



GRANT AGREEMENT #07182022A

HOUSING DEVELOPMENT FUND

FUNDING YEAR 2022

GRANT AGREEMENT ("Agreement")

THIS AGREEMENT effective this _____ day of _____, 2022, between the **CITY OF KALAMAZOO**, a Michigan municipal corporation, whose address is 241 W. South Street, Kalamazoo, Michigan 49007 ("City"), and **COMMUNITY HOMEWORKS**, a non-profit corporation, 810 Bryant Street, Kalamazoo, Michigan 49001 ("Subrecipient"):

Recitals:

WHEREAS the Subrecipient provides a needed service in the City assisting low- to moderate-income households with critical and code enforcement repair ("Program") on owner occupied single-family housing units. Such service protects the health and safety of these residents and ensures their ability to remain in their homes, and

WHEREAS the Subrecipient received Community Development Block Grant ("CDBG") funding from the City for this program, but a gap in service exists for emergency repairs. This type of repair cannot be supported by CDBG due to the length of time required to ensure federal regulations are met. The Housing Development Fund ("HDF") will provide needed dollars to close this gap allowing the Subrecipient to address emergency repairs. Additionally, the Subrecipient is supporting the City's code enforcement repair program, which has been mandated by the U.S. Department of Housing and Urban Development ("HUD"), and

WHEREAS the City has determined that the Program is expected to support affordable housing by assisting low- to moderate-income households maintain and retain their homes. The City finds that the intended purpose of the grant meets the established HDF guidelines and has therefore approved a grant of \$156,000.00, subject to the following terms and conditions under this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth below, the parties agree as follows:

- A. Recitals: The Recitals set forth above are true and correct and are incorporated by this reference.
- B. Grant Purpose: The City agrees to disburse the specified grant amount to the Subrecipient for the sole purpose of assisting with critical and code enforcement repair costs for 28 low- to moderate-income households. Tasks will include intake of potential clients, assessment of repair needs, procurement of any needed subcontractors, and rehabilitation or repair activities.
- C. Schedule of Tasks: The Subrecipient will complete the task associated with the Program on the following schedule:

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Completed By:	Number of Units Assisted:
December 31, 2022	6
March 31, 2023	8
June 30, 2023	8
August 31, 2023	6

Total Program outcomes by August 31, 2023: 28 owner-occupied housing units receive critical or code enforcement required repairs.

This schedule may be accelerated without prior approval from the City. However, if goals cannot be reached within the timeframe described, the Subrecipient may request an extension of this Agreement. Extensions are not guaranteed, and each request will be evaluated on its individual merits based on performance.

- D. Program Budget: It is expressly agreed and understood that the total amount to be paid by the City under this Agreement shall not exceed **\$156,000**. The Program budget shall include the following budget categories:

Direct Costs:	Budget:
Program delivery (staff costs and administration of the activity)	\$15,600
Critical and code enforcement repairs	\$140,400
Total Budget:	\$156,000

Program delivery will include all costs incurred to implement the Program, including staff costs for those directly carrying out the activity in addition to any equipment or supplies that are necessary for successful completion of the activity.

- E. Monthly Accomplishment Reports:

The Subrecipient will provide the City with **Monthly Accomplishment Reports (Attachment A)** to inform the City on progress of the Program. This report shall include, but may not be limited to, a narrative summary, the number and addresses of units currently receiving repairs, the number and addresses of units completed, the household income level, or any other data that verifies progress towards meeting the Program outcomes.

Accomplishment Reports shall be provided on the 25th of each month. If the 25th falls on a weekend or holiday, the report shall be due the next business day.

- F. Draw Requests:

The Subrecipient shall request two draws as outlined below. A **Draw Request Form (Attachment B)** shall be submitted.

