



HISTORIC
FRANKLIN
TENNESSEE

MEMORANDUM

TO: City of Franklin Board of Mayor and Alderman

FROM: Eric S. Stuckey, City Administrator
Chris Bridgewater, Director Building & Neighborhood Services
Kathleen Sauseda, Housing Development Coordinator

DATE: September 13, 2016

SUBJECT: Consideration of Contract #2016-0035 for the Receipt of Community Development Block Grant, funding to Franklin Housing Authority.

Purpose:

Consistent with the objectives of the City of Franklin's Consolidated Plan for Housing and Community Development, the City awards funding to qualified non-profit organizations. The agreements facilitate funding a non-profit with **\$21,109.13** of Community Development Block Grant, (CDBG) funds to support the development of infrastructure that is supportive of an affordable housing development, such as sidewalks, streets and storm water improvements.

Background:

The City of Franklin has identified affordable housing development as an important issue in the community. The City solicited proposals from qualified non-profit firms to undertake the development of public facilities and public improvement projects. Three non-profits responded with proposals, the proposals were scored by City Planner, James Svoboda, City Permit Technician, Trey Childress and Lynn Osland, Development Services Analyst. The scores supported funding all three projects almost equally. This funding will be applied toward concrete and base materials as well as, labor that will be associated with building sidewalks, drives and water accessibility.

Financial Impact:

This contract will be funded in full by the Community Development Block Grant (CDBG).

Recommendation:

Staff recommends approval.

**CONTRACT FOR PUBLIC FACILITIES AND
PUBLIC IMPROVEMENT PROJECTS
COF Contract No. 2016-0035**

This Contract, made and entered into this ___ day of _____, 2016 by and between the City of Franklin, (hereinafter "The City") and Franklin Housing Authority (hereinafter "THE ORGANIZATION").

WITNESSETH:

WHEREAS, THE CITY has identified has identified housing developments as an important issue in the community, and to achieve the goal of creating affordable housing within the City of Franklin will make available a portion of the Community Development Block Grant funds toward this objective; and

WHEREAS, THE ORGANIZATION replied to a publicly advertised Request For Proposals and was selected to participate as a contractor 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 be required to successfully meet the following deadlines:

- THE ORGANIZATION will completely and successfully obtain all required permits and begin physical construction as provided in the Scope of Services (attached as Exhibit A and incorporated as if stated fully herein) within 90 days of execution of a written agreement.
- Expend all CDBG funds and complete the construction project(s), within a maximum of 18 months from all execution of a written agreement.

SECTION 2 - RESPONSIBILITIES OF PARTIES

- A. Perform the duties described herein and in Exhibit A and will submit regular reports (not less often than quarterly) as directed by THE CITY detailing the progress of their project.
- B. 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.

- C. 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 a total of **Twenty-One Thousand One Hundred Nine and 13/100 (\$21,109.13)** 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 begin in the Fiscal Program Year 2015, which runs from July 1, 2015 through June 30, 2016. Services shall be complete no later than December 31, 2016.
- B. Services shall begin no later than ninety (90) days following execution of this Contract.
- C. This Contract 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. Invoices may be submitted monthly
- C. Final payment will be subject to receipt of a final report that is satisfactory to THE CITY.

SECTIONS 6 - NOTICES

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

**Kathleen L. Sauseda
City of Franklin
City Hall
109 3rd Avenue South
Franklin, TN 37064**

**Derwin Jackson,
Executive Director
Franklin Housing Authority
200 Spring Street
Franklin, TN 37064**

SECTION 7 - 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 Contract. THE ORGANIZATION further covenants that in the performance of this Contract 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

This Contract between the parties 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 Contract.

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. 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.

