K20-1138

CONSENT

THIS CONSENT (the "***Consent***"), dated for reference purposes as of December 18 2020 (the "***Effective Date***") is entered into by the **City of New Orleans** (the "***Approving Party***").

1. **3980 Cambronne Development, L.L.C.**, a Louisiana limited liability company ("***Cambronne***") acquired certain land and improvements located at 3980 Cambronne Street, New Orleans, Louisiana 70118 (the "***Property***").

2. In connection with the Developer's rehabilitation and development of the Property, the City entered into a Loan Agreement and Regulatory Agreement with Cambronne to invest $1,000,000.00 of its Neighborhood Housing Improvement Funds into the Property for the purpose of 124 affordable housing rental units (the "***Development***"), which are secured by a Secured Promissory Note and Multiple Indebtedness Mortgage (collectively, the "***City Loan Documents***").

3. In addition to the City's funds, Cambronne has a tax credit investor involved in the financing of the Development. The tax credit investor was originally Paramount Financial Group, and through various financial transactions and successions, is now Alden Torch (the "***Tax Credit Investor***"). Cambronne would like to buy out the Tax Credit Investor.

4. Notwithstanding any of the terms and conditions in the City Loan Documents, the Approving Party consents to the buyout of the Tax Credit Investor by Cambronne.

[SIGNATURES CONTAINED ON NEXT PAGE.]

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the Approving Party executes this Consent as of the date first above written, and represents that it possesses all of the requisite power and authority to enter into this Consent.

Witnesses to all signatures on this page:

Signature: ______________________

Name printed: Gloria Smith

Signature: ______________________

Name printed: Catrina Simmons

APPROVING PARTY:

CITY OF NEW ORLEANS

By: ______________________
LaToya Cantrell, Mayor

____
NOTARY PUBLIC
Full name printed: Clifton M. Davis III
Notarial Commission (or LA State Bar) No. 24069
My commission expires for life.

FORM AND LEGALITY APPROVED:

____
Law Department, City of New Orleans

CITY OF NEW ORLEANS
NEIGHBORHOOD HOUSING IMPROVEMENT FUND

NEIGHBORHOOD HOUSING IMPROVEMENT PROGRAM REGULATORY AGREEMENT

This Neighborhood Housing Improvement Program Regulatory Agreement is made as of October 6 , 2004, between:

CITY OF NEW ORLEANS
(hereinafter referred to as the "City")

and

3980 CAMBRONNE DEVELOPMENT, L.L.C.
(hereinafter referred to as the "Owner")

WITNESSETH

WHEREAS, the City is an entitlement recipient of NEIGHBORHOOD HOUSING IMPROVEMENT FUND ("NIF Program") funds; and

WHEREAS, the City administers said NIF Program funds; and

WHEREAS, the City will provide or has provided a grant or loan of said funds in the amount of $1,000,000.00 to Owner pursuant to a Grant Agreement dated May 1, 2004, to acquire and/or construct the Project, as defined hereinbelow, in accordance with NIF Regulations; and

NOW, THEREFORE, in consideration of the foregoing premises and the mutual promises hereinafter set forth, the parties hereto, intending to be legally bound, agree as follows:

ARTICLE I

PROJECT DESCRIPTION

SECTION 1.1 Project-Specific Provisions

(A) Project Description

(1) Name of Project: Palmetto Apartments

(2) Address: 3980 Cambronne Street

City/State: New Orleans, Louisiana

(B) Maximum NIF Assistance $1,000,000.00

(C) Project Leveraging Ratio 6.463

Net Rentable Area 87,444 square feet

(G) Rental Unit Configuration:

	0 BR	1 BR	2 BR	3 BR	4/More	Total
Low Income		44	80			124
Elderly/Handicapped						
Family						
Subtotal						
Other Units						
Total		44	80			124

(H) Income Classes:

NIF financed rental projects require that certain percentages of the units be occupied by specific income classes, as follows:

- At least 20% of the units should be occupied by households whose incomes do not exceed 50% of the area median adjusted by family size.
- At least 90% of the units should be occupied by households whose incomes do not exceed 60% of the area median adjusted by family size.
- No units may be occupied by households whose incomes exceed 80% of the area median adjusted by family size.

Specify the number of units in the project occupied by the designated income classes.

Unit Type	Total No. of Units	Tenants ≤ 50%	Tenants > 50% ≤ 60%	Tenants > 60% ≤80%
EFF				
1 BR		9	9	26
2 BR		16	16	48
3 BR				
4 BR				
Other				
TOTAL		25	25	74

(I) Project Construction/Rehabilitation Start — November 15, 2004

(J) Estimated or Actual Completion Date — April 15, 2006 correspondence related thereto, for funding to develop the Project. This includes the approved Activity Budget and Payment Invoices for the Project.

City means the City of New Orleans, a Home Rule municipal corporation.

Grant Agreement means the agreement between 3980 Cambronne Development, L.L.C. and the City of New Orleans, dated May 1, 2004 which will provide or has provided the NIF Funds used to develop the Project.

Housing Quality Standards means, at a minimum, standards specified at 24 CFR 882.109 and the cost-effective energy and conservation and effectiveness standards in 24 CFR Part 39.

HUD means the U. S. Department of Housing and Urban Development.

Low Income Units means units identified in Section 1.1 of this Agreement with rents, determined in accordance with 24 CFR Part 92.252.

NIF Funds means those funds provided or to be provided by the City to the Owner or Sponsor pursuant to the terms of this Agreement, as specified in Section 1.1(B) of this Agreement.

Owner means one or more individuals, corporations, partnerships or other legal entities that hold valid title to, or have a long-term leasehold interest in, the Project developed or to be developed pursuant to this Agreement.

Participating Party means any person, firm, corporation, or public or private entity that has agreed to provide financial or other resources to carry out the Project, and are identified below:

City:	City of New Orleans, through the Mayor's Division of Housing and Neighborhood Development 1340 Poydras Street, Suite 1000 New Orleans, Louisiana 70112 (504) 299-4850; (504) 299-4965 (FAX)
Sponsor: (if applicable)	N/A__________ __________ ________, Louisiana _____ (__)__-___; (__)__-___(FAX)
Owner:	3980 Cambronne Development, L.L.C. 909 Poydras Street, Suite 3000 New Orleans, Louisiana 70112 (504)681-3410; (504)681-3438(FAX)
Lender:	N/A__________ __________ ________, Louisiana _____ (__)__-___; (__)__-___(FAX)

Identification as a "Participating Party" means that the City, in selecting the Owner for the award of NIF Funds, relied in material part upon a representation by the Owner that the parties so identified have completed or will related facilities, as more specifically described in Section 1.1(A) of this Agreement.

