CONTRACT

Between

AUGUSTA, GEORGIA

And

LANEY-WALKER DEVELOPMENT

In the amount of

$ 180,767.60

One Hundred Sixty-Seven Thousand Thirty-Five Dollars & 00/100

For Fiscal Year **2013**

Providing Funding From

HOME INVESTMENT PARTNERSHIPS PROGRAM

"Eleventh Street Project – 1235 Single Family "

THIS AGREEMENT ("*Contract*"), is made and entered into as of the _____ day of _____, 2014 ("*the effective date*") by and between Augusta, Georgia, acting through the Housing and Community Development Department (hereinafter referred to as "*AHCDD*") – with principal offices at 925 Laney Walker Blvd., 2nd Floor, Augusta, Georgia 30901, as party of the first part (hereinafter called "*Augusta*"), and Laney-Walker Development Corporation., a developer, organized pursuant to the Laws of the State of Georgia (hereinafter called "*Laney-Walker*") as party in the second part.

WITNESSETH

WHEREAS, Augusta is qualified by the U.S. Department of Housing and Urban Development (hereafter called HUD) as a HOME Program Participating Jurisdiction, and Augusta has received HOME Investment Partnerships Act (hereinafter called HOME or the HOME Program) funds from HUD for the purpose of providing and retaining affordable housing for eligible families; as defined by HUD; and

WHEREAS, Laney-Walker will be involved in HOME eligible activities; and

WHEREAS, Augusta wishes to increase homeownership opportunities and preserve and increase the supply of affordable housing for HOME Program eligible low and moderate income families through eligible uses of it HOME Program grant funds, as described in the Augusta-Richmond County Consolidated Plan 2010-2014; and the Year 2014 Annual Action Plan; and

WHEREAS, Augusta wishes to enter into a contractual agreement with Laney-Walker for the administration of HOME eligible affordable housing development activities; and

WHEREAS, this activity has been determined to be an eligible HOME activity according to 24 CFR 92.504(c)(13), and will meet one or more of the national objectives and criteria outlined in Title 24 Code of Federal Regulations, Part 92 of the Housing and Urban Development Regulations.

WHEREAS, Laney-Walker has been selected and approved through a solicitation process for development partners to assist in the redevelopment of Laney Walker/Bethlehem communities.

WHEREAS, Laney-Walker has agreed to provide services funded through this contract free from political activities, religious influences or requirements; and

WHEREAS, Laney-Walker has requested and Augusta has approved a total of $180,767.60 in loan funds to perform eligible activities as described in Article I below;

NOW, THEREFORE, the parties of this agreement for the consideration set forth below, do here and now agree to the following terms and conditions:

ARTICLE I. SCOPE OF SERVICES

A. Scope of Services

a. Project Description

Laney-Walker agrees to utilize approved HOME funds to support project related costs associated with 1235 Eleventh Street, a Single Family housing unit. This project is the construction of an affordable housing effort which involves development and construction of a new single family unit within the Eleventh Street Community. Under this agreement:

i. *Perform new construction services for a single family unit.*
ii. *Perform all required and requested marketing and advertising activities; in accordance with "Fair Housing" regulations*
iii. *All projects are to posses the following components:*

1. Evidence of additional financing resources "Leveraging"
2. Evidence of Site Control
3. At the time of sales, evidence that a qualified homebuyer has been identified, received and completed a comprehensive home buying education course(s) and pre-purchase housing counseling program; prior to the completion of the assigned home.

B. Use of Funds

HOME Program funds shall be used by Laney-Walker for the purposes and objectives stated in Article I, Scope of Services, and Exhibit "A" of this Agreement. The use of HOME funds for any other purpose(s) is not permitted. The following summarizes the proposed uses of funds under this agreement:

a. Construction Costs

An amount not to exceed $180,767.60 in a loan shall be expended by Laney-Walker from year 2012 HOME Program funds for construction costs related to the development of an affordable single family unit in the Eleventh Street Community. The design and specifications must be approved by AHCDD prior to construction (Exhibit A). Funds will be used to assist with the cost of all construction related fees. This unit will be constructed by Laney-Walker and made available for purchase by HOME Program eligible low and moderate income homebuyers.

The address for this project is:

i. 1235 Eleventh Street, Augusta , Georgia 30901

Laney-Walker may request a change of address through written request.

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b. Management Fees

An amount not to exceed $10,00.00 in a grant shall be expended to Laney Walker in support of the management fees. Payment may be requested at the milestones listed below:

$ 5,000.00	When AHCD & Laney Walker Development Corporation have entered into an contract and Contract is executed by Mayor to begin work.
$ 5,000.00	When the Certificate of Occupancy is received.

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C. **Program Location and Specific Goals to be Achieved**

Laney-Walker shall conduct project development activities and related services in its project area (also known as the Heritage Pine Community) that incorporates the following boundaries: James Brown Blvd. on the West; 12th Street on the East; Wrightsboro Road on the South; and Laney Walker Blvd on the North and its designated geographic boundaries approved by AHCDD.

