

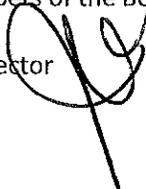
LAKE WORTH
COMMUNITY REDEVELOPMENT AGENCY
 29 SOUTH J STREET
 LAKE WORTH, FLORIDA 33460-3787
 www.lakeworthcra.org

Phone: (561) 493-2550

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MEMORANDUM

TO: Chair, Vice-Chair and Members of the Board

FROM: Joan C. Oliva, Executive Director 

DATE: August 11, 2015

SUBJECT: Development Agreement for West Village

EXPLANATION:

Under the approved Action Plan in the NSP-2 application, the Lake Worth Consortium is tasked with the acquisition, rehabilitation and construction of 100 housing units. The LW-CRA is responsible for the purchase of all foreclosed and/or abandoned properties that fit the guidelines within the target area. Along with the responsibility of acquisition comes the need for Tier II environmental, State Housing and Preservation Office letters of inquiry, lead and asbestos testing, the clearing of title and any code fines, ordering surveys and appraisals, creating files and the reporting of all activities in the federal on-line system.

In April 2015, the Board approved a conceptual site plan and development proposal for 110 N F Street. The property, formerly owned by the County Health Department was donated to the City in 2013. Since that time, the building remained vacant and continued to deteriorate. This May the City conveyed the property to the CRA for the development of additional NSP-funded arts lofts. To date, the CRA paid just over \$23K for environmental testing, a historic review, a survey and structural demolition.

Neighborhood Renaissance (NR) and the CRA executed a Memorandum of Understanding (MOU) earlier this year in preparation for the development of an NSP-funded project, West Village (Exhibit "A"). Since that time Staff from both the CRA and Neighborhood Renaissance have been meeting with the City to discuss design, unit number and type and financing options.

As a partner in the development of West Village, the CRA is contributing the land and an additional \$700K to help defray development costs. The \$700K in NSP funds will be used to pay for impact fees, permit fees, water and sewer connections and other necessary fees and infrastructure costs such as recording and closing costs, engineering and architectural fees, the bond application, utility relocation and other fees that all constitute NSP-2 eligible expenses.

The development agreement is an Exhibit to the Purchase and Sale agreement. The Purchase and Sale agreement complete with the development agreement and other exhibits is attached as Exhibit "B".

Highlights of the Development Agreement include the following:

- All units must be sold to Artists who meet the established definition
- The development will include up to 11 owner occupied live/work residential units, all offered at 120% or less of AMI (Exhibit "C"), at least 2000 square feet of community/commercial space for cultural uses plus garages and amenities
- The project must become Florida Green Building Certified
- The CRA shall participate in the recruitment of interested artists
- The CRA will use NSP funds to establish an initial maintenance reserve of \$25K for the to-be-established HOA
- Up to \$12K in NSP funds will be used for down payment assistance for qualified buyers
- Other than the Grant money provided by the CRA, Neighborhood Renaissance is responsible for securing all other necessary financing for the construction of the project
- CRA Board has the right to approve the design of the Project

The development of this site will put the Lake Worth Consortium well over our stated 100 unit goal in the NSP-2 Action Plan. With the addition of these eleven new units, the total number of NSP developed units increases to 176.

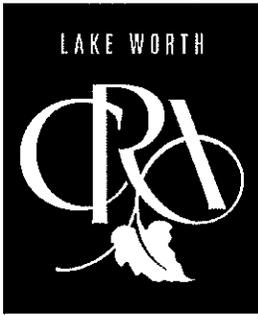
The development of new owner-occupied units will bring further stability west of the RR tracks, creating even more of an artist cluster. This development further supports other CRA/City efforts in developing the Artisanal and/or Mixed-Use district and joins projects including the Urban Arts Lofts, the new Lake Worth Arts Center, the Benzaiten Center for the Creative Arts and the Flamingo Clay Studio. The synergy of artists in this clustered area creates a destination and attraction in a once blighted area.