Draw Request	Amount	Timeframe
#1	\$52,000	By the 25 th of the month upon execution of this Agreement by the City.
#2	\$52,000	December 25, 2022
#3	\$52,000	April 25, 2023

Draw requests are not contingent on expenditures, however payments made by the City to the Subrecipient shall be spent on eligible Program costs. All payments are contingent upon Subrecipient’s continued compliance with the provisions set forth in this Agreement. If the 25th falls on a weekend or holiday, draw requests will be due the next business day.

G. Payments:

If, in the reasonable judgment of the City, the Subrecipient has complied with its obligations under this Agreement, the City shall make payment within 30-days of receiving all required documentation.

The City will disburse funds directly to the Subrecipient for the amount listed under Draw Requests of this Agreement, subject to the terms and conditions contained in this Agreement. Such disbursements shall not, in the aggregate, exceed that amount designated for total funding detailed in the Program Budget of this Agreement. Any and all funds received shall be used solely to pay eligible Program costs that meet the requirements of this Agreement.

In no instance shall the City be liable for any costs incurred in excess of this commitment, nor for any unauthorized or ineligible costs. Expenses that are out of compliance with this Agreement may be determined ineligible and may be subject to repayment and/or recapture by the City.

H. Payment Delays:

Payments to the Subrecipient may be delayed for the following reasons:

1. The draw request is not submitted on the 25th of the month. If this occurs, the draw will be processed and payment sent the following month, but no more than 60 days past draw submittal.
2. Monthly accomplishment reports indicate a concern with performance, specifically related to expenditures and work performed.
3. Concerns with the Subrecipient’s operational or financial capacity.

I. Occupant Requirements: The Subrecipient shall ensure the homes are owner occupied by low- to moderate-income households as described by HUD.

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- J. Program Records: The Subrecipient must retain records reasonably necessary to substantiate Subrecipient's continuing compliance with the provisions of this Agreement. Reports must be submitted in such format as prescribed by the City, and the City shall retain the right to change reporting requirements from time to time as it deems necessary.

The Subrecipient must maintain records for inspection by the City. These include, but are not limited to:

1. Records of all program-related account transactions including deposits, disbursements, and balances.
2. Income eligibility documentation of Program participants.
3. Records supporting draw of funds.
4. Records of all written agreements and contracts pertaining to the Program.
5. Audits and resolution of audit findings.

All records shall be accessible to the City at reasonable times and under reasonable conditions for the purpose of determining compliance with this Agreement. If the City desires to audit the Subrecipient's books, it may do so and may, at its discretion, retain an independent certified public accountant (CPA) to audit the Subrecipient's books to determine whether there is compliance with this Agreement and with federal, state, and local laws and regulations.

- K. Notices: Any notice or other communication under this Agreement is only effective if in writing, signed by an authorized representative of the party sending the notice, and delivered to the other party in person or either by certified mail, with return receipt requested, or first-class mail, in both cases with postage fully paid and mailed to:

For Subrecipient:

Community Homeworks
Kaylen Humes
810 Bryant Street
Kalamazoo, MI 49001
269-998-3275
khumes@communityhomeworks.org

For the City:

City of Kalamazoo
Community Planning and Economic Development
Julie Johnston, AICP
Compliance Specialist II
245 North Rose Street, Suite 100

Kalamazoo, MI 49007
269-337-8210 – Phone
johnstonj@kalamazoocity.org

with copies to: Office of City Attorney
241 West South Street
Kalamazoo, MI 49007-4707
ATTN: Clyde Robinson, City Attorney