D. **Project Eligibility Determination**

It has been determined that the use of HOME Program funds by Laney-Walker will be in compliance with 24 CFR Part 92. Notwithstanding any other provisions of this contract, J&B shall provide activities and services as described in the description of the project, including use of funds, its goals and objectives, tasks to be performed and a detailed schedule for completing the tasks for this project as provided in Exhibit A of this contract.

ARTICLE II. BUDGET AND METHOD OF PAYMENT

Laney-Walker will be compensated in accordance with this Article II, Budget and Method of Payment, that specifically identifies the use of HOME funds and any other project funding as represented in Article II. C. 2 of this Agreement. Laney-Walker will carry out this project with implementation oversight provided by AHCDD. Laney-Walker agrees to perform the required services under the general coordination of AHCDD. In addition and upon approval by Augusta, J&B may engage the services of outside professional services, consultants, and contractors to help carry out the program and project.

A. Funds

Augusta shall designate and make HOME Program funds available in the following manner:

a. Augusta agrees to pay Laney-Walker a maximum of $ 180,767.60 under this agreement for project expenses incurred as outlined in ARTICLE I, Scope of Services, subject to Laney-Walker compliance with all terms and conditions of this agreement and the procedures for documenting expenses and activities as set forth in ARTICLE V.

b. The method of payment shall be on a reimbursement basis. The Reimbursement Form can found in Appendix B. For invoicing, Laney-Walker will include documentation showing proof of payment in the form of a cancelled check attached with its respective invoice and completed reimbursement form that includes amount requested, amount remaining and specific line item names that relate to the contract budget found in Appendix A.

c. AHCDD will monitor the progress of the project and Laney-Walker performance on a weekly basis with regards to the production and overall effectiveness of the project.

d. Upon the termination of this agreement, any unused or residual funds remaining shall revert to Augusta and shall be due and payable on such date of the termination and shall be paid no later than thirty (30) days thereafter.

e. Funds may not be transferred from line item to line item in the project budget without prior written approval of Augusta thru AHCDD.

f. The use of funds described in this agreement is subject to the written approval of the U. S. Department of Housing and Urban Development.

g. This Agreement is based upon the availability of HOME Program funds.

Initial: _____

B. Project Financing

AHCDD will fund a hundred percent (100%) of the total construction costs of a single project, and seeks to provide Laney-Walker with the necessary HOME

Program Agreement. The HOME funding can be used for other project related costs as described below:

a. Laney Walker's management fee in the amount of $ 10,000.00.
b. All funding is being provided at a 0% non-amortizing loan to be repaid once the house sales.

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C. Timetable for Completion of Project Activities

Laney-Walker shall obligate the designated HOME Program funds within six months of the date of execution of this Agreement. Based on the budget outlined in C.2 below, Laney-Walker will provide a detailed outline of critical project milestones and projected expenditures during the course of the development project as Exhibit B. These documents will become an official part of the contractual agreement and provide the basis for overall project performance measurements.

a. Liquidated Damages

i. *Laney-Walker shall complete this project no later than 150 Days from the effective date of this Agreement "**April____, 2014**" unless otherwise approved by Director of AHCDD. The penalty for non-completion is $200 a day for every day over the stated deadline.*

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D. Project Budget: Limitations

Laney-Walker shall be paid a total consideration of $180,767.60 for full performance of the services specified under this Agreement. Any cost above this amount shall be the sole responsibility of Laney-Walker. It is also understood by both parties to this contract that the funding provided under this contract for this specific project shall be the only funds provided by Augusta- unless otherwise agreed to by Augusta and Laney-Walker.

Laney-Walker shall adhere to the following budget in the performance of this contract:

Construction	$ 170,767.60
Management Fee	$ 10,000.00
Total Project Activity Cost	**$180,767.60**

Initials

ARTICLE III. RESALE/RECAPTURE PROVISIONS [24 CFR 92.254(5)]

The Resale/Recapture Provisions in this Article III shall ensure compliance with the HOME Program "Period of Affordability" requirements pursuant to 24 CFR 92.254(a)(4). 24 CFR 92.254 required that the City, its subrecipients, and CHDOs follow certain resale/recapture restrictions with regard to its HOME-funded homebuyer program. Each property sold to a homebuyer will remain affordable for the duration of the affordability period or the City will use the recapture option.

If the eligible homebuyer (who received down payment assistance [HOME Program] or other development subsidy funds from Augusta) sells their property, then AHCDD shall capture the HOME funds which will ensure that the recaptured HOME Program funds are reinvested in other affordable housing in Augusta for low and moderate-income persons. This shall be accomplished through deed restrictions, property liens, and contractual obligations, as described in Article I.B of this Agreement.

ARTICLE IV. TERM OF CONTRACT

The term of this Agreement shall commence on the date when this agreement is executed by Augusta and Laney-Walker (whichever date is later) and shall end at the completion of all program activities, within the time specified in Article I. D, or in accordance with Article VII: Suspension and Termination.

ARTICLE V: DOCUMENTATION AND PAYMENT

A. This is a pay-for-performance contract and in no event shall Augusta provide advance funding to Laney-Walker or any subcontractor hereunder. All payments will be made to Laney-Walker.