Development of this site addresses many of the goals and objectives in the CRA's Redevelopment Plan including:

- Elimination of slum and blighted conditions
- Increase the tax base to generate additional revenue
- Elimination of conditions that decrease property values
- Facilitation of new investment in the redevelopment district
- Encouragement of housing opportunities
- Establishment of a safe, functional and aesthetically pleasing community environment

REQUEST:

Staff requests the Board approve the Purchase and Sale agreement between Neighborhood Renaissance Inc. and the CRA.



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MEMORANDUM

TO: Chair, Vice Chair and Members of the CRA Board

FROM: Joan C. Oliva, Executive Director

DATE: April 14, 2015

SUBJECT: Memorandum of Understanding between the CRA and Neighborhood Renaissance, Inc.

EXPLANATION

On February 11, 2010, the Lake Worth NSP2 Consortium, composed of the Lake Worth CRA as the lead entity, along with twenty-one partner agencies, was awarded \$23.2M in Neighborhood Stabilization Program 2 (NSP-2) funds, administered by the Department of Housing and Urban Development (HUD) under the American Recovery and Reinvestment Act (ARRA) of 2009. Our main development partners included Habitat for Humanity and Adopt-a-Family of the Palm Beaches. Along with the CRA, the Consortium built 165 new or rehabilitated housing units in the CRA district. Twelve of the units are artist-live work lofts, built on Lake and Lucerne Avenues, in the heart of both the redevelopment district and the Arts and Design District. The production and sale of these unique and popular units exceeded our initial expectations. Not only were they popular and conducive for working artists, they also helped bring a mix of talented people to our downtown area who contribute to our redevelopment efforts that focus on highlighting local talent along with arts and culture.

Spending \$23M within the three year deadline following all the specific rules and regulations was an enormous task. Although some partners were responsible for more than others, it took every partner we had to make the project the big success that it is. As we wind down our efforts and look forward to project close-out, later this year, we still have the ability to add one significant last project to our portfolio. However, this would require a new partner to be brought into the Consortium. Unlike most changes to the Action Plan, which can be quite cumbersome, adding a new non-profit developer is a relatively easy process. It includes the completion of some HUD paperwork and the signing of a Memorandum-of-Understanding (Exhibit "A") with the new entity.

Neighborhood Renaissance (NR) and the CRA have been looking for ways to partner together to provide more safe, new or rehabilitated, residential units to the District. Since most of the properties the CRA purchased were already developed by our existing partners, we waited for an opportunity. With the hopes that more artist housing could be built and the finalization of the agreement with the City for 110

North "F," the CRA and NR discussed the possibility of developing "West Village," the next Urban Arts Lofts development. An aerial and preliminary site rendering are included as Exhibit "B."

Neighborhood Renaissance was established twenty-three (23) years ago is a non-profit community-based organization dedicated to building and supporting diverse communities and strong economies in Palm Beach County. They have developed numerous affordable housing units, manage rental properties and provide housing and credit counseling. They are recognized for their positive work and the possibility to complete a new housing development with them as partners is very exciting.

There are many steps involved before moving forward. These include the transfer of the property from the City to the CRA, an agreement being approved by the CRA and NR, plans drawn and the securing of financing.

REQUEST

Staff requests the Board approve the Memorandum of Understanding between the CRA and Neighborhood Renaissance Inc. for the Neighborhood Stabilization Program.

**CONSORTIUM FUNDING AGREEMENT
BETWEEN THE LAKE WORTH COMMUNITY
REDEVELOPMENT AGENCY
AND
NEIGHBORHOOD RENAISSANCE, INC.
FOR
Neighborhood Stabilization Program 2**

THIS AGREEMENT, entered this 14 day of APRIL, 2015 by and between the LAKE WORTH COMMUNITY REDEVELOPMENT AGENCY (herein called the "Lead Member") and NEIGHBORHOOD RENAISSANCE, INC. (herein called the "Consortium Member").