Project Site means the land described in Attachment A.

Project Term means the Period of Affordability described in Section 1.1(D) of this Agreement.

Security Agreement means a mortgage or other security device.

Substantive Violation means a breach of the Owner's obligations under Article II of this Agreement.

SECTION 1.3. Incorporation by Reference

The provisions of the Application, including the certifications and sources and uses and all representations made therein, and all correspondence related thereto, are hereby incorporated by reference into this Agreement, and the contents of the Application and the certifications contained therein shall constitute a material part of this Agreement and shall be deemed to have served as the inducement to the City to award the NIF Funds referred to herein and shall have the same effect as they would otherwise have had if fully set forth herein.

SECTION 1.4 Supplemental Provisions

The City and the Owner may include in this Agreement provisions (such as a description of any compliance with other federal requirements at 24 CFR Part 92, Subpart H) in addition to those stated herein in Articles I, II, III and IV, provided that such supplemental provisions are not in conflict with NIF Program requirements. Such supplemental provisions shall be included as Attachment G of this Agreement.

SECTION 1.5 Schedule of Attachments

The following attachments are appended to this Agreement and are hereto incorporated by reference:

Attachment A. Legal Property Description
Attachment B. Rent Schedule
Attachment C. Tenant Eligibility
Attachment D. Affirmative Fair Housing Marketing Plan
Attachment E. NIF Covenants
Attachment F. Rental Housing Completion Report
Attachment G. Supplemental Provisions (if applicable)
Attachment H. Description of City Activities (if applicable)
Attachment I. Description of Owner Activities (if applicable)
Attachment J. Project Performance Schedule (if applicable)

ARTICLE II

PROJECT DEVELOPMENT AND MANAGEMENT

SECTION 2.1 General Provisions

Agreement, the Grant Agreement, and the NIF Program Regulations. The terms of the security instrument shall be set by the Owner and the City, but at a minimum the instrument shall evidence that the NIF Funds may become a debt which must be repaid in the event of a Substantive Violations of this Agreement or any other contract, security instrument or such other document incorporated herein by reference or attached hereto. All of the terms, conditions and provisions of the security instrument are, by reference thereto, incorporated herein as part of this Agreement. The security instrument may be a mortgage or other security device.

(C) The City will monitor the Owner's performance and will take legal action, as appropriate, to enforce the NIF Covenants and compliance with the Owner's responsibilities under this Agreement.

(D) Any duly authorized representative of the City shall, at all reasonable times, have access to any portion of the Project.

(E) Within 30 days of the execution of this Agreement or within 60 days of requesting the final disbursement of NIF Funds, whichever is later, the Owner shall complete and submit to the City the Rental Housing Completion Report attached as Attachment F to this Agreement.

(F) Consistent with Executive Orders 11625, 12432 and 12138, the Owner has prepared, and shall implement and maintain a minority and women-owned business development plan which contains specific measurable goals and an affirmative strategy to promote awareness and participation by such businesses in the contracting and procurement activities generated by the Project.

(G) The Owner shall comply with Title VIII of the Civil Rights Act of 1968, 42 U.S.C. 3601-19 (Public Law 90-284) and implementing regulations; Executive Order 11063 and regulations at 24 CFR Part 107; Title VI of the Civil Rights Act of 1964 (Public Law 88-352) and regulations at 24 CFR Part 1; the Age Discrimination Act of 1975 (42 U.S.C. 6101-07); Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794 and implementing regulations at 24 CFR Part 8; Executive Order 11246 and regulations at 41 CFR Chapter 60; and the requirements of Section 3 of the Housing and Urban Development Act of 1968 and implementing regulations at 24 CFR Part 135.

SECTION 2.2 Development Phase (if applicable)

(A) The City shall carry out its obligations, including the City Activities set forth in Attachment H of this Agreement, and the Owner shall carry out the activities set forth as the Owner's responsibilities in Attachment I of this Agreement.

(B) Development of the Project shall commence at the time specified in Section 1.1(I) of this Agreement and shall be completed by the time specified in Section 1.1(J) of this Agreement, in accordance with Attachment J of this Agreement.

(B) During the Project Term, the Owner shall not discriminate against prospective tenants on the basis of their receipt of or eligibility for housing assistance under any Federal, State or local housing assistance program or, except for an elderly housing project or units specifically identified in Section 1.1 of this Agreement as designated for the elderly, on the basis that they have a minor child or children who will be living with them.

(C) The number of units by bedroom distribution specified in Section 1.1 of this Agreement shall be occupied or available, through the Owner's best efforts, for occupancy by households whose incomes do not exceed the percentage limitations specified in Section 1.1 during the Project Term.

(D) Low Income Units shall be leased only to tenants who are low or very low income at the time of initial occupancy.

(E) Rents and tenant income shall be determined in accordance with HUD regulations at 24 CFR Part 92, Subpart F.

(F) In the event that reexamination of household income indicates that the tenant no longer qualifies as a lower income household, the Owner shall take appropriate action in accordance with HUD regulations at 24 CFR Part 92.252(c), Subpart F.

(G) The City has established a Rent Schedule, which is included in this Agreement as Attachment B, to assure that the type and number of units specified in Section 1.1 of this Agreement are occupied or available for occupancy by low income households during the Project Term. The Rent Schedule may be revised upon request by Owner provided that: (1) the City shall review and approve any schedule or rents proposed by the Owner for low income units; (2) the City and the Owner acknowledge that any rent schedule, which shall include utility allowances, if utilities are tenant paid, submitted by the Owner will be deemed approved unless the City informs the Owners within 60 days after receiving the schedule and that it is disapproved if the schedule; and (3) the initial monthly allowance for utilities and services to be paid by low income households shall be as indicated in Attachment B of this Agreement, with subsequent calculations of this allowance approved by the City in connection with its review and approval of rent schedules.