B. Laney-Walker shall maintain a separate account and accounting process for HOME funding sources.

C. Laney-Walker shall not use these funds for any purpose other than the purpose set forth in this Agreement

D. Subject to Laney-Walker compliance with the provisions of this Agreement, Augusta agrees to reimburse all budgeted costs allowable under federal, state, and local guidelines.

E. All purchases of capital equipment, goods and services shall comply with the procurement procedures of OMB Circular A-110 "Uniform Administrative Requirements for Grant Agreements with Institutions of Higher Education, Hospitals and other Non-Profit Organizations" as well as the procurement policy of Augusta.

F. Requests by Laney-Walker for payment shall be accompanied by proper documentation and shall be submitted to AHCDD, transmitted by a cover memo, for approval no later than their (30) calendar days after the last date covered by the request. For purposes of this section, proper documentation includes: "Reimbursement Request Form" supplied by HCD, copies of invoices, receipts, other evidence of indebtedness, budget itemization and description of specific activities undertaken. Invoices shall not be honored if received by AHCDD later than sixty (60) calendar days after expiration date of Agreement. The reimbursement request form is in Appendix B.

G. Laney-Walker shall maintain an adequate financial system and internal fiscal controls

H. The homebuyer subsidy will be determined after the amount of the buyer's permanent mortgage has been determined.

I. Unexpended funds shall be retained by Augusta. Upon written request, Augusta may consider the reallocation of unexpended funds to eligible projects proposed by Laney-Walker.

Initial: _____

ARTICLE VI. REPAYMENT/PROGRAM INCOME

A. Augusta will be responsible for monitoring the reuse of the proceeds.

B. Any real property under Laney-Walker control that was acquired or improved in whole or in part with HOME funds in excess of $25,000 must either:

   a. Be used to meet one of the national objectives in 24 CFR 570.208 for at least five years after the expiration of this Agreement; or

   b. Be disposed of in a manner that results in Augusta being reimbursed in the amount of the current fair market value of the property, less any portion of the value attributable to expenditures of non-HOME funds for acquisition of, or improvement to, the property.

C. Any HOME funds invested in housing that does not meet the affordability requirements for the period specified in §92.252 or §92.254, as applicable, must be repaid by Laney-Walker.

D. Any HOME funds invested in a project that is terminated before completion, either voluntarily or otherwise, must be repaid by Laney-Walker.

E. If Laney-Walker is found to be in non-compliance with the HOME Program laws and regulations as described in 24 CFR Part 92, the organization will be required to reimburse the City for the funding associated with the noncompliance issues.

ARTICLE VII. RECORD KEEPING, REPORTING AND MONITORING REQUIREMENTS

Laney-Walker shall carry out its HOME assisted activities in compliance with all HOME Program laws and regulations described in 24 CFR Part 92 Subpart E (Program Requirements), Subpart F (Project Requirements), and Subpart H (Other Federal Requirements). These compliance activities include, but are not limited to:

a. Maximum acquisition prices [24 CFR 92.205A.2]

b. Maximum per unit HOME Program subsidy amount [Section 221(d)(3)]

c. Combined affordability of assisted units

d. Income eligibility of assisted unites

e. Inspection of the homebuyer units to comply with HUD required Property Standards

f. Acquisition, Displacement and Relocation Requirements [24 CFR 92.353]

g. Environmental Review
h. Lead-based Paint Abatement
i. Property Value [Section 203(b) Limits]

To document low and moderate-income benefits required in 24 CFR 570.200(a)(2). Laney-Walker shall maintain records that document all clients served with HOME funds. In addition, Laney-Walker shall document each client's race, family size, annul household income, and whether or not the family is female-headed. Augusta shall supply "Income Verification" forms which, when completed by those clients served by Laney-Walker, shall provide the information and verification described above.

Laney-Walker shall prepare and submit reports relative to this project to Augusta at Augusta's request. Augusta shall supply Laney-Walker with the following report forms and require the same to be completed as requested by Augusta: "Monthly Services", "Quarterly Progress", "Quarterly Financial" and "Annual Report". Further explanation and report due dates are found in Appendix B below.

Laney-Walker shall maintain books and records in accordance with generally accepted accounting principles. Documents shall be maintained in accordance with practices that sufficiently and properly reflect all expenditure of funds provided by Augusta under this Agreement.

Laney-Walker shall make all records for this project available to Augusta, the U.S. Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives for the purpose of making audits, examinations, excerpts and transcriptions.

In compliance with OMB Circular A-110 regarding retention and custodial requirements for records, Laney-Walker shall maintain financial records, supporting documents, statistical records, and all other records pertinent to this Agreement for a period of three years, with the following qualifications:

b. If any litigation, claim or audit is started before the expiration of the 3-year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

c. Records for non-spendable personal property acquired with HOME grant funds shall be retained for three years after its final disposition. Non-expendable personal property means tangible personal property having a useful life of more than one year and an acquisition cost of $300 or more per unit.