WHEREAS, the Lead Member has applied for and has been awarded funds from the United States Department of Housing and Urban Development under the American Recovery and Reinvestment Act of 2009 (Recovery Act), Public Law 111-005, for the Neighborhood Stabilization Program 2 (NSP2); and

WHEREAS, the Lead Member wishes to engage the Consortium Member to assist the Lead Member in using such funds in accordance with the Notice of Funding Availability for the Neighborhood Stabilization Program 2 under the American Recovery and Reinvestment Act of 2009 (Notice FR-5321-N-01);

NOW, THEREFORE, it is agreed between the parties hereto that;

I. SCOPE OF SERVICE

A. Activities

The Consortium Member will be responsible for administering NSP2 activities in a manner satisfactory to the Lead Member and consistent with all standards required as a condition of providing these funds. Such program will include the following uses and corresponding CDBG activities eligible under NSP2 [as listed in the Notice of Funding Availability for the Neighborhood Stabilization Program 2 under the American Recovery and Reinvestment Act of 2009 (Notice FR-5321-N-01, published May 5, 2009), the Notice of Fund Availability for the Neighborhood Stabilization Program 2 under the American Recovery and Reinvestment Act of 2009; Correction (Notice FR-5321-C-02, published June 11, 2009), and the Notice of Fund Availability for the Neighborhood Stabilization Program 2 under the American Recovery and Reinvestment Act of 2009; Correction (Notice FR-5321-C-03, published November 9, 2009) and any subsequent published amendments (the NSP2 NOFA):

Program Delivery

The programs to be provided by the Consortium Member are to partner with the Lead Member on the development of 110 North "F" Street, Lake Worth, as more fully described in **Exhibit "A"**, which is attached hereto, and incorporated herein by reference.

As applicable, the Lead Member is responsible for ensuring that no more than 10 percent of the total grant is used for demolition (unless HUD has given prior written approval for a higher percentage).

General Administration

The Lead Member must ensure that no more than 10 percent of the total grant amount is used for planning and administration activities described at 24 CFR 570.205 and 570.206; the Consortium Member shall not use any funds for planning and administration activities.

B. Income Eligibility requirements

In accordance with section 2301(f)(3)(A) of the Housing and Economic Recovery Act of 2008 (HERA), Public Law 110-329, the Consortium Member will use all NSP2 funds with respect to low- moderate- and middle-income individuals and families whose income does not exceed 120 percent of area median income. This agreement defines "low income," "moderate income" and "middle income," as provided in the NOFA. The Lead Member is responsible for ensuring that 25 percent of the total grant is used for the purchase and redevelopment of abandoned or foreclosed upon homes or residential properties to house individuals and families whose incomes do not exceed 50 percent of area median income, as required by HERA; the Consortium Member will use the funds as specified in the budget that is attached to this Agreement for these activities for individuals and families at or below 50 percent of area median income.

C. Levels of Accomplishment – Goals and Performance Measures

The Consortium must comply with the NSP2 performance reporting requirements as described in the NSP2 NOFA and any additional reporting requirements announced by HUD at any time during the duration of this agreement. The Consortium Member shall be responsible for providing timely and accurate accounting of policies, procedures, costs, and activities to the Lead Member for purposes of entry into the Disaster Recovery Grant Reporting ("DRGR") System.

The accomplishments for each activity must include such measures as residential units rehabilitated or number of households assisted, and should also include start and end dates for initiation and completion of work.

The Consortium Member agrees to implement the activities as described on **Exhibit "A"** to this Agreement, which is attached hereto and incorporated herein by reference.

D. Staffing

The individuals listed on the Staff Responsibilities and Contact Information, which is attached hereto as **Exhibit "B"**, which is incorporated herein by reference, shall be the only individuals authorized to perform the activities on behalf of the Consortium Member, pursuant to this Agreement. Any change to the Staff Responsibilities and Contact Information are subject are subject to the prior written approval of the Lead Member.