Witness our hands, on the date entered above:

THE CITY OF FRANKLIN

By: _____
Dr. Ken Moore, Mayor

Attest:

Eric S. Stuckey, City Administrator

Approved as to Form:

Kristen L. Corn, Assistant City Attorney

FRANKLIN HOUSING AUTHORITY

By: Dennis Griffin

Its: Executive Director

EXHIBIT A

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

EXHIBIT A

Scope of Work:

Park Street is a 22-unit development located as the name implies on Park Street, in the City of Franklin, Williamson County, in the state of Tennessee. Located adjacent to the Natchez historic district and within walking distance of Franklin's thriving downtown, the development is the third phase of Franklin Housing Authority's ("FHA") comprehensive redevelopment strategy to replace all of its 297 public housing units, now interspersed on eight public housing sites, with new mixed income communities. The first phase containing 48 senior designated units, Senior Residences @ Reddick, was completed in 2013 and is fully occupied by income-eligible senior citizens.

The 2nd phase of development will be completed beginning in October, 2016 and consists of sixty-five (65) apartments including 64 rentals and one non-revenue, manager's unit. Consisting of 22, one and two story buildings, the development sits on 7.19 acres of land and will feature an on-site playground for children residing in the new community. All units will contain Energy Star compliant systems or their equivalents including dishwashers, HVAC units, refrigerators, light bulbs, windows and exterior doors.

Park Street consists of six buildings with a varying mix of units including four three bedroom units, fourteen two bedroom units and four one bedroom units. The rehab project will include installation of new, energy efficient HVAC units, attic insulation, LED lighting, new roofing, windows, doors, cabinets, fixtures, flooring, kitchen appliances, hot water heaters and washer/dryer hookups and additional parking spaces. The exterior of the units will be updated to complement the character of neighboring homes and the other Franklin Housing Authority redevelopment projects.

The renovation is financially feasible and is being funded by a Tennessee Department of Environment and Conservation Energy Grant, a Federal Home Loan Bank Grant and a Community Investment Tax Credit Low Interest Loan. Franklin Housing Collaborative, a non-profit affiliate of Franklin Housing Authority, will serve as the manager of the property. FHA will retain ownership of the land.

Specific Work proposed for CDBG funds:

With the renovation of the 22 unit apartment development, an additional 15 new parking spaces including curb and gutters will be added for which the grant funds are intended. The additional parking spaces are needed to meet the needs of the residents. Parking is currently limited on the site with only one parking space per unit and no visitor parking available. Enclosed with this proposal is a site plan showing the additional parking to be added to the development. Also enclosed are architectural elevations.

The grant funds will be applied toward concrete for the parking areas as well as curbs and gutters and will include the cost for labor. It is estimated that \$ 59,500 in CDBG grant monies will fund the total cost of material and labor associated with adding the parking. Construction is anticipated in to begin in October, 2016 with completion of the entire renovation anticipated by July, 2017.

Below is a timeline for construction closing and completion of the work:

Pre-Construction:

- Complete lender due diligences - 08/01/2016
- Receive Final commitments from lenders & investor- 09/15/2016
- Anticipated Award of CDBG funds 09/30/2016
- 100% Architectural and Construction Drawings 07/01/2016
- Receive Grading & Building Permits- 10/01/2016

Construction:

- Mobilization, Fencing, Trailer Set-up 10/01/2016
- Site Grading 10/01/2016
- Building Framing-Roofs 12/01/2016
- Mechanical, Electrical, and Plumbing Rough-in 10/01/2016
- Sidewalks 10/01/2016
- Interior and Exterior Finishes 11/01/2016
- Landscape 06/01/2017
- Use & Occupancy Permits 07/01/2017

Sources and Uses:

PARK STREET PERMANENT SOURCES	UNITS - 22	PER UNIT
TDEC Grant	\$ 92,493	\$ 4,204
FHLB Grant	\$ 220,000	\$ 10,000
FHA Contribution	\$ 113,046	\$ 5,138
CITC Loan	\$ 1,066,441	\$ 48,475
CDBG Funds	\$ 59,500	\$ 2,705
TOTAL SOURCES	\$ 1,551,480	\$ 70,522
PERMANENT USES		
Infrastructure/ Site Cost	\$ 114,900	\$ 5,223
Hard Costs	\$ 1,211,520	\$ 55,069
Soft Costs	\$ 225,060	\$ 10,230
TOTAL USES	\$ 1,551,480	\$ 70,522