In connection with the expenditure of federal funds, Laney-Walker shall provide to Augusta and organization – wide audited financial statement consisting of a balance sheet, income statement and a statement of changes in its financial position. All documents shall be prepared by certified public accountant. Such financial disclosure information shall be filed with Augusta within one hundred fifty (150) calendar days after the close of Laney-Walker's fiscal year. Laney-Walker is responsible for any cost associated with the audit. Failure to comply may result in the reallocation of funding and termination of the contract. Laney-Walker shall supply, up on request, documentation maintained in accordance with practices which sufficiently and properly reflect all expenditures of funds provided by Augusta under this Agreement.

Open Records Disclosure: Laney Walker's records related to this Agreement and the services to be provided under the agreement may be a public record subject to Georgia's Open Records Act (O.C.G.A. §50-18-70). Laney Walker agrees to comply with the Open Records Act should a request be submitted to it. Further, Laney-Walker agrees to comply with the provision of the Open Meetings Law and the following compliance measures will be taken:

a. Laney-Walker will provide notice to the Augusta Chronicle and the Augusta Focus or the Metro Courier of its regular board meeting schedule and of any special called meetings except emergency meetings;

b. Laney-Walker will post notices of its meetings in a public place at the meeting sites and it will keep a written agenda, minutes, attendance, and voting record for each meeting and make the same available for inspections by the press, the public and the Grantee, subject to the provision of the Open Meetings Law.

c. The press, public, and the Grantee shall not be denied admittance to Laney-Walker's board meetings, except for such portions of the meeting as may be closed pursuant to the Open Meetings Law.

d. Laney-Walker shall provide the Grantee a tentative annual schedule of the Board of Director's meetings. Publications and minutes of each meeting shall be submitted to Grantee within 30 days after each meeting.

ARTICLE VIII. ADMINISTRATIVE REQUIREMENTS

Laney-Walker agrees to comply with the conflict of interest provisions contained in 24 CFR 85.36, 570.611, OMB Circular A- 110 and OMB circular A- 102 as appropriate.

This conflict of interest provisions applies to any person who is an employee, agent, consultant, officer, or elected official or appointed official of Laney-Walker. No person described above who exercises, may exercise or has exercised any functions or responsibilities with responsibilities with respect to the HOME activities supported under this contract; or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain any financial interest or benefit from the activities. Or have a financial interest in any contract, sub-contract, or agreement with respect to the contract activities either for themselves or those whom they have business or family ties, during their tenure or for one year thereafter. For the purpose of this provision, "family ties", as defined in the above cited volume and provisions of the Code of Federal Regulations, include those related as Spouse, Father, Mother, Father-in-law, Mother-in-law, Step-parent, Children, Step-children, Brother, Sister, Brother-in-law, Sister-in-law, Grandparent, Grandchildren of the individual holding any interest in the subject matter of this Agreement. Laney-Walker in the persons of Directors, Officers, Employees, Staff, Volunteers and Associates such as Contractors, Sub-contractors, and Consultants shall sign and submit a Conflict of Interest Affidavit. (Affidavit form attached as part in parcel to this Agreement)

Laney-Walker shall comply with the requirements and standards of OMB Circular A-122 "Cost Principles for Non-Profit Organizations" and 24 CFR Part 570.502(b), "Applicability of Uniform Administrative Requirements."

Augusta may, from time to time, request changes to the scope of this agreement and obligations to be performed hereunder by Laney-Walker. In such instances, Laney-Walker shall consult with AHCDD/Augusta on any changes that will result in substantive changes to this Agreement. All such changes shall be made via written amendments to this Agreement and shall be approved by the governing bodies of both Augusta and Laney-Walker.

Statutes, regulations, guidelines and forms referenced throughout this Agreement are listed in Appendix D and are attached and included as part of parcel to this Agreement.

Initial: _____

ARTICLE IX. OTHER REQUIREMENTS

A. Laney-Walker agrees that it will conduct and administer HOME Program activities in conformity with Pub. L. 88-352, "Title VI of the Civil Rights Act of 1964", and with Pub. L. 90-284 "Fair Housing Act:, and that it will affirmatively further fair housing. One suggested activity is to use the fair housing symbol and language in Laney-Walker's publications and/or advertisements. (24 CFR 570.601).

B. Laney-Walker agrees that the ownership in the housing assisted units must meet the definition of "homeownership" in §92.2.

C. Laney-Walker agrees to comply with 24 CFR Part I, which provides that no person shall be excluded from participation in this project on the grounds of race, color, national origin, or sex; or be subject to discrimination under any program or activity funded in whole or in part with federal funds made available pursuant to the Act.

D. Laney-Walker agrees that in instances in which there is construction work over $2,000 financed in who or in part with Laney Walker Bond funds, **HOME funds**, and/or NSP funds under this Agreement, Laney-Walker will adhere to the Davis-Bacon Act (40 U.S.C 276), as amended, which requires all laborers and mechanics working on the project to be paid not less than prevailing wage-rates as determined by the Secretary of Labor. By reason of the foregoing requirement, the Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et seq.) also applies. These requirements apply to the rehabilitation of residential property only if such property contains eight or more units. (24 CFR 570.603).

E. No person employed in the work covered by this contract shall be discharged or in any way discriminated against because he or she has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable hereunder to his or her employer.