E. Performance Monitoring

The Lead Member will monitor the performance of the Consortium Member based on goals and performance standards as stated above with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this contract. Substandard performance as determined by the Lead Member will constitute noncompliance with this Agreement. If corrective action is not taken by the Consortium Member within a reasonable period of time after being notified by the Lead Member, contract suspension or termination procedures will be initiated. Consortium member agrees to provide HUD, the HUD Office of

Inspector General, the General Accounting Office, the Lead Member, or the Consortium's internal auditors access to all records related to performance of activities in this agreement.

II. TIME OF PERFORMANCE

NSP2 funding is subject to strict statutory deadlines for expenditure. The Lead Member must ensure that at least 50 percent of allocated funds are expended within two years from the date HUD signs the grant agreement and 100 percent of these funds are expended within three years from the date HUD signs the grant agreement. The term of this Agreement and the provisions herein shall be extended to cover any additional time period during which the Consortium Member remains in control of NSP2 funds or other NSP2 assets, including program income, but the deadline for expenditure of allocated funds is absolute (absent statutory change).

III. BUDGET

The Lead Member may require a detailed project budget breakdown, and the Consortium Member shall provide such budget information in a timely fashion in the form and content prescribed by the Lead Member. Any amendments to the budget must be approved in writing by both the Lead Member and the Consortium Member.

IV. PAYMENT

It is expressly agreed and understood that the total amount to be paid by the Lead Member under this Agreement shall be determined at a later date, once the project specifications have been determined. Requests for the payment of eligible expenses shall be associated with the line item budgets specified in Paragraph III herein and in accordance with performance. Expenses for general administration shall also be paid against the line item budgets specified in Paragraph III and in accordance with performance.

Payments may be contingent upon certification of the Consortium Member's financial management system in accordance with the standards specified in 24 CFR 84.21 for non-profit entities and 24 CFR 85.20 for governmental entities. *[NOTE: References to sections of 24 CFR part 84 throughout this agreement are only applicable to non-profit organizations. References to sections of 24 CFR part 85 are applicable to governmental or quasi-governmental agency consortium members.]*

V. NOTICES

Notices required by this Agreement shall be in writing and delivered via mail (postage prepaid), commercial courier, or personal delivery or sent by facsimile or other electronic means. Any notice sent as aforesaid shall be effective on the date of sending. All notices and other written communications under this Agreement shall be addressed to the individuals in the capacities indicated below, unless otherwise modified by subsequent written notice.

Communication and details concerning this contract shall be directed to the following contract representatives:

LAKE WORTH COMMUNITY
REDEVELOPMENT AGENCY

NEIGHBORHOOD RENAISSANCE, INC.

Joan C. Oliva, Executive Director
29 South "J" Street
Lake Worth, Florida 33460
(561) 493-2550

Terri Murray, Executive Director
510 24th Street, Suite A
West Palm Beach, Florida 33407
(561) 832-6776

SPECIAL CONDITIONS

A. The Consortium Member agrees to protect, defend, indemnify, and hold harmless the Lead Member, its officers, employees, and agents from and against any and all lawsuits, penalties, damages, settlements, judgments, decrees, costs, charges, and other expenses or liabilities of every kind in connection with or arising directly out of the work agreed to be performed herein, to the extent caused by the negligence, recklessness, or intentional wrongful misconduct of the Consortium Member, its employees, servants, agents, and subcontractors. Without limiting the foregoing, any and all such claims, suits, etc., relating to personal injury, death, damage to property, defects in materials or workmanship, actual or alleged infringement of any patent, trademark, copyright or of any other tangible or intangible personal or property right, or any actual or alleged violation of any applicable statute, ordinance, administrative order, rule or regulation or decree of any court, is included in the indemnity. The Consortium Member further agrees to investigate, handle, respond to, provide defense for, and defend any such claims, etc., at his sole expense and agrees to bear all other costs and expenses related thereto, even if the claim(s) is groundless, false, or fraudulent. In case of injury to persons, animals, or property, real or personal, by reason of failure to erect or maintain proper and necessary barricades, safeguards, and signals or by reason of any negligence of any the Consortium Member, or any of the Consortium Member's agents, servants, or employees during the performance of the work before the estimates have become due under this Agreement, the Lead Member may, through its officials, withhold such payments as long as it may deem necessary for the indemnity of the Lead Member as Owner, provided that the failure to pay the same shall not be construed or considered as a waiver of the indemnity as hereinabove set forth.