(H) Procedures to be followed by the Owner to determine tenant eligibility and actions to be taken in the event a tenant is determined to be over income have been established and are included in this Agreement as Attachment C.

(I) The Owner shall, at least annually on the anniversary date of this Agreement, and at any other time as required by the City, recalculate the maximum monthly rent to be charged.

(J) Marketing shall be done in accordance with the Affirmative Fair Housing Marketing Plan, Form HUD-935.2, and all fair housing and equal opportunity requirements. The Affirmative Fair Housing Marketing Plan is included in this Agreement as Attachment D. Local

(L) All management and maintenance functions shall be performed in compliance with applicable equal opportunity requirements, as specified in Section 2.1(F) and (G) of this Agreement.

(M) The City and the Owner agree that nothing contained in this Agreement shall preclude enforcement by the Federal Government of the Fair Housing Act, civil rights statutes, or other provisions of law that apply to the NIF Program.

(N) If the Project has not yet been completed, upon completion of the Project and resolution of any findings of the final audit, the Owner shall submit to the City a written certification, in the format prescribed by the City, executed by an authorized representative of the Owner, stating that all development-related activities required to be completed by the Owner in accordance with Attachment I of this Agreement have been completed consistent with the terms of this Agreement, and specifying the date of completion and the actual cost to the Owner of labor, materials and necessary services for the construction of physical improvements for the Project.

(O) The Owner shall keep and maintain books, accounts, reports, files, records and other documents relating to the receipt and disbursement of NIF Funds. Any duly authorized representative of the City, at all reasonable times, shall have access to and the right to inspect, copy, audit and examine all such books, records and other documents of the Owner, until completion of all close-out procedures respecting this award of NIF Funds and the final settlement and conclusion of all NIF Program issues.

ARTICLE III

THIRD PARTY CONTRACTS

SECTION 3.1 Labor Standards [INTENTIONALLY DELETED]

SECTION 3.2 Assurance of Governmental Approvals

(A) The Owner warrants that it has obtained, or has reasonable assurance that it will obtain all Federal, State and local governmental approvals and reviews required by law to be obtained by the Owner for the Project. Any such approvals which have not been obtained shall be specified in Attachment G of this Agreement.

(B) The Owner warrants that it has not and shall not take any action which might have an adverse environmental effect, would limit the choices among competing environmental alternatives or might alter environmental premises on which the City's environmental findings were based.

SECTION 3.3 Completion of the Project

If the construction of the Project has not yet been completed, the Owner acknowledges that the City, in selecting the Owner or Sponsor for the award of NIF Funds relied in material part upon the assured completion

(B) Any duly authorized representative of the City, at all reasonable times, shall have access to and the right to inspect, copy, audit, and examine all such books, records and other documents of the Owner, until the completion of all close-out procedures respecting this award of NIF Funds and the final settlement and conclusion of all NIF Program issues.

SECTION 3.5 No Assignment or Succession

The Owner acknowledges that a transfer of NIF Funds by the City to the Owner shall not be or be deemed to be an assignment of NIF Funds.

SECTION 3.6 Approval of Amendments

This Agreement shall not be amended in any material respect after its approval and acceptance, without the prior written approval of the City. "Material" shall be defined as anything, in the control of any Participating Party, which cancels or reduces any developmental or financial obligation of any Participating Party by more than ten (10) percent, changes the sites or character of any development activity, or increases any time for performance by a party by more than thirty (30) days.

SECTION 3.7 Disclaimer of Relationships

Nothing contained in this Agreement or in the contract between the parties, nor any act of the City or any of the parties, shall be deemed or construed by any of the parties, or by third persons, to create any relationship of third party beneficiary, principal and agent, limited or general partnership, joint venture, or any association or relationship involving the City.

SECTION 3.8 Conflict of Interest

No person who is an employee, agent, consultant, officer or elected official or appointed official of the City of New Orleans, State recipient, or subrecipient which are receiving NIF Funds and (i) who exercises or has exercised any functions or responsibilities with respect to activities assisted with NIF funds or (ii) who is in a position to participate in a decision making process or gain inside information with regard to these activities, may obtain a financial interest or benefit from a NIF-assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

SECTION 3.9 Scope of Article III Provisions

The City and the Owner shall include each of the provisions of this Article in their contracts both with Participating Parties and with other persons, firms, corporations, or public or private entities, including contractors and subcontractors, that have agreed to provide financial or other resources to carry out the Project.

ARTICLE IV

MISCELLANEOUS

SECTION 4.1 Successors Bound

SECTION 4.3 Severability

The invalidity of any article, section, subsection, clause or provision of this Agreement, including its exhibits, shall not affect the validity of the remaining articles, sections, subsections, clauses or provisions hereof.

SECTION 4.4 Entire Agreement

This Agreement constitutes the entire agreement between the City and the Owner with respect to the matters contained herein and supersedes all prior oral and written agreements and all subsequent oral agreements between the Owner and City with respect to such matters.

SECTION 4.5 Execution in Counterparts

This Agreement may be executed in any number of counterparts. All such counterparts shall be deemed to be originals and together shall constitute one and the same instrument.

SECTION 4.6 Table of Contents, Titles and Headings

Any table of contents, the title of any Articles, and headings of the sections and subsections set forth herein are not a part of this Agreement and shall not be deemed to affect the meaning or construction of any of its provisions.

SECTION 4.7 Rules of Interpretation

(A) This Agreement shall be interpreted in accordance with and governed by the laws of the State of Louisiana.

(B) The words "herein" and "hereof" and words of similar import, without reference to any particular section or subdivision, refer to this Agreement as a whole rather than to any particular section or subdivision hereof.

(C) Any amendment to this Agreement executed in accordance with Section 3.6 of this Agreement shall have the same force and effect upon the Owner and the City as does this Agreement.

SECTION 4.8. Consideration

The City has allocated NIF Funds to the Project, all for the purpose, among others, of inducing the Owner to construct or acquire, renovate, equip and operate the Project. In consideration of the NIF Funds awarded by the City, the Owner has entered into this Agreement and has agreed to restrict the uses to which the Project can be put for the Project Term.

SECTION 4.9. Reliance.