F. Laney-Walker agrees that in accordance with the National Environmental Policy Act of 1969 and 24 CFR part 58, it will cooperate with Augusta/AHCDD in complying with the NEPA Act and regulations, and that no activities will be undertaken until notified by Augusta/AHCDD that the activity is in compliance with the Act and regulations. Prior to beginning any project development activity, an environmental review must be conducted by the Augusta-Richmond County Planning Department. (24 CFR 570.604)

G. Consistent with the Flood Disaster Protection Act of 1973 (42 U.S.C 4001-4128), J&B agrees that Laney Walker Bond funds, **HOME funds**, and/or NSP funds shall not be expended for acquisition or construction in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards (representing the 100-year floodplain). Exceptions will be made if the community is participating in the National Flood Insurance Program or less than a year has passed since FEMA notification and flood insurance has been obtained in accordance with section 102(a) of the Flood Disaster Protection Act of 1973.

H. Laney-Walker agrees to take all reasonable steps to minimize displacement of persons as a result of HOME assisted activities. Any such activities with HOME funds, and/or NSP funds will be conducted in accordance with the Uniform Relocation Assistance and Real property Acquisition Policies Act of 1970 (URA) and the Housing and Community Development Act of 1974 (24 CFR 570.606).

I. Laney-Walker agrees to comply with Executive Order 11246 and 12086 and the regulations issued pursuant thereto (41 CFR 60) which provides that no person shall be discriminated against on the basis of race, color, religion, sex or national origin. Laney-Walker will in all solicitations or advertisements for employees placed by or on behalf of Laney-Walker state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin or familial status.

J. Laney-Walker will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, or familial status. Laney-Walker will take appropriate action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex, national origin, or social status.

K. Laney Walker agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by Augusta setting forth the provisions of this nondiscrimination clause. Except as prohibited by law or the March 14, 2007 Court Order in the case Thompson Wrecking, Inc. v. Augusta, Georgia, Civil Action No. 1:07-CV-019 (S.D. GA 2011). **ANY LANGUAGE THAT VIOLATES THIS COURT ORDER IS VOIDABLE BY THE AUGUSTA GOVERNMENT**. J&B agrees to comply with any federally mandated requirements as to minority and women owned-business enterprises.

L. Laney Walker agrees the low and moderate income persons residing within Augusta-Richmond County and that contract for work in connection with the project be awarded to eligible businesses which are located in or owned in substantial part by persons residing in Augusta-Richmond County. (24 CFR 570.697)

M. In accordance with Section 92.355 of the HOME Regulations and Section 571.608 of the CDBG Regulations, Laney-Walker agrees to comply with the Lead Based Paint Poisoning Prevention Act pursuant to prohibition against the use of lead based paint in residential structures and to comply with 24 CFR 570.608 and 24 CFR 35 with regard to notification of the hazards of lead based paint poisoning and the elimination of lead based paint hazards.

N. Laney-Walker agrees to comply with 254 CFR 570.609 with regards to the direct or indirect use of any contractor during any period of debarment, suspension or placement in ineligible status. No contract will be executed until such time that the debarred, suspended, or ineligible contractor has been approved and reinstated by AHCDD.

O. In accordance with 24 CFR part 24, subpart F, Laney-Walker agrees to administer a policy to provide a drug-free workplace that is free from illegal use, possession, or distribution of drugs or alcohol by its beneficiaries as required by the Drug Free Workplace Act of 1988.

P. Any publicity generated by Laney-Walker for the project funded pursuant to this Agreement, during the term of this Agreement or for one year thereafter, will make reference to the contribution of Augusta-Richmond County in making the project possible. The words "Augusta-Richmond County Department of Housing and Community Development " will be explicitly stated in any and all pieces of publicity; including but not limited to flyers, press releases, posters, brochures, public service announcements, interviews, and newspaper articles.

Q. In accordance with 24 CFR 85.43, if Laney-Walker fails to expend its grant funds in a timely manner, such failure shall constitute a material failure to comply with this Agreement and invoke the suspension and termination provisions of ARTICLE VII. For purposes of this Agreement, timely expenditure of funds means Laney-Walker shall obligate and expend its funds as designated under ARTICLE II.C.

R. Laney-Walker shall comply with all applicable laws, ordinances and codes of the federal, state, and local governments and shall commit to trespass on any public or private property in performing any of the work embraced by this contract. Laney-Walker agrees to obtain all necessary permits for intended improvements or activities.

S. Laney-Walker shall not assign any interest in this contract or transfer any interest in this same without the prior written approval of Augusta.

T. Laney-Walker agrees to comply with the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C 6101-07) and handicaps under section 504 of the Rehabilitation Act of 1973 (29 U.S.C 794) and implementing regulations at 24 CFR Part 8. For purposes of the emergency shelter grants program, the term dwelling units in 24 CFR Part 8 shall include sleeping accommodations.

U. Indirect costs will only be paid if Laney-Walker has an indirect cost allocation plan approved by the Augusta/AHCDD prior to the execution of this Contract.

V. If applicable, Laney-Walker shall obtain prior written approval from the Grantee for any travel outside the State of Georgia with funds provided under this contract. All Federal Travel Regulations are applicable (41 CFR Part 301).