B. The parties recognize that various provisions of this Agreement, including but not necessarily limited to this Section, provide for indemnification by the Consortium Member and that Section 725.06, Florida Statutes, requires a specific consideration be given thereof. The parties therefore agree that the sum of Ten Dollars and 00/100 (\$10.00), receipt of which is hereby acknowledged, is the specific consideration for such indemnities, and the providing of such indemnities is deemed to be part of the specifications with respect to the services to be provided by the Consortium Member. Furthermore, the parties understand and agree that the covenants and representations relating to this indemnification provision shall serve the term of this Agreement and continue in full force and effect as to the party's responsibility to indemnify.

VI. ENTIRE AGREEMENT

In conjunction with the Consortium Agreement submitted with the application as required by the NSP2 NOFA, and the Consortium application itself, this agreement between the Lead Member and the Consortium Member for the use of funds eligible for receipt, supersedes all prior or contemporaneous communications and proposals, whether electronic, oral, or written between the Lead Member and the Consortium Member with respect to this Agreement. By way of signing this agreement, the Consortium Member is bound to perform the agreements within this agreement or any HUD approved amendment thereof. Any amendment to this agreement must receive prior approval by HUD.

Further details concerning the applicable rules and regulations associated with this agreement are provided in Attachment I.

A signed and dated copy of the original consortium agreement is hereby attached as Appendix II.

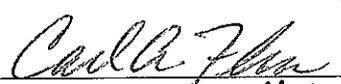
Date: 04.14.15

IN WITNESS WHEREOF, the Parties have executed this contract as of the date first written above.

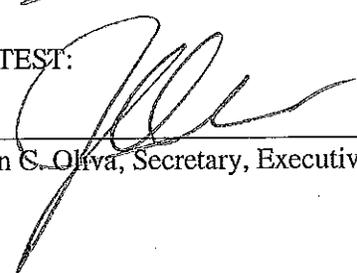
LAKE WORTH COMMUNITY
REDEVELOPMENT AGENCY

NEIGHBORHOOD RENAISSANCE, INC.

By: 
Cary Sabol, Chair

By: 
Print Name: CARLA FICK
Title: PRESIDENT

ATTEST:


Joan C. Oliva, Secretary, Executive Director

ATTEST:

By: 
Print Name: Terri Murray
Title: EXECUTIVE DIRECTOR

(CORPORATE SEAL)

Federal Tax ID No. 65-0352279

AFFIRMATIVE ACTION APPROVAL


CONTRACT COMPLIANCE SUPERVISOR

EXHIBIT "A"

The Consortium Member is partnering with the Lead Member for the development of 110 North F Street, Lake Worth, Florida a/k/a West Village, and may in the future partner with the Lead Member for other NSP-2 related activities.

ATTACHMENT I

I. GENERAL CONDITIONS

A. General Compliance

The Consortium Member agrees to comply with all NSP2 requirements, including those found in the NSP2 Grant Agreement, HERA, the Recovery Act of 2009, the NSP2 NOFA and the requirements applicable to entitlement communities under CDBG regulations, except private nonprofit organizations are subject to (1) administrative requirements in 24 CFR 570.502(b) instead of 570.502(a); (2) environmental review requirements in 24 CFR Part 50 if the consortium member is not a public nonprofit organization with jurisdiction over the project area (see further detail under VII. Environmental Review subheading of this Agreement); and (3) requirements for affirmatively furthering fair housing, unless otherwise noted in the NOFA. If the Consortium Member is a State, then the Consortium Member agrees to comply with the regulatory provisions governing the State CDBG program. The Consortium Member shall comply with governmentwide guidance and standard award terms established by the Office of Management and Budget (OMB) concerning the implementation of the Recovery Act, including *Requirements for Implementing Sections 1512, 1605, and 1606 of the American Recovery and Reinvestment Act of 2009 for Financial Assistance Awards*, 74 Fed. Reg. 18449 (April 23, 2009) (to be codified at 2 CFR part 176) (as now in effect and as may be amended from time to time). The Consortium Member also agrees to comply with all other applicable Federal, state and local laws, regulations, and policies governing the funds provided under this contract. The Consortium Member further acknowledges its responsibility for adherence to all applicable terms and conditions of this grant award by sub-recipient entities and contractors, including obtaining a DUNS number (or updating the existing DUNS record), and registering with the Central Contractor Registration. The Consortium Member further agrees to use funds available under this Agreement to supplement rather than supplant funds otherwise available.