The Owner hereby recognizes and agrees that the representations and covenants set forth herein by the Owner may be relied upon by all persons interested in the Project under the Act. In performing its duties and obligations hereunder, the City may rely upon statements and certificates of the Owner and low income receipt by the City of (i) evidence reasonably satisfactory to the City that the Owner's purchaser or transferee has assumed in writing and in full, and is reasonably capable of performing and complying with, the Owner's duties and obligations under this Agreement and (ii) an opinion of counsel of the transferee that the transferee has duly assumed the obligations of the Owner under this Agreement and that such obligations and this Agreement are binding on the transferee. It is hereby expressly stipulated and agreed that any sale, transfer or other disposition of the Project in violation of this Section 4.10 shall be null, void and without effect, shall cause a reversion of title to the Owner, and shall be ineffective to relieve the Owner of its obligations under this Agreement. Notwithstanding the above, Owner's members may transfer or change their respective interests in the L.L.C. without obtaining consent from the City.

SECTION 4.11 Termination.

This Agreement shall become effective upon its execution and delivery. This Agreement shall remain in full force and effect for a term and period equal to the Project Term. Notwithstanding the immediately preceding sentence, this Agreement, and all and several of the terms hereof, shall terminate and be of no further force and effect in the event of involuntary non-compliance with the provisions of this Agreement caused by foreclosure by a lender or other transfer in lieu of foreclosure if the foreclosure or other transfer recognizes any contractual or legal rights of public agencies, non-profit sponsors, or others to take actions that would avoid the Affordability requirements at 24 CFR 92.252. Upon the termination of all and several of the terms of this Agreement, the parties hereto agree to execute, deliver and record appropriate instruments of release and discharge of the terms hereof; provided, however, that the execution and delivery of such instruments shall not be necessary or a prerequisite to the termination of this Agreement in accordance with its terms. This Agreement shall be revived according to the original Project Term, however, if during the original Project Term, the Owner before the foreclosure or other transfer, or any entity that includes the Owner or those with whom the Owner has or had family or business ties, obtains an ownership interest in the Project or Project Site.

SECTION 4.12 Covenants to Run with the Land.

The Owner hereby subjects the Project (including the Project Site) to the covenants, reservations and restrictions set forth in this Agreement. The City and the Owner hereby declare their express intent that the covenants, reservations and restrictions set forth herein shall be deemed covenants running with the land to the extent permitted by law and shall pass to and be binding upon the Owner's successors in title to the Project throughout the term of this Agreement. Each and every contract, deed, mortgage or other instrument hereafter executed affecting or conveying the Project or any portion thereof shall conclusively be held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instrument.

SECTION 4.13 Burden and Benefit.

The City and the Owner hereby declare their understanding and intent that the burden of the covenants set forth herein touch and concern the land in that the Owner's legal interest in the Project is rendered less valuable thereby. The City and the Owner hereby further declare their understanding and intent that the

SECTION 4.15 Enforcement.

If the Owner defaults in the performance or observation of any covenant, agreement or obligation of the Owner set forth in this Agreement, and if such default remains uncured for a period of thirty (30) days after written notice thereof shall have been given by the City to the Owner, and the Investor Member of the Owner's L.L.C., then the City, acting on the Owner's behalf or on behalf of the City, shall declare an "Event of Default" to have occurred hereunder, and, at its option, may take any one or more of the following steps:

(a) By mandamus or other suit, action or proceeding at law, including injunctive relief, require the Owner to perform its obligations and covenants hereunder or enjoin any acts or things which may be unlawful or in violation of the rights of the City hereunder;

(b) Have access to and inspect, examine and make copies of all the books and records of the Owner pertaining to the Project; or

(c) Take such other action at law as may appear necessary or desirable to enforce the obligations, covenants and agreements of the Owner hereunder.

All fees, costs and expenses of the City incurred in taking any action pursuant to this Section 4.15 shall be the sole responsibility of the Owner, and the Owner, as security for the payment of any such fees, costs and expenses, hereby grants, bargains, sells and conveys to the City, a lien on the Project.

SECTION 4.16 Recording and Filing.

The Owner shall cause this Agreement, all amendments and supplements hereto and thereto, to be recorded and filed in the conveyance and mortgage property records of the Parish and in such other places as the City may reasonably request. The Owner shall pay all fees and charges incurred in connection with any such recording. The City acknowledges that this Agreement is subordinate to any Regulatory Agreements executed by and between the Owner and the Louisiana Housing Finance Agency, related to the Project.

SECTION 4.17 Governing Law.

This Agreement shall be governed by the laws of the State of Louisiana and such Federal laws and regulations as may be applicable to the enforcement of this Agreement under the NHIF Regulations, including the enforcement of this Agreement by tenants and/or former or prospective tenants of the Project.

[END OF DOCUMENT - SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties execute this Agreement as of the date first above written, and warrant that they possess all of the requisite power and authority to enter into this Agreement.

Approved by the Law Department
As to form and legality.

Assistant City Attorney

CITY OF NEW ORLEANS

By:

Name: **C. Ray Nagin**
Title: **Mayor**

Approved by the Division of
Housing and Neighborhood
Development

By:
Name:
Title:

3980 CAMBRONNE DEVELOPMENT, L.L.C.

By: CAMBRONNE ASSOCIATES, L.L.C.
Its: MANAGING MEMBER

By: G Pratt Provosty
Name: G. Pratt Provosty
Title: Manager

HOME AFFORDABLE RENTAL HOUSING PROGRAM REGULATORY AGREEMENT

ATTACHMENT A

LEGAL PROPERTY DESCRIPTION (PROJECT SITE)

SQUARE 615

THAT CERTAIN PIECE OR PORTION OF GROUND, together with all the buildings and improvements thereon, and all the rights, ways, privileges, servitudes, appurtenances and advantages thereunto belonging or in anywise appertaining, situated in the Seventh District, of the City of New Orleans, State of Louisiana, designated as **Square 615**, bounded by Cambronne, Palmetto, Joliet and Dixon Streets, shown on a survey by Gilbert, Kelly & Couturie', Inc, dated December 8, 2003, and is described as follows:

Commencing at the intersection of the right of ways of Cambronne and Palmetto Streets, this point being the point of beginning, go thence North 47° 40′ 25″ West along the right of way of Palmetto Street a distance of 300 feet 2 inches 0 lines (300.2.0) to the intersection of the right of ways of Palmetto and Joliet Streets; thence North 42° 19′ 35″ East, along the right of way of Joliet Street, a distance of 292 feet 0 inches 0 lines (292.0.0) to the intersection of the right of ways Joliet and Dixon Streets; thence South 47° 40′ 25″ East along the right of way of Dixon Street a distance of 300 feet 2 inches 0 lines (300.2.0) to the intersection of the right of ways of Dixon and Cambronne Streets; thence South 42° 19′ 35″ West along the right of way of Cambronne Street a distance of 292 feet 0 inches 0 lines (292.0.0) to the intersection of Cambronne and Palmetto Streets, this point being the point of beginning. Said Square contains 87,649.64 square feet.

