

Date 6-8-2020

APPROVAL OF CONTRACT WITH HOUSING OPPORTUNITIES MADE EASY, INC. (HOME, Inc.) FOR OPERATING SUPPORT AS A DESIGNATED COMMUNITY HOUSING DEVELOPMENT ORGANIZATION UNDER THE HOME INVESTMENT PARTNERSHIP PROGRAM

WHEREAS, in accordance with 24 CFR 92.208 and 24 CFR 92,300(f), the City may provide up to five percent of its annual HOME Investment Partnership Program (HOME Program) allocation, in an amount not to exceed the greater of \$50,000 or 50% of total annual operating expenses, for the operating expenses of community housing development organizations (CHDOs) which expenses include reasonable and necessary costs for the operations of the CHDO such as salaries, wages, and other employee compensation and benefits; employee education, training and travel; rent; utilities; communication costs; taxes; insurance; equipment; materials; and supplies; and

WHEREAS, on December 7, 2009 by Roll Call 09-2191, the City Council certified and approved HOME, Inc. as a CHDO and directed staff to submit all required information to HUD in relation to said certification; and

WHEREAS, HOME, Inc. has provided information to be recertified as a CHDO eligible for HOME set-aside funds and operating funds for 2018; and

WHEREAS on November 5, 2018, by Roll Call 18-1867, the City Council approved the 2019 Action Plan for the 2015-2019 Consolidated Plan which includes the required HOME funding for housing to be owned, developed or sponsored by CHDOs including HOME, Inc.; and

WHEREAS, City staff and HOME, Inc., as a CHDO, have negotiated an Operating Funds Agreement, as on file in the Office of the City Clerk, whereby the City will provide \$35,000 of HOME Program funding to HOME, Inc., which amount is less than five percent of the City's 2019 HOME Program allocation and which amount is less than 50 percent of HOME, Inc.'s 2020 operating budget, to reimburse HOME, Inc. for specified operating and administrative expenses as documented to City staff pursuant to the terms of the Agreement.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Des Moines, that:

1. Housing Opportunities Made Easy, Inc. (HOME, Inc.) is hereby recertified as a Community Housing Development Organization (CHDO), and the Community Development Department Director or his designee are authorized to recertify HOME, Inc. as a CHDO as may be necessary for any remaining HOME funded projects through January 1, 2021.
2. The HOME Operating Funds Agreement with HOME, Inc., as a CHDO, to provide \$35,000 of HOME Program funding to reimburse HOME, Inc. for specified



Roll Call Number

Agenda Item Number

30

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operating expenses, which Agreement is in the form substantially on file in the office of the City Clerk, is hereby approved.

- 3. The Community Development Director or his designee is hereby authorized to execute on behalf of the City in such form as is approved by the Legal Department.

(City Council Communication No. 20-)

MOVED BY _____ TO ADOPT

FORM APPROVED:

Judy K. Parks-Kruse

 Judy K. Parks-Kruse
 Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
BOESEN				
GATTO				
GRAY				
MNADELBAUM				
VOSS				
WESTEGAARD				
TOTAL				
MOTION CARRIED			APPROVED	
_____ Mayor				

CERTIFICATE

I, P. Kay Cmelik, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

_____ City Clerk

**Home Investment Partnership Agreement (HOME)
Community Housing Development Organization (CHDO)**

Operating Funds

BETWEEN THE CITY OF DES MOINES

AND

HOME OPPORTUNITIES MADE EASY, INCORPORATED (HOME, Inc.)

This Agreement is entered into by and between the City of Des Moines, Iowa (400 Robert D. Ray Drive, Des Moines, IA 50309) and HOME, Inc. (1618 6th Avenue, Des Moines, IA 50314) to provide HOME, Inc. with funds for administrative and operating expenses for operation as a Community Housing Development Organization (CHDO) and to set forth HOME, Inc.'s obligations concerning the use of said funds; and

WHEREAS, the City of Des Moines has entered into an Agreement with United States Department of Housing and Urban Development ("HUD") as a Participating Jurisdiction for the funding of its HOME Program pursuant to Title II of the Cranston Gonzalez National Affordable Housing Act; and

WHEREAS on November 5, 2018, by Roll Call 18-1867, the City Council approved the 2019 Action Plan for the 2015-2019 Consolidated Plan which includes the required HOME funding for housing to be owned, developed or sponsored by CHDOs including HOME, Inc.; and