B. "Independent Contractor"

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Consortium Member shall at all times remain an "independent contractor" with respect to the services to be performed under this Agreement. The Lead Member shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance, as the Consortium Member is an independent contractor.

C. Hold Harmless

The Consortium Member shall hold harmless, defend and indemnify the Lead Member from any and all claims, actions, suits, charges and judgments whatsoever that arise out of the Consortium Member's performance or nonperformance of the services or subject matter called for in this Agreement.

D. Workers' Compensation

The Consortium Member shall provide Workers' Compensation Insurance coverage for all of its employees involved in the performance of this Agreement.

E. Insurance & Bonding

In addition to any insurance coverage required by the Lead Member, the Consortium Member shall carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud and/or undue physical damage, and at a minimum shall purchase a blanket fidelity bond covering all employees in an amount equal to cash advances from the Lead Member.

The Consortium Member shall provide evidence of required coverages by providing a certificate of insurance naming the Lake Worth Community Redevelopment Agency as an additional insured. The required coverages, as specified by the Lead Member's Executive Director, or her authorized representative, shall be in place prior to the Consortium Member commencing any work pursuant to this Agreement, and shall remain in place through the term of this Agreement. The Consortium Member shall insure that workman's compensation insurance is in place for the term of this Agreement at no less than the statutory limits, unless the Consortium Member provides a written statement evidencing their statutory exemption from worker's compensation coverage.

If the Consortium Member is a non-profit organization, the Consortium Member shall comply with the bonding and insurance requirements of 24 CFR 84.31 and 84.48, Bonding and Insurance.

F. Amendments

The Lead Member may, in its discretion, amend this Agreement to conform with Federal, state or local governmental guidelines, policies and available funding amounts. The Lead Member or Consortium Member may only amend this Agreement with prior written approval from HUD if the amendment will result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement. Such modifications must make specific reference to this Agreement and be executed in writing by a duly authorized representative of both the Lead Member and Consortium Member. Such amendments shall not invalidate this Agreement, nor relieve or release the Lead Member or Consortium Member from its obligations under this Agreement.

G. Suspension or Termination

In accordance with 24 CFR 85.43 or 84.62, the Lead Member may suspend or terminate this Agreement if the Consortium Member materially fails to comply with any terms of this Agreement, which include (but are not limited to) the following:

1. Failure to comply with any of the statutes, regulations or provisions referred to herein, or such statutes, regulations, executive orders, and HUD policies or directives as may become applicable at any time;
2. Failure, for any reason, of the Consortium Member to fulfill in a timely and proper manner its obligations under this Agreement;
3. Ineffective or improper use of funds provided under this Agreement; or
4. Submission by the Consortium Member to the Lead Member reports that are incorrect or incomplete in any material respect.

This Agreement may also be terminated for convenience by mutual agreement between the Lead Member and the Consortium Member, in whole or in part, by setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if in the case of a partial termination, the Lead Member determines that the remaining portion of the award will not accomplish the purpose for which the award was made, the Lead Member may terminate the award in its entirety. Such a termination shall only be carried out with the explicit written approval from HUD.