SQUARE 622

THAT CERTAIN PIECE OR PORTION OF GROUND, together with all the buildings and improvements thereon, and all the rights, ways, privileges, servitudes, appurtenances and advantages thereunto belonging or in anywise appertaining, situated in the Seventh District, of the City of New Orleans, State of Louisiana, designated as **Square 622**, bounded by Cambronne, Dixon, Joliet and Peach Streets, shown on a survey by Gilbert, Kelly & Couturie', Inc, dated December 8, 2003, and is described as follows:

Commencing at the intersection of the right of ways of Cambronne and Dixon Streets this point being the point of beginning, go thence North 47° 40′ 25″ West along the right of way of Dixon Street a distance of 300 feet 2 inches 0 lines (300.2.0) to the intersection of the right of ways of Dixon and Joliet Streets; thence North 42° 19′ 35″ East along the right of way of Joliet Street a distance of 206 feet 4 inches 6 lines (206.4.6) to the intersections of the right of ways of Joliet and Peach Streets; thence South 67° 10′ 00″ East along the right of way of Peach Street a distance of 280 feet 6 inches 2 lines (280.6.2) to a point in the right of way of Peach Street; thence South 47° 40′ 25″ East along the right of way of Peach Street a distance of 35 feet 8 inches 5 lines (35.8.5) to the intersection of the right of ways of Peach and Cambronne Streets; thence South 42° 19′ 35″ West along the right of way of Cambronne Street a distance of 300 feet 0 inches 0 lines (300.0.0) to the intersection of the right of ways of Cambronne and Dixon

HOME AFFORDABLE RENTAL HOUSING PROGRAM REGULATORY AGREEMENT

ATTACHMENT B

RENT SCHEDULE

The following rent schedule is effective as of the above date and shall be applicable to the indicated housing units until or unless a revision is approved, in writing, by the Division of Housing and Neighborhood Development (DHND) of the City of New Orleans. Utility allowances are based upon form HUD 52667, dated ____________________, prepared by the Housing Authority of New Orleans.

Unit No.	Address	No. of bdrms	Monthly Rent	Utilities & Services Included
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				

* Indicates that rent for this unit is at or below Low HOME Rent level.

HOME AFFORDABLE RENTAL HOUSING PROGRAM REGULATORY AGREEMENT

ATTACHMENT C

TENANT ELIGIBILITY

The Owner hereby represents, warrants and covenants as follows:

(a) The dwelling units in the Project will be leased or rented, or available for lease or rental, to Low Income Tenants on a continuous basis. A tenant's status as a Low Income Tenant will be determined as of the date of such tenant's initial occupancy of a dwelling unit in the Project and will be redetermined annually on the basis of the current income of the resident.

(b) The Owner will obtain and maintain on file income certifications from each Low Income Tenant, dated immediately prior to the initial occupancy of such Low Income Tenant in the Project and thereafter on an annual basis, and containing such information as may be required by the Act and the HOME Regulations, as the same may be amended from time to time, or in such other form and manner as may be required by applicable rules, rulings, policies, procedures, HOME Regulations or other official statements now or hereafter promulgated, proposed or made by HUD, and a copy of each such certificate will be filed with the City.

(c) The Owner will maintain complete and accurate records pertaining to dwelling units leased or rented to Low Income Tenants and will permit any duly authorized representative of the City and HUD to inspect, during normal business hours, the books and records of the Owner pertaining to the incomes of Low Income Tenants residing in the Project.

(d) For purposes of satisfying the requirement that the residential units be occupied by Low Income Tenants, no Low Income Tenant shall be denied continued occupancy because, after admission, the Low Income Tenant's family income exceeds the applicable qualifying income level set forth in the definition of "Low Income Tenant"; provided that tenants who no longer qualify as Low Income Tenants pay as rent the lesser of the amount payable by the tenant under State or local law or 30% of the family's adjusted monthly income as re certified annually. The preceding sentence shall not apply with respect to HOME Funds made available for units that have been allocated low-income housing tax credits by the Louisiana Housing Finance Agency, pursuant to Section 42 of the Internal Revenue Code of 1986, 26 U. S. C. 42. If, as of the most recent annual Certification of Tenant Eligibility, it is determined that the adjusted income of a person or family occupying a Qualified Unit exceeds the then-current maximum allowable adjusted income for persons of Low Income and subsequent to such determination the next available vacant unit in the Project is rented to persons or families qualified as persons or families of Low Income, then the Project shall be deemed in compliance with the requirements of 24 CFR 92.252(a)(2) or (3).

(e) The Owner shall obtain from the Division of Housing and Neighborhood Development, such forms as it may require, to record, verify and document Tenant household and income characteristics, both for initial occupancy and for annual tenant income re-verification.

HOME AFFORDABLE RENTAL HOUSING PROGRAM REGULATORY AGREEMENT

ATTACHMENT D

AFFIRMATIVE FAIR HOUSING MARKETING PLAN

Statement of Policy

This Affirmative Marketing Plan will be used by the City of New Orleans in conjunction with the implementation of Programs funded under the HOME Investment Partnership Act. In furtherance of the City of New Orleans' commitment to non-discrimination and equal opportunity in housing, the City of New Orleans establishes procedures to affirmatively market residential housing units and rental assistance that are made available under programs created in accordance with the Federal Regulations which govern the HOME Investment Partnership Act. These procedures are intended to further the objectives of Title VIII of the Civil Rights Act of 1968, Executive Order 11063, and the City of New Orleans' local Fair Housing Act.