WHEREAS, HOME, Inc. has fulfilled all HOME Program requirements necessary to be certified as a CHDO as a part of the City's HOME Program, and has been certified by the City Council on _____ by Roll Call No. _____; and

WHEREAS, a Participating Jurisdiction must reserve not less than 15% of the yearly HOME allocation for investment in housing to be developed, sponsored, or owned by a CHDO and may commit up to an additional 5% of its yearly HOME allocation for CHDO operating expenses, not to exceed \$50,000 or one half of the CHDO's operating budget, whichever is greater, pursuant to 24 CFR 92.208 and 24 CFR 92.300(f); and

NOW THEREFORE, the parties agree as follows:

1. The City hereby commits \$35,000 to HOME, Inc. for the purposes set forth herein, which funding shall be used by HOME, Inc. between the dates of January 1, 2020 to December 31, 2020.
2. Prior to receiving funds under this Agreement, HOME, Inc. will provide the City such receipts and other information as required by the City for proof of such expenditures for which HOME, Inc. is requesting reimbursement. HOME, Inc. shall further provide to the City an operating budget verifying that the funds committed by the City pursuant to this Agreement do not constitute more than 50% of HOME, Inc.'s total operating expenses in that fiscal year in accordance with 24 CFR 92.300(f).
3. The CHDO funds provided pursuant to this Agreement are to be used by HOME, Inc. solely for administration and operating expenses related to the continued operation of HOME, Inc. as a CHDO for the purpose of development of affordable housing units. All use of funds must comply with 24 CFR Part 92.208 and Part 92.300(e).
4. "Operating expenses" as described herein include reasonable and necessary costs for the operation of HOME, Inc. as a CHDO. 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.
5. Specific uses of the CHDO funds for HOME, Inc.'s use are included in Attachment A, CHDO Operating Funds.
6. GOVERNING LAW. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Iowa.
7. SEVERABILITY. If one or more clauses, sections, or provisions of this Agreement, or the application thereof, shall be held to be unlawful, invalid, or unenforceable, the remainder and application hereof of such provision shall not be affected thereby.
8. CO-PARTNERSHIP DISCLAIMER. It is mutually understood that nothing in this Agreement is intended or shall be construed as in any way creating or establishing a partnership between the parties hereto, or as constituting HOME, Inc. as an agent or representative of the City for any purpose or in any manner whatsoever.
9. ENTIRE AGREEMENT; CHANGES IN TERMS. No act of either party, or both parties, shall be construed as an extension of this Agreement, or any change in the terms and provisions, unless changes are reduced to writing and signed by duly authorized representatives of both parties as an Amendment to this Agreement.
10. INDEMNIFICATION AND INSURANCE. HOME, Inc. shall defend, pay on behalf of, indemnify and hold harmless the City of Des Moines, Iowa, its elected and appointed officials, employees and volunteers, and others working on behalf of the City, as provided for in Attachment B. HOME, Inc. shall obtain and maintain in continuous effect during the

term of this contract with the City and while any of its obligation remain unsatisfied, the insurance coverages, limits and endorsements set forth in Attachment B. The City reserves the right to require and enforce future revisions to the insurance requirements in Attachment B, and HOME, Inc. agrees to abide by such future revisions upon notice thereof. HOME, Inc. shall require that any of its agents who perform work and/or services pursuant to this Agreement meet the same insurance requirements as are required of HOME, Inc. A Certificate of Insurance citing such coverages, limits and endorsements shall be provided to the City prior to payment of the funds set forth herein.

11. NOTICES. Notices to City pursuant to this Agreement shall be deemed sufficient if sent by regular mail to City of Des Moines, Community Development Department, c/o Tara Porche, 602 Robert D. Ray Drive, Des Moines, IA 50309. Notices to HOME, Inc. under this Agreement shall be deemed sufficient if sent by regular mail to Pam Carmichael, Executive Director, 1618 6th Avenue, Des Moines, IA 50314.

Approved as to Form Judy K. Parks-Kruse
Judy K. Parks-Kruse
Assistant City Attorney

By: [Signature]
Deric Gourd, President, HOME, Inc.

4-29-20
Date

By: [Signature]
Kris Sadoris, Vice President, HOME, Inc.

4-29-20
Date

By: _____
Chris Johansen, Director
Community Development Department
City of Des Moines

Date