W. All housing unites [rehabilitated, reconstructed, or newly constructed] and assisted with HOME Program funds must, before occupancy, meet the Property Standards specified at 25 CFR 92.25. The Property Standards at 24 CFR 92.251 require that the homes

receiving funds must meet the HUD Section 8 Housing Quality Standards [HQS]. All housing assisted under this Agreement is "new construction" by HOME Programs definition and therefore must meet the local building codes for new housing in Augusta-Richmond County, as applicable.

Initial: _____

ARTICLE X. SUSPENSION AND TERMINATION

A. In the event Laney-Walker materially fails to comply with any terms of this agreement, including the timely completion of activities as described in the timetable and/or contained in ARTICLE II.C, Augusta may withhold cash payments until Laney-Walker cures any breach of the agreement. If Laney-Walker fails to cure the breach, Augusta may suspend or terminate the current award of funds. Laney-Walker will not be eligible to receive any other funding.

B. Notwithstanding the above, Laney-Walker shall not be relieved of its liability to Augusta for damages sustained as a result of any breach of this agreement. In addition, to any other remedies it may have at law or equity, Augusta may withhold any payments to Laney-Walker for the purposes of offsetting the exact amount of damages once determined.

C. In the best interest of the project and to better serve the people in the target areas and fulfill the purposes of the Laney Walker/ Bethlehem Revitalization project, either party may terminate this Agreement upon giving thirty (30) days notice in writing of its intent to terminate, stating its reasons for doing so. In the event Augusta terminates this Agreement, Augusta shall pay Laney-Walker for documented committed eligible costs incurred prior to the date of notice of termination.

D. Notwithstanding any termination or suspension of this Agreement, Laney-Walker shall not be relieved of any duties or obligations imposed on it under this Agreement with respect to HOME Program funds previously disbursed or income derived therefrom.

ARTICLE XI. NOTICES

Whenever either party desires to give notice unto the other, such notice must be in writing, sent by certified United States mail, return receipt requested, addressed to the party for whom it is intended, at the place last specified, and the place for giving of notice shall remain such until it shall have been changed by written notice.

Augusta will receive all notice at the address indicated below:

Office of the Administrator
Municipal Building
530 Greene Street, Suite 801
Augusta, GA 30911

With copies to:

Augusta Housing and Community Development Department
925 Laney Walker Blvd., 2nd Floor
Augusta, GA 30901

Laney-Walker will receive all notices at the address indicated below:

Laney Walker Development Corporation
851 Laney-Walker Blvd.
Augusta, Georgia 30901

ARTICLE XII: INDEMNIFICATION

Laney-Walker will at all times hereafter indemnify and hold harmless Augusta, its officers, agents and employees, against any and all claims, losses, liabilities, or expenditures of any kind, including court costs, attorney fees and expenses, accruing or resulting from any or all suits or damages of any kind resulting from injuries or damages sustained by any person or persons, corporation or property, by virtue of the performance of this Agreement. By execution of this agreement, Laney-Walker specifically consents to jurisdiction and venue in the Superior Court of Richmond County, Georgia and waives any right to contest jurisdiction or venue in said Court.

Should it become necessary to determine the meaning or otherwise interpret any work, phrase or provision of this Agreement, or should the terms of this Agreement in any way be the subject of litigation in any court of laws or equity. It is agreed that the laws of the State of Georgia shall exclusively control the same.

The parties hereto do agree to bind themselves, their heirs, executors, administrators, trustees, successors and assigns, all jointly and severally under the terms of this Agreement.

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ARTICLE XIII. INSURANCE AND BONDING

Laney-Walker shall acquire adequate insurance coverage to protect all contract assets from loss or damage resulting from theft, fraud or physical damage. All policies and amounts of coverage shall be subject to approval by Augusta. Additionally, Laney-Walker shall procure and provide for approval by Augusta a blanket fidelity bond in the amount of at least $100,000.00 covering all personnel of Laney-Walker handling or charged with the responsibility for handling funds and property pursuant to this contract. Laney-Walker shall procure and provide, for approval by Augusta, comprehensive general liability insurance in the amount of at least $1,000,000.00 insuring the Grantee and adding as named insured the City of Augusta, the Mayor, Commissioners, and Augusta's officers, agents, members, employees, and successors.

Additionally, Laney-Walker shall procure officers and directors liability insurance under policies to be approved by Augusta. All of the above policies shall provide that no act or omission of the grantee, its agents, servants, or employees shall invalidate any insurance coverage required to be provided by Laney-Walker hereunder shall be cancelable without at least fifteen (15) days advance written notice to the Grantee. All insurance policies required hereunder or copies thereof shall be promptly submitted for approval by Augusta.

ARTICLE XIV. PRIOR AND FUTURE AGREEMENTS

This Document incorporates and includes all prior negotiations, correspondence, conversations, agreements or understandings applicable to the matters contained herein and the parties agree that there are no commitments, agreements, or understandings concerning the subject matter of this agreement that are not contained in this document. Accordingly, it is agreed that no deviation from the terms hereof shall be predicated upon any prior representations or agreements

whether oral or written. Augusta is not obligated to provide funding of any kind to Laney-Walker beyond the term of this Agreement.