The City of New Orleans believes that individuals of similar economic levels in the same housing market area should have available to them a like range of housing choices regardless of their race, color, religion, sex and national origin.

The City of New Orleans is committed to the goals of affirmative marketing which will be implemented in HOME Investment Partnership Act Programs through a specific set of steps that the City and participating owners/developers must follow. These goals will be reached through the following procedures:

Informational Procedures

The City will utilize the following procedures for informing the general public, potential tenants and owners about Federal Fair Housing Laws and its Affirmative Marketing Policies and Procedures:

1. The City of New Orleans has an Office of Fair Housing which provides general information to the public and to housing and other groups about Fair Housing laws. This office will provide resources and assistance to participants in HOME funded projects.

2. The City requires the use of HUD's Equal Housing Opportunity logo in all press releases and on all informational brochures that are used to solicit applications from owners and posts Federal Fair Housing information in conspicuous areas of the office.

3. The City will distribute written Fair Housing information to participating developers, owners and tenants who are involved in or affected by HOME funded projects.

4. Copies of the City's Tenant Assistance Policy will be distributed to tenants in buildings scheduled for rehabilitation under a HOME funded program.

Owner's Requirements

Participating Owners are required to inform the general rental public about the availability of housing units rehabilitated under a HOME funded program as follows:

1. The City of New Orleans will require property owners/developers selected for participation in a

If the general circulation print medium is used to advertise rental unit vacancies, at least one advertisement must also be placed in *The Louisiana Weekly*, which has a significant circulation in the minority community.

4. Copies of placed ads or other types of documentation outlining activities that increase general public awareness of the availability of rental housing units are to be forwarded to the Division of Housing and Neighborhood Development (DHND) within 30 days after such activities are undertaken. If violations of the City's Affirmative Marketing Policies are discovered, corrective actions will be required immediately.

5. The Fair Housing Equal Opportunity (FHEO) logo is to be used in all advertisements for solicitation of tenants.

6. The FHEO sign is to be posted conspicuously on properties during the rehabilitation phase of a HOME funded project and remain in place until all required rehabilitation is completed and for a periods of 30 days thereafter.

7. With reasonable notice, the owner will make his/her records regarding tenant solicitation and occupancy available for review by DHND, in accordance with U.S. Department of Housing and Urban Development monitoring procedures.

Special Outreach

Should special outreach be necessary, owners will be required to seek assistance from the City. The City will develop procedures for special outreach on a case by case basis.

Record Keeping

Participating developers and owners of properties being rehabilitated under a HOME funded project will be required to keep the following records:

1. Activities they undertake to inform the general public and activities they undertake for special outreach. This may include copies of newspaper advertisements, correspondence with the City, the Housing Authority of New Orleans or other organizations, such as churches and community organizations.

2. Maintain a listing of all tenants as to age, sex, race, family size, income, dates of occupancy and referral source.

3. The owner shall provide a written statement outlining his efforts taken to solicit tenants from targeted income groups.

This information shall be submitted to the City annually and will be used to assess the success of the Affirmative Marketing effort.

Assessment and Corrective Action

The City will maintain a record of all referrals, public hearings, announcements and solicitations. An annual assessment will be prepared using tenant information furnished by the owner and verified by the City and the results will be reported in the Annual Performance Report. The information developed will be used to determine the effectiveness of these procedures. Any deficiencies observed will be addressed with revised procedures or corrective measures specific to the deficiency.

All obligations and requirements of the aforementioned Affirmative Marketing Procedures will be included in a written document signed by owners/developers of properties under a HOME funded

ATTACHMENT E

HOME COVENANTS

CERTIFICATE OF OWNER

The undersigned, duly authorized representative off the Owner, hereby certifies that the Other Federal Requirements enumerated as Exhibit A hereto have been reviewed and that the Owner has complied with or will comply with all said requirements by executing this certification. The Owner further certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by HUD in transactions such as the Project.

3980 Cambronne Development, L.L.C.

By: Cambronne Associates, L.L.C.,
Its: Managing Member

By: ______________________________
Name:
Title:

EXHIBIT A

OTHER FEDERAL REQUIREMENTS

A. Equal Opportunity and Fair Housing

(a) *Equal opportunity.* No person in the United States shall on the grounds of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with HOME Funds. In addition, the Project must be operated and managed in accordance with the following:

(1) The requirements of the Fair Housing Act (42 U.S.C. 3601-20) and implementing regulations at 24 CFR part 100; Executive Order 11063, as amended by Executive Order 12259 (3 CFR, 1958-1963 Comp., p. 652 and 3 CFR, 2980 Comp., p. 307) (Equal Opportunity in Housing) and implementing regulations at 24 CFR part 107; and title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) (Nondiscrimination in Federally Assisted Programs) and implementing regulations at 24 CFR part 1;

(2) The prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101-07) and implementing regulations at 24 CFR part 146, and the prohibitions against discrimination against handicapped individuals under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8;

(3) The requirements of Executive Order 11246 (3 CFR 1964-65, Comp. p. 339) (Equal Employment Opportunity) and the implementing regulations issued at 41 CFR chapter 60;

(4) The requirements of section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 170lu) the purpose of which is to ensure that the employment and other economic opportunities generated by Federal financial assistance for housing and community development programs shall, to the greatest extent feasible, be directed toward low- and very-low income persons, particularly those who are recipients of government assistance for housing.

(5) The requirements of Executive Orders 11625 and 12432 (concerning Minority Business Enterprise), and 12138 (concerning Women's Business Enterprise). Consistent with HUD's responsibilities under these Orders, the Owner must make efforts to encourage the use of minority and women's business enterprises in connection with HOME-funded activities. The Owner must prescribe procedures acceptable to the City to establish and oversee a minority outreach program within its jurisdiction to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, including, without limitation, real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and providers of legal services, in all contracts entered into by the Owner with such persons or entities, public and private, in order to facilitate the activities of the Owner to provide affordable housing authorized under the Housing Act or any other federal housing law applicable to such jurisdiction.

(b) *Fair housing.* In accordance with the certification made with its housing strategy, the Owner must affirmatively further fair housing.

