




HISTORIC
FRANKLIN
TENNESSEE

ITEM #10
WRKS 09/14/2010

MEMORANDUM

August 24, 2010

TO: City of Franklin Board of Mayor and Alderman

FROM: Eric S. Stuckey, City Administrator 
Vernon Gerth, ACA-Community and Economic Development
Kathleen Sauseda, Interim Housing Development Coordinator

SUBJECT: 2009-10 Program Year Community Based Development Organization (CBDO) Contract Number 2010-0130

Purpose

The purpose of this memorandum is to provide the Board of Mayor and Aldermen (BOMA) with information to consider the 2009-10 Community Based Development Organization (CBDO) agreement with Community Housing Partnership (CHP) in the amount of \$122,244 for the purpose for creating two (2) affordable housing units through the purchase and renovation of existing housing with Community Development Block Grant (CDBG) funding.

Background

The City of Franklin has identified affordable housing development as an important issue in the community. Consistent with the objectives of the City of Franklin Consolidated Plan and Action Plan for the 2009-10 Community Development Block Grant (CDBG) program year \$122,244 of CDBG funding is to be designated to assist Community Based Development Organization(s) to construct and/or acquire and rehabilitate affordable housing.

Locally, three qualified non-profit organizations are certified as Community Based Development Organizations and upon soliciting proposals, all three CBDO's submitted requests to develop affordable housing for low to moderate-income residents in the City of Franklin. The three organizations are United Community Resource Foundation, Mt. Hope/Hard Bargain Redevelopment, and Community Housing Partnership. A CBDO Task Force comprised of members of the Affordable/Workforce Housing Committee and staff scored and evaluated the proposals against the Department of Housing and Urban Development statutory requirements and the Request for Proposal advertised by the City. Based on the proposals submitted, the CBDO Task Force recommends awarding the full \$112,244 to Community Housing Partnership to purchase and rehabilitate two (2) single-family dwellings to be sold to qualified buyers whose income meets or is below the median family income for affordable/workforce housing.

Financial

This contract will be funded in full by the 2009-10 Community Development Block Grant (CDBG) funding received through the Department of Housing and Urban Development (HUD).

Recommendation

The CBDO Task Force, Affordable/Workforce Advisory Committee and City staff recommend approval of contract 2010-0130 to CHP for the purchase and renovation of two affordable housing units within the city of Franklin.

**CONTRACT FOR THE COMMUNITY BASED DEVELOPMENT ORGANIZATION OF
THE CITY OF FRANKLIN
(Contract 2010 – 0130)**

This Contract, made and entered into this ____ day of _____, 2010, by and between the City of Franklin, (hereinafter “The City”) and Community Housing Partnership 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 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 to assist low to moderate income owner occupants of the City of Franklin, who are elderly and/or disabled with emergency-type home rehabilitation services. Items to be corrected must represent a health and safety hazard, with an emphasis on exterior repairs and major structural and mechanical deficiencies.

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 HUD required 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 **\$112,244.00** for the services outlined above and contained in Exhibit A from the Community Development Block Grant program for eligible expenses.

SECTION 4 - TIME OF PERFORMANCE

- A. Services shall start by September 30, 2010 and end on or before the 30th day of June, 2011.
- B. This Agreement may be terminated upon thirty (30) days written notice by either party.

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.

SECTIONS 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 3rd Avenue South
Franklin, TN 37064**

**Stephen Murray
Community Housing Partnership
of Williamson County
129 W. Fowlkes Street, Suite 128
Franklin, TN 37064**

SECTION 7 - STANDARD TERMS AND CONDITIONS

1. COMPLIANCE WITH FEDERAL LAWS/REGULATIONS

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

2. 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.

3. AUDIT REQUIREMENTS

A. 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.

B. 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.

4. 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.

5. 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.

7. 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.

8. ASSIGNMENT

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

9. 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.

10. 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.

11. 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.

12. 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.

13. 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.

14. BREACH

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 8 - SIGNATURES

THE CITY OF FRANKLIN

By: _____
John Schroer, Mayor

Date: _____

Attest:

Eric S. Stuckey, City Administrator

Date: _____

Approved as to Form:

Kristen L. Corn, Staff Attorney

COMMUNITY HOUSING PARTNERSHIP OF WILLIAMSON COUNTY (CHP)

Authorized Signature

Date: _____

Exhibit A

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

Exhibit B

REQUIRED STANDARD TERMS AND CONDITIONS