II. ADMINISTRATIVE REQUIREMENTS

A. Financial Management

1. Accounting Standards

The Consortium Member agrees to comply with 24 CFR 84.21-28 or 24 CFR 570.489 for a State Consortium Member or 24 CFR 85.20-26 for other governmental entities and agrees to adhere to the accounting principles and procedures required therein, use adequate internal controls, and maintain necessary source documentation for all costs incurred.

2. Cost Principles

The Consortium Member shall administer its program in conformance with OMB Circulars A-87, "Cost Principles for State, Local and Indian Tribal Governments," A-122, "Cost Principles for Non-Profit Organizations," or A-21, "Cost Principles for Educational Institutions," as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

B. Documentation and Record Keeping

1. Client Data

The Consortium Member shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service or benefit provided. Such information shall be made available to Lead Member monitors or their designees for review upon request.

2. Records to be Maintained

The Consortium Member shall maintain all records required by the NSP2 NOFA and the Federal regulations specified in 24 CFR 570.506 or 24 CFR 570.490, if the Consortium Member is a State. Such records shall include but not be limited to:

- a. Records providing a full description of each activity undertaken;
- b. Records demonstrating that each activity undertaken benefits low-, moderate-, or middle-income persons.
- c. Records required to determine the eligibility of activities and the eligibility of all properties assisted;
- d. Records required to document the purchase and sale amounts of each property, discounts, and the sources and uses of funds for each activity;

- e. Records documenting compliance with the fair housing and equal opportunity requirements of the NSP2 program, including but not limited to the racial, ethnic, and gender characteristics of persons who are applicants for, participants in, or beneficiaries of the program;
- f. Records documenting efforts to ensure that the initial successor in interest in a foreclosed upon dwelling or residential real property has complied with the tenant protection requirements under section K.2.a and K.2.b of the NSP2 NOFA.
- g. Financial records as required by 24 CFR 570.502, and 24 CFR 84.21-28 [or 24 CFR 570.489 for a State Consortium Member and 24 CFR 85.20-26 for other governmental entities]; and
- h. Other records necessary to document compliance with Subpart K of 24 CFR Part 570 or 24 CFR 570.487, if the Consortium Member is a State.

3. Retention

The Consortium Member shall retain all financial records, supporting documents, statistical records, and all other records pertinent to the Agreement for a period of five (5) years. The retention period begins on the date that the Lead Member submits its first quarterly performance report to HUD via DRGR. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the five-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the five-year period, whichever occurs later.

4. Disclosure

The Consortium Member understands that client information collected under this contract is private and the use or disclosure of such information, when not directly connected with the administration of the Lead Member's or Consortium Member's responsibilities with respect to services provided under this contract, is prohibited by the [insert applicable State or Federal law] unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.

5. Close-outs

The Consortium Member's obligation to the Lead Member shall not end until the US Department of Housing and Urban Development completes all close-out requirements for the NSP2 grant. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the Lead Member), and determining the custodianship of records. However, the terms of this Agreement shall remain in effect during any period that the Consortium Member has control over NSP2 funds, including program income.

6. Audits & Inspections

All Consortium Member records with respect to any matters covered by this Agreement shall be made available to the Lead Member, Lead Member agency, HUD, and the Comptroller General of the United States or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine,

and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Consortium Member within 30 days after receipt by the Consortium Member. Failure of the Consortium Member to comply with the above audit requirements will constitute a violation of this contract and may result in the withholding of future payments or termination of this agreement. The Consortium Member hereby agrees to have an annual agency audit conducted in accordance with current Lead Member policy concerning Consortium Member audits and OMB Circular A-133.

C. Reporting and Payment Procedures

1. Program Income

The Consortium Member shall report no less frequently than monthly all program income (as defined in the NSP2 NOFA) generated by activities carried out with NSP2 funds made available under this contract. The use of program income by the Consortium Member shall comply with the applicable requirements set forth in the NOFA. By way of further limitation, the Consortium Member may use such income during the contract period for activities permitted under this contract and shall reduce requests for additional funds by the amount of any such program income balances on hand. All unexpended program income shall be returned to the Lead Member at the end of the contract period unless specified otherwise by the Lead Member. Any interest earned on cash advances from the U.S. Treasury [*this clause may not apply if the Lead Member is a State – consult HUD*] and from funds held in a revolving fund account is not program income and shall be remitted promptly to the Lead Member.