ARTICLE XV. LEGAL PROVISIONS DEEMED INCLUDED

Each and every provision of any law or regulations and clause required by law or regulation to be inserted in this Agreement shall be deemed to be inserted herein and this Agreement shall be read and enforced as though it were included herein and if, through mistake or otherwise, any such provision is not inserted or is not correctly inserted, then upon application of either party this Agreement shall forthwith be amended to make such insertion.

ARTICLE XVI. DISCLAIMER

Any and all language in this agreement pertaining to HUD regulations and/or the utilizations of HOME funding is deemed voidable when utilizing Laney Walker Bond funds in its entirety. However, if there are any federal funds utilized by this project, including Homebuyer Subsidy funds, this Agreement will be enforceable in its entirety.

ARTICLE XVII. OUNTERPARTS

This Agreement is executed in two (2) counterparts – each of which shall be deemed an original and together shall constitute one and the same Agreement with one counterpart being delivered to each party hereto.

IN WITNESS WHEREOF, the parties have set their hands and seals as of the date first written above:

ATTEST:

SEAL

Nancy W. Moravski 4-2-14

~~Lena Bonner~~ Date

NANCY MORAWSKI

Dep. Clerk of Commission

AUGUSTA, GEORGIA

(Augusta)

By: 4/2/14

AGM David S. Copenhaver Date

3/31/14 As Its Mayor

4/1/14

Tameka Allen Date

Interim Administrator

3/27/14

Chester A. Wheeler, III Date

Director, AHCDD

ATTEST:

LANEY WALKER DEVELOPMENT CORP.

(Grantee)

SEAL:

By: 3/26/14

Its: Date

3/26/14

(Plain witness) Date

APPENDIX "A"

PROJECT DEVELOPMENT AND MANAGEMENT PROCEDURES

1. Augusta through the Housing and Community Development Department agrees to provide up to $80,767.60 in Fiscal Year 2013 HOME Program funds to Laney-Walker. These funds will support new construction with the production of approximately one (1) affordable single-family residential unit in connection with the continuation of 1235 Eleventh Street.
2. AHCDD must review and approve all residential design plans, project specifications and total development cost for each residential development project before work is commenced and before funds can be released for payment reimbursement. Construction payments will be released to Laney-Walker in accordance with the attached drawdown schedule and budget.
3. AHCDD will provide the lots on which all new affordable homes are to be built under this agreement and in connection with the Laney-Walker/Bethlehem Revitalization Project.
4. With AHCDD approval, Laney-Walker may use funds under this agreement for the following purposes:
    a. To support development costs as outlined in Item 6 below.
5. Completion delays, remedies, and penalties.
    a. If the Contractor fails to complete the work within the time frame specified in the contract, plus any authorized delays, AHCDD may:
        i. Terminate the contractor in accordance with the "Provisions for Augusta Housing and Community Development Department (AHCDD)" clause of this contract.
        ii. Assess liquidated damages of Two Hundred Dollars ($200) per working day from the schedule of completion to the date of final acceptance of the project. The total amount of liquidated damages will be deducted from the total contract price, plus any change order amounts.
    b. The contractor shall not be charged with liquidated damages for any delays in the completion of the work due:
        i. To any acts of the Federal, State, or City/County Government; including controls or restrictions upon or requisitioning of materials, equipment, tools or labor by reason of war, National Defense, or any other National, State, or City/County emergency.
        ii. To any acts of the Owner that hinder the progress of the work;
        iii. To cause not reasonable foreseeable by the parties in this contract at the time the execution of the contract which are beyond the control and without the fault or negligence of the Contractor; including but not restricted to acts of God; acts of the public enemy; acts of another

contractor in the performance of some other contract with the owner; fires; floods; epidemics; quarantine restrictions; strikes; freight embargoes; and weather or unusual severity such as hurricanes, tornadoes, cyclones, and other extreme weather conditions; and

iv. To any delay of the subcontractor occasioned by any other causes specified in subparagraphs A and B above. Provided, however, that the contractor promptly (within 10 days) notifies AHCDD in writing of the cause of the delay. If the facts show the delay to be properly excusable under the terms of this contract, AHCDD shall extend the contract time by a period commensurate with the period of authorized delay to the completion of the work as whole; in the form of an amendment to this contract.