B. Affirmative Marketing

(1) Methods for informing the public and potential tenants about federal fair housing laws and the Owner's affirmative marketing policy (e.g., the use of the Equal Housing Opportunity logotype or slogan in press releases and solicitations, and written communication to fair housing and other groups);

(2) Requirements and practices each owner must adhere to in order to carry out the Owner's affirmative marketing procedures and requirements (e.g., use of commercial media, use of community contacts, use of Equal Housing Opportunity logotype or slogan, and display of fair housing poster);

(3) Procedures to be used by the Owner to inform and solicit applications from persons in the housing market area who are not likely to apply for the housing without special outreach (e.g., use of community organizations, places of worship, employment centers, fair housing groups, or housing counseling agencies);

(4) Records that will be kept describing actions taken by the Owner to affirmatively market units and records to assess the results of these actions; and

(5) A description of how the Owner will assess the success of affirmative marketing actions and what corrective actions will be taken where affirmative marketing requirements are not met.

C. Displacement, Relocation, and Acquisition

(a) *Minimizing displacement.* The Owner must ensure that it has taken all reasonable steps to minimize the displacement of persons (families, individuals, businesses, nonprofit organizations, and farms) as a result of a project assisted with HOME Funds. To the extent feasible, residential tenants must be provided a reasonable opportunity to lease and occupy a suitable, decent, safe, sanitary, and affordable dwelling unit in the building/complex upon completion of the Project.

(b) *Temporary relocation.* The following policies cover residential tenants who will not be required to move permanently but who must relocate temporarily for the Project. Such tenants must be provided:

(1) Reimbursement for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation, including the cost of moving to and from the temporarily occupied housing and any increase in monthly rent/utility costs.

(2) Appropriate advisory services, including reasonable advance written notice of

(i) The date and approximate duration of the temporary relocation;

(ii) The location of the suitable, decent, safe, and sanitary dwelling to be made available for the temporary period;

(iii) The terms and conditions under which the tenant may lease and occupy a suitable, decent, safe, and sanitary dwelling in the building/complex upon completion of the Project; and

(iv) The provisions of paragraph (b)(1) of this section.

(c) *Relocation assistance for displaced persons.*

(1) *General.* A displaced person (defined in paragraph (c)(2) of this section) must be provided

(i) For purposes of paragraph (c) of this section, the term *displaced person* means a person (family, individual, business, nonprofit organization, or farm, including any corporation, partnership or association) that moves from real property or moves personal property from real property, permanently, as a direct result of acquisition, rehabilitation, or demolition for a project assisted with HOME funds. This includes any permanent, involuntary move for an assisted project, including any permanent move from the real property that is made:

(A) After notice by the Owner to move permanently from the property, if the move occurs on or after:

(1) The date of submission of an application to the City or HUD, if the applicant has site control and the application is later approved; or

(2) The date the City approves the applicable site, if the applicant does not have site control at the time of the application; or

(B) Before the date described in paragraph (c)(2)(i)(A) of this section, if the City or HUD determines that the displacement resulted directly from acquisition, rehabilitation, or demolition for the Project; or

(C) By a tenant-occupant of a dwelling unit, if any one of the following situations occurs:

(1) The tenant moves after execution of the agreement covering the acquisition, rehabilitation, or demolition and the move occurs before the tenant is provided written notice offering the tenant the opportunity to lease and occupy a suitable, decent, safe, and sanitary dwelling in the same building/complex upon completion of the Project under reasonable terms and conditions. Such reasonable terms and conditions must include a term of at least one year at a monthly rent and estimated average monthly utility costs that do not exceed the greater of

(i) The tenant's monthly rent before such agreement and estimated average monthly utility costs; or

(ii) The total tenant payment, as determined under 24 CFR 813.107, if the tenant is low-income, or 30 percent of gross household income, if the tenant is not low-income; or

(2) The tenant is required to relocate temporarily, does not return to the building/complex, and either

(i) The tenant is not offered payment for all reasonable out-of-pocket expenses incurred in connection with the temporary relocation; or

(ii) Other conditions of the temporary relocation are not reasonable; or

(3) The tenant is required to move to another dwelling unit in the same building/complex but is not offered reimbursement for all reasonable out-of-pocket expenses incurred in connection with the move, or other conditions of the move are not reasonable.

(B) The person moved into the property after the submission of the application but, before signing a lease and commencing occupancy, was provided written notice of the Project, its possible impact on the person (e.g., the person may be displaced, temporarily relocated, incur a rent increase), and the fact that the person would not qualify as a "displaced person" (or for any assistance under this section) as a result of the Project;

(C) The person is ineligible under 49 CFR 24.2(g)(2); or

(D) HUD determines that the person was not displaced as a direct result of acquisition, rehabilitation, or demolition for the project.

(iii) The City may, at any time, ask HUD to determine whether a displacement is or would be covered by this rule.

(3) *Initiation of negotiations*. For purposes of determining the formula for computing replacement housing assistance to be provided under paragraph (c) of this section to a tenant displaced from a dwelling as a direct result of private-owner rehabilitation, demolition or acquisition of the real property, the term *initiation of negotiations* means the execution of the agreement covering the acquisition, rehabilitation or demolition.

(d) *Optional relocation assistance*. The Owner may provide relocation payments and other relocation assistance to families, individuals, businesses, nonprofit organizations, and farms displaced by a project assisted with HOME Funds where the displacement is not subject to paragraph (c) of this section. The Owner may also provide relocation assistance to persons covered under paragraph (c) of this section beyond that required. For any such assistance that is not required by state or local law, the Owner must adopt a written policy available to the public that describes the optional relocation assistance that it has elected to furnish and provides for equal relocation assistance within each class of displaced persons.

(e) *Block Grant funds*. If Community Development Block Grant funds are used to pay part of the cost of a HOME project other than the general planning and administrative costs eligible under 24 CFR 570.205 and 570.206, or optional relocation costs eligible under 24 CFR 570.201(i)(2), the project is subject to the requirements of the Housing and Community Development Act of 1974. (This includes the section 104(d) requirements to provide relocation assistance and replace low/moderate income housing as described at 24 CFR 570.606(c) (Entitlement Program and HUD-Administered Small Cities Program) and 24 CFR 570.496a(c) (State CDBG Program).)