- L. Agreement Resolution: When a dispute arises between the parties (City and Subrecipient), and it cannot be resolved through discussion and negotiation; either party may request a dispute hearing. The parties shall select a dispute resolution team to resolve the dispute. The team shall consist of a representative appointed by the City, a representative appointed by the Subrecipient, and a third party mutually agreed upon by both parties. The team shall attempt, by majority vote, to resolve the dispute. The parties agree that this dispute process shall precede any action in a judicial or quasi-judicial tribunal.
- M. Amendments: This Agreement may not be amended, altered, assigned, or modified unless agreed to in writing signed by a duly authorized representative of the City and Subrecipient. Such amendments shall not invalidate this Agreement, nor relieve or release the City or the Subrecipient from its obligations under this Agreement.
- N. Liability: No official, board member, officer, or employee of the City is personally liable to the Subrecipient or its successors upon a breach or default by the City of this Agreement.
- O. Entire Agreement: This Agreement, including any Attachments, contains all the representations and statements by City and Subrecipient to one another and expresses the entire understanding between the parties. All prior or contemporaneous communications concerning the grant to Subrecipient are merged in and replaced by this Agreement. If any provision, or portion thereof, of this Agreement is, or becomes, invalid or unenforceable under any applicable statute or rule of law, it is to be deemed stricken and the rest of this Agreement shall remain in full force and effect.
- P. Choice of Law: This agreement is entered into and shall be governed by and construed and enforced in accordance with the laws of the State of Michigan.
- Q. Agreement Execution: The City and Subrecipient each represent and warrant to the other that the person signing this Agreement on its respective behalf has the full consent and authority of its governing body. This Agreement may be signed in counterparts, which together shall comprise a single agreement, and the effective date shall be the date it is signed by both parties.

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IN WITNESS WHEREOF, the Parties have executed this Agreement on the dates noted below:

DATE: _____

CITY OF KALAMAZOO

Jim Ritsema, City Manager

DATE: _____

COMMUNITY HOMEWORKS

By: _____

Its: _____

APPROVED AS TO FORM FOR CITY OF KALAMAZOO:
Office of the Kalamazoo City Attorney
By: Clyde Robinson
On: June 28, 2022

**CITY OF KALAMAZOO
HOUSING DEVELOPMENT FUND
MONTHLY ACCOMPLISHMENT REPORT**

Name of Agency: _____ Program Year: _____

Program Name: _____

Accomplishment Report for Month/Year: _____

Contact Person: _____ Phone: _____

I HEREBY CERTIFY THAT THE SERVICES DESCRIBED HEREIN WERE RENDERED TO THE CITY OF KALAMAZOO, AND THAT THE INFORMATION PRESENTED IN THE REPORT IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE.

Prepared By: _____ Date: _____

Authorized Signature: _____ Date: _____

ACCOMPLISHMENTS:

Total number of owner-occupied households receiving repair services this month: _____

Total number of owner-occupied units with completed repairs this month: _____

Total number of owner-occupied units with completed repairs to date: _____

Agreement goal: _____

PROBLEMS TO REPORT:

Delays or other concerns to report this month: _____

**CITY OF KALAMAZOO
HOUSING DEVELOPMENT FUND
DRAW REQUEST**

Name of Agency: _____ Address: _____

Program Name: _____ Funding Year: _____

Draw No.: _____ Draw Month/Year: _____

Budget Category	Total Budget by Category	Quarterly Draw Request	Requested Year-to-Date	Remaining Budget	Percent Complete

Please provide any supporting documentation from expenses incurred since the previous request. Documentation could include:

- Receipts / invoices with copied checks / credit card statements showing payment
- Timesheets signed by the employee and supervisor which detail hours to be paid through grant allocation
- Work write-ups/budgets

I HEREBY CERTIFY THAT THE QUARTERLY DRAW REQUEST DESCRIBED ABOVE WAS RENDERED TO THE CITY OF KALAMAZOO, AND THAT THE INFORMATION PRESENTED IS TRUE, COMPLETE, AND ACCURATE TO THE BEST OF MY KNOWLEDGE, AND THAT NO PART OF THE SAME HAS BEEN PREVIOUSLY PAID, AND THE EXPENDITURES ARE FOR THE PURPOSE AND OBJECTIVES SET FORTH IN THE AGREEMENT FOR THE HOUSING DEVELOPMENT FUND AWARD.

Prepared by: _____ Date: _____

Authorized Signature: _____ Date: _____

CITY STAFF REVIEW

Date Received: _____ Date Approved for Payment: _____

Compliance Review: _____
Staff Signature Date

Financial Review: _____
Staff Signature Date