATION to use program proceeds to continue THE ORGANIZATION'S mission of providing affordable housing. Toward that end, the City of Franklin requires THE ORGANIZATION to submit a written statement within 30 days of receipt of any initial program proceeds outlining their intended future use.

## **SECTION 8 - REVERSION OF ASSETS.**

Upon termination of this agreement, THE ORGANIZATION shall transfer to the City of Franklin any unused program funds on hand at the time of expiration and any accounts receivable attributable to the use of program funds. Any real property under THE ORGANIZATION control that was acquired or improved in whole or in part with program funds in excess of \$25,000 is either: (i) used to meet one of the national objectives in 24 CFR 570.208 until five years after expiration of the agreement; or(ii) not used in accordance with the above paragraph (i) of this section, in which event THE ORGANIZATION shall pay to the City of Franklin an amount equal to the current market value of the property less any portion of the value attributable to expenditures of non-program funds for the acquisition of, or improvement to, the property.

## **SECTION 9 - STANDARD TERMS AND CONDITIONS**

### **A. COMPLIANCE WITH FEDERAL LAWS/REGULATIONS**

THE ORGANIZATION shall comply with all applicable Federal and State laws and regulations in the performance of this Contract.

### **B. ANTIDISCRIMINATION/AFFIRMATIVE ACTION AND EQUAL EMPLOYMENT OPPORTUNITY**

No person on the grounds of handicap, age, race, color, religion, sex, national origin, disability, or marital/familial status or any other classification protected by Federal and/or State of Tennessee constitutional and/or statutory law-shall be excluded from

participation in, or be denied benefits or, or be otherwise subjected to discrimination in the performance of this Contract.

**C. AUDIT REQUIREMENTS**

- i. This Contract, as well as any sub-agreement made with other participating agencies, is subject to all of the administrative requirements in OMB Circulars A-110 and A-122.
- ii. THE CITY hereby notifies THE ORGANIZATION that a single audit is required for non-profit agencies receiving \$300,000 or more in federal funds in any single fiscal year. This requirement is in accordance with OMB Circulars A-110 and A-133. If required, a copy of the single audit report will be kept on file and made available to THE CITY staff during sub-recipient monitoring visits and appropriate officials as requested.

**D. CONFLICT OF INTEREST**

THE ORGANIZATION agrees to abide by the following requirements with respect to conflicts of interest, and covenants that it presently has no interest, direct or indirect, and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Agreement. THE ORGANIZATION further covenants that in the performance of this Agreement no person having such an interest, direct or indirect, shall be employed or retained by THE ORGANIZATION hereunder. These conflict of interest provisions apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of THE ORGANIZATION or of any designated public agencies or sub-recipients that are receiving funds under this program.

**E. PROCUREMENT STANDARDS AND METHODS**

THE ORGANIZATION shall comply with THE CITY's current policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds herein.

THE ORGANIZATION shall procure all materials, property, or services in accordance with the requirements of Attachment O of OMB Circular A-110, Procurement Standards.

**F. VENUE**

In the event of a dispute or litigation arising out of said Contract, it is understood and agreed and that this Contract was executed and performed in Williamson County, Tennessee, and as such, it is agreed by both parties that venue of said litigation, including an action for Declaratory Judgment, will be in Williamson County, Tennessee.

**G. ASSIGNMENT**

Neither THE CITY nor THE ORGANIZATION may assign its rights or delegate its responsibilities under this contract.

**H. ENTIRE CONTRACT AND MODIFICATION**

The Contract between the parties and supersedes any prior or contemporaneous communications, representations or agreements between the parties, whether oral or written, regarding the subject matter of the entire Contract. The terms and conditions of this Contract may not be changed except by an amendment expressly referencing this Contract by section number and signed by an authorized representative of each party.

If seeking any addition or modification to the Contract, the parties agree to reference the specific paragraph number sought to be changed on any future document or purchase order issued in furtherance of the Contract, however, an omission of the reference to same shall not affect its applicability. In no event shall either party be bound by any terms contained in any purchase order, acknowledgement, or other writings unless: (a) such purchase order, acknowledgement, or other writings specifically refer to the Contract or to the specific clause they are intended to modify; (b) clearly indicate the intention of both parties to override and modify the Contract; and (c) such purchase order, acknowledgement, or other writings are signed, with specific material clauses separately initialed, by authorized representatives of both parties.