(f) *Real property acquisition requirements*. The acquisition of real property for a project is subject to the URA and the requirements of 49 CFR part 24, subpart B.

(g) *Appeals*. A person who disagrees with the Owner's or City's determination concerning whether the person qualifies as a displaced person, or the amount of relocation assistance for which the person may be eligible, may file a written appeal of that determination with the City. A low-income person who is dissatisfied with the City's determination on his or her appeal may submit a written request for review of that determination to the HUD Field Office.

(h) *Responsibility of Owner*.

(1) The Owner must certify that it will comply with the URA, the regulations at 49 CFR part 24, and the requirements of this section, and must ensure such compliance notwithstanding any third party's contractual obligation to the Owner to comply.

laborers and mechanics employed in the development of affordable housing involved, and such contracts must also be subject to the overtime provisions, as applicable, of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-332). Owners, contractors, subcontractors, and other participants must comply with regulations issued under these Acts and with other federal laws and regulations pertaining to labor standards and HUD Handbook 1344.1 (Federal Labor Standards Compliance in Housing and Community Development Programs), as applicable. The Owner certifies or will certify to compliance with the provisions of this section before making any payment under such contract.

(b) *Volunteers.* The prevailing wage provisions of paragraph (a) of this section do not apply to an individual who receives no compensation or is paid expenses, reasonable benefits, or a nominal fee to perform the services for which the individual volunteered and who is not otherwise employed at any time in the construction work.

(c) *Sweat equity.* The prevailing wage provisions of paragraph (a) of this section do not apply to members of an eligible family who provide labor in exchange for acquisition of a property for homeownership or provide labor in lieu of, or as a supplement to, rent payments.

E. <u>Lead-based paint</u>

Housing assisted with HOME Funds constitutes HUD-associated housing for the purpose of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821, et. seq.) and is, therefore, subject to 24 CFR part 35. Unless otherwise provided, the Owners is responsible for testing and abatement activities.

F. <u>Conflict of interest</u>

(a) *Applicability.*

(1) In the procurement of property and services by the Owner, the conflict of interest provisions in 24 CFR 85.36 and OMB Circular A-110, respectively, apply.

(2) In all cases not governed by 24 CFR 85.36 and OMB Circular A-110, the provisions of this section apply. These cases include the acquisition and disposition of real property and the provision of assistance by the Owner, by subrecipients, or to individuals, housing developers, and other private entities under eligible activities which authorize such assistance (e.g., rehabilitation of housing).[1]

[1] See §92.505 concerning the applicability of OMB Circulars.

(b) *Conflicts prohibited.* No persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to activities assisted with HOME Funds or who are in a position to participate in a decision making process or gain inside information with regard to these activities, may obtain a financial interest or benefit from a HOME assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

(c) *Persons covered.* The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the City, or subrecipient which are receiving HOME Funds.

(d) *Exceptions: Threshold requirements.* Upon the written request of the City, HUD may grant an exception to the provisions of paragraph (b) of this section on a case-by-case basis when it

(e) *Factors to be considered for exceptions.* In determining whether to grant a requested exception after the City has satisfactorily met the requirements of paragraph (d) of this section, HUD will consider the cumulative effect of the following factors, where applicable:

(1) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available;

(2) Whether the person affected is a member of a group or class of low-income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;

(3) Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision making process with respect to the specific affected activity in question.

(4) Whether the interest or benefit was present before the affected person was in a position as described in paragraph (c) of this section;

(5) Whether undue hardship will result either to the Owner or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and

(6) Any other relevant considerations.

G. <u>Flood insurance</u>

(a) Under the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001-4128), HOME Funds may not be used with respect to the acquisition, new construction, or rehabilitation of a project located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, unless:

(1) The community in which the area is situated is participating in the National Flood Insurance Program (see 44 CFR parts 59 through 79), or less than a year has passed since FEMA notification regarding such hazards; and

(2) Flood insurance is obtained as a condition of approval of the commitment.

(b) The Owner of a Project located in an area identified by FEMA as having special flood hazards are responsible for assuring that flood insurance under the National Flood Insurance Program is obtained and maintained.

HOME AFFORDABLE RENTAL HOUSING PROGRAM REGULATORY AGREEMENT

ATTACHMENT F

PROJECT COMPLETION REPORT

The Owner shall use Rental Housing Project Completion Report, form HUD-40097, or other similar such form, as may be substituted by the City, with proper notice to the Owner. Form HUD-40097 may be obtained by request from the City, through the Division of Housing and Neighborhood Development, or through the Internet from www.hudclips.gov.

The Project Completion Report (PCR) shall be submitted to the City not later than 60 days after receipt of all payments due the Owner under the Grant Agreement. In the event that all HOME-assisted units are not leased by PCR the due date, the Owner shall continue to report tenant characteristics to the City until all such units are initially rented to HOME-eligible tenants.

HOME AFFORDABLE RENTAL HOUSING PROGRAM REGULATORY AGREEMENT

ATTACHMENT G

SUPPLEMENTAL PROVISIONS

CERTIFICATE OF OWNER

The undersigned, duly authorized representative of the Owner, hereby certifies that:

1. As of the date of this agreement, and since the Completion Date stipulated in Section 1.1J, the project is and/or has been in compliance with all HOME Program regulatory requirements, such as, but not limited to, Housing Quality Standards (HQS), eligible tenants, HOME rent and utility allowance limits, very low income unit set asides, leases, etc.

2. Should the project be found by the City or HUD not to be in compliance with HOME Program regulatory requirements, the Owner will immediately take steps to remedy all non-compliance matters and shall furnish evidence of compliance to the City, within thirty (30) days of such notification by the City.

3. At its option, and only in the event of non-compliance determined by the City or by HUD, the City may advise the Owner, in writing, that the Minimum Project Term (Period of Affordability) stipulated in Section 1.1D, will be extended, in increments of one year, for a period of time required to insure that the project has been or will be in compliance with the minimum Period of Affordability (POA) stipulated in the HOME Program regulations at 92CFR252(e).

4. Should the City find it necessary to extend the POA for reasons of non-compliance, the extension of the POA will be evidenced by recordation of the aforementioned written notice with the Recorder of Mortgages, which shall specifically reference the provisions of this attachment to the Regulatory Agreement.