6. Construction Costs and Requirements
   a. The amount that can be used to pay for development costs will be indentified on a project-by-project basis. In no case will this amount exceed the maximum per unit amount defined at 24 CFR 92.250
   b. AHCDD will provide construction management for the project to ensure that construction work is being carried out in accordance with plans, specifications and the project budget.
   c. Laney-Walker must make sure contractors obtain and post all permits on job site. Prior to releasing final payment on each house, Laney-Walker must also secure a Certificate of Occupancy from the contractor that has been issued by the Department of Licenses and Inspections.
   d. Laney-Walker must collect progress and final lien releases from the contractor, subcontractors, and material suppliers prior to making a payment to a contractor.
   e. AHCDD or its agent may continually inspect each house for contract compliance and to determine the percent of completion prior to processing a draw request and releasing payment. AHCDD may choose not to release payments if the work being performed is not of acceptable quality to AHCDD and if the house is not being built or rehabilitated in accordance with plans and specifications, or if the project is not on schedule.
7. Permanent Financing and Sales Prices
   a. The sales price of each home sold in accordance with this agreement must be based on a formal appraisal. Unless otherwise agreed to by AHCDD, the sales price of each house shall not exceed the appraised value of the house.
   b. The purchasers of houses constructed must meet the City of Augusta program requirements
   c. Buyers will be required to borrow no less than 75% of the sale prices of the house from a private lending institution unless otherwise agreed to by AHCDD.

APPENDIX "B"

REPORTING REQUIRMENTS

Laney Walker shall submit to the Grantee the following reports for the term of this Agreement.

1. Weekly Status Reports
    a. Due by 10:00am Monday morning for the previous week. Report will contain actual/estimated costs/date, issues and concerns. MS Project schedule will be manually updated so that AHCDD can input data to master schedule.
2. Monthly/Quarterly Progress & Financial Reports
    a. Due the 15th of the new quarter.
3. Annual Progress Report
    a. Due 365 days from the effective date of this agreement
4. Audit/Financial Report
5. Grantee shall maintain files on each person assisted. Each file shall contain, but is not restricted to, income data and verification for each person assisted; application for services; record of services provided; amount of services provided; documentation of costs for which assistance is provided; transportation log; documentation of medical need regarding prescriptions; and any other document that will provide proof of needed service(s) and subsequent provision of such service(s) as allowed under this contract.

APPENDIX "C"
FINANCING LETTER

APPENDIX "D"
STATUTES (AVAILABLE ON REQUEST)

1. 24 CFR Part 92, HOME Investment Partnerships Program ("HOME")
2. OMB Circular A-110 – Uniform Administrative Requirements for Grants and Agreement with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations.
3. OMB Circular A-122 – Cost Principals for Non-Profit Organizations
4. OMB Circular A-133 – Audits of Institutions of Higher Education & other Non-Profit Institutions
5. 40 USC 276 Davis-Bacon Act
6. 40 USC 327 Contract Work Hours and Safety Standard Act
7. Uniform Relocation Assistance and Real Property Acquisition Policies Act
8. Lead Based Paint Poisoning Prevention Act
9. 24 CFR 35 – HUD Requirements for Notification, Evaluation and Reduction of Lead-Based Paint Hazards in Housing Receiving Federal Assistance and Federally-Owned Residential Property being sold, Final Rule
10. Augusta-Richmond County Procurement Policy
11. Conflict of Interest Affidavit.

FORMS

1. Reimbursement Form

EXHIBIT "A"

CONSTRCUTION REQUIREMENTS

All construction projects shall comply with Federal, State, and Local codes and ordinances, including, but not limited to, the following:

- "Standard Building Code", 2000 Edition, Southern Building Congress, International, Inc., Birmingham, Alabama.
- "Standard Plumbing Code", latest edition, Southern Building Congress, International, Inc., Birmingham, Alabama.
- "Standard Mechanical Code", latest edition, Southern Building Congress, International, Inc., Birmingham, Alabama.
- "National Electric Code", latest edition, National Fire Protection Association, Quiney, Massachusetts.
- Model Energy Code, 1997, Council of American Building Officials
- "ADA Accessibility Guidelines for Buildings and Facilities", Department of Justice, American with Disabilities Act of 1990.
- Williams-Steiger Occupational Safety and Health Act of 1970, Public Law 91-596.
- Part 1910- Occupational Safety and Health Standards, Chapter XVII of Title 29, Code of Federal Regulations (Federal Register, Volume 37, Number 202, October 18, 1972).
- Part 1926- Safety and Health Regulations for Construction. Chapter XVII of Title 29, Code of Federal Regulations (Federal Register, Volume 37, Number 243, December 16, 1972).
- Section 106 of the National Historic Preservation Act 916 U.S.C. 470f).

Project Review: All plans, specifications, work write-ups, projected cost estimates, punch lists or other means of outlining work on a particular project will be submitted in writing to AHCDD for review and approval prior to bidding. AHCDD Construction and Rehabilitation Inspectors will review these items for compliance with new construction and/or rehabilitation standards and materials used

Rehabilitation Standards: All rehabilitation work will comply with the "Uniform Physical Condition Standards for HUD Housing." Workmanship and material standards will comply with the Augusta-Richmond County Housing & Community Development Department Contractors Manual and Performance Standards. A copy of this manual is provided to every contractor when included on the AHCDD Approved Contractors List.

Inspections: All projects will be inspected and approved by and AHCDD Construction and Rehabilitation Inspector prior to release of the funds for that request.

EXHIBIT "B"

PROJECT SCHEDULE OF COMPLETION

Laney-Walker must provide a completed schedule of completion as Exhibit "B" with appropriate milestones within 10 to 15 days after the signing of this agreement. This schedule must be provided in sufficient detail to permit AHCDD to monitor and assess progress in connection with the performance of this agreement.