**I. SEVERABILITY**

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

**J. TIME OF THE ESSENCE**

The parties agree that TIME IS OF THE ESSENCE with respect to the parties' performance of all provisions of the Agreement.

**K. NO TAXES, NO INTEREST PAYMENTS**

As a tax-exempt entity, THE CITY shall not be responsible for sales or use taxes incurred for products or services. THE CITY shall supply THE ORGANIZATION with its Sales and Use Tax Exemption Certificate upon THE ORGANIZATION's request. THE ORGANIZATION shall bear the burden of providing its suppliers with a copy of THE CITY's tax exemption certificate and shall assume all liability for such taxes, if any, that should be incurred. THE CITY does not agree to pay any interest for late payments, having agreed to pay in a timely manner.

**L. WAIVER**

Neither party's failure or delay to exercise any of its rights or powers under the Contract will constitute or be deemed a waiver or forfeiture of those rights or powers. For a waiver of a right or power to be effective, it must be in writing signed by the waiving party. An effective waiver of a right or power shall not be construed as either (a) a future or continuing waiver of that same right or power, or (b) the waiver of any other right or power.

**M. TERMINATION**

This Agreement may be terminated upon thirty (30) days written notice by either party

Upon deliberate breach of the Contract by either party, the non-breaching party shall be entitled to terminate the Contract without notice, with all of the remedies it would have in the event of termination, and may also have such other remedies as it may be entitled to in law or in equity..

**SECTION 10 – SIGNATURES**

**THE CITY OF FRANKLIN**

By: \_\_\_\_\_  
Dr. Ken Moore, Mayor

Date: \_\_\_\_\_

Attest:

\_\_\_\_\_  
Eric S. Stuckey, City Administrator

Date: \_\_\_\_\_

Approved as to Form:

\_\_\_\_\_  
Kristen Corn, Staff Attorney

Date: \_\_\_\_\_

**HARD BARGAIN ASSOCIATION:**

By:   
Its: Executive director

Date: \_\_\_\_\_

## **Exhibit A**

The proposed Scope of Services and Costs are enclosed on the following pages and are incorporated by reference into the agreement.



HISTORIC  
FRANKLIN  
TENNESSEE

ITEM #11  
WRKS 06/11/13

## MEMORANDUM

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May 28, 2013

TO: Board of Mayor and Alderman

FROM: Eric Stuckey, City Administrator *ES*  
Vernon Gerth, ACA-Community & Economic Development  
Chris Bridgewater, Director, Building & Neighborhood Services  
Kathleen L. Sauseda, Housing Coordinator

SUBJECT: Contract for the Community Development Block Grant Funds (CBDO) with Hard Bargain Association (Contract 2013-0049)

### **Purpose**

The purpose of this memorandum is to provide the Board of Mayor and Aldermen with information to consider a contract with Hard Bargain Association to support the construction and/or rehabilitation of single family homes for low to moderate-low income citizens of Franklin.

### **Background**

The City of Franklin has identified affordable housing development as an important issue in the community. The mission of the Community Development Block Grant program in Franklin is to develop, in cooperation with its residents, business partners, and not-for-profit housing agencies, viable urban communities by providing decent housing and a suitable living environment and to expand economic opportunities principally to low and moderate-income persons.

To further the objectives of the City of Franklin's Consolidated Plan for Housing and Community Development, the City of Franklin has been awarded \$34,076 of Community Development Block Grant (CBDG) funds to be awarded to a Community Based Development Organization (CBDO). The proposed agreement facilitates funding the CBDO with \$34,076 of CBDG funds to support the construction or re-habitation of single family homes for low to moderate-income citizens of the City of Franklin.

The City solicited proposals from qualified non-profit firms that are certified as CBDO's to develop affordable housing for low to moderate-income residents of the City of Franklin. Hard Bargain Association was the only certified non-profits that submitted a proposal. The City's Housing Commission and City staff supports awarding this grant to Hard Bargain Association.

### **Financial Impact**

This contract will be fully funded (\$34,076) by the Community Development Block Grant Program.

### **Options**

The Board may approve, deny or modify the proposed contract with Hard Bargain Association.

### **Recommendation**

The Housing Commission and staff recommend approval to the Board of Mayor and Aldermen.