2. Indirect Costs

If indirect costs are charged, the Consortium Member will develop an indirect cost allocation plan for determining the appropriate Consortium Member's share of administrative costs and shall submit such plan to the Lead Member for approval, in a form specified by the Lead Member.

3. Payment Procedures

The Lead Member will pay to the Consortium Member funds available under this Agreement based upon information submitted by the Consortium Member and consistent with any approved budget and Lead Member policy concerning payments. Payments will be made for eligible NSP2 related expenses actually incurred by the Consortium Member, and will not exceed actual cash requirements. Payments will be adjusted by the Lead Member in accordance with advance fund and program income balances available in Consortium Member accounts. In addition, the Lead Member reserves the right to liquidate funds available under this contract for costs incurred by the Lead Member on behalf of the Consortium Member.

HUD, through the Disaster Recovery Grant Reporting (DRGR) system, provides access to grant funds generally within 3 working days of an electronically submitted request by the Lead Member. To ensure expeditious implementation of activities, Lead Member agrees to draw funds from the line of credit and make payment to the Consortium Member within 10 working days of receipt of the Consortium Member's complete and properly submitted requests for payment for activities under this agreement, if feasible.

Consortium Member agrees to submit requests for payment in a timely manner in the form and times directed by the Lead Member.

4. Progress Reports

The Consortium Member shall submit regular Progress Reports to the Lead Member in the form, content, and frequency as required by the Lead Member.

D. Procurement

1. Compliance

The Consortium Member shall comply with current Lead Member 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 provided herein. All program assets (unexpended program income, property, equipment, etc.) not otherwise disposed of in the closeout agreement shall revert to the Lead Member upon termination of this Agreement.

2. OMB Standards

Unless otherwise specified within this agreement, the Consortium Member shall procure all materials, property, or services in accordance with the requirements of 24 CFR 84.40-48 [or 24 CFR 570.489 for a State Consortium Member or 24 CFR 85.36 for other governmental entities].

3. Travel

The Consortium Member shall obtain written approval from the Lead Member for any costs for travel outside the area served with funds provided under this Agreement.

E. Use and Reversion of Assets

The use and disposition of real property and equipment under this Agreement shall be in compliance with the requirements of 24 CFR Part 84 [or Part 85] and 24 CFR 570.503, 570.504, and 570.505, as applicable, which include but are not limited to the following:

1. The Consortium Member shall transfer to the Lead Member any NSP2 funds on hand and any accounts receivable attributable to the use of funds under this Agreement at the time of expiration, cancellation, or termination, unless otherwise specified in the HUD closeout agreement with the Lead Member.
2. Real property under the Consortium Member's control that was acquired or improved, in whole or in part, with funds under this Agreement shall be used in accordance with the NSP2 application for the period consistent with the land-banking and continued affordability requirements. If the Consortium Member fails to use NSP2-assisted real property in a manner that meets NSP2 land-banking, affordability and benefit requirements within and for the prescribed period of time, the Consortium Member shall comply with the applicable sections under 24 CFR 570.503, 570.504, and 570.505.

3. In all cases in which equipment acquired, in whole or in part, with funds under this Agreement is sold, the proceeds shall be program income (prorated to reflect the extent to which funds received under this Agreement were used to acquire the equipment). Equipment not needed by the Consortium Member for activities under this Agreement shall be (a) transferred to the Lead Member for the NSP2 program or (b) retained after compensating the Lead Member [an amount equal to the current fair market value of the equipment less the percentage of non-NSP2 funds used to acquire the equipment].

III. RELOCATION, REAL PROPERTY ACQUISITION AND ONE-FOR-ONE HOUSING REPLACEMENT

The Consortium Member agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24; 24 CFR Part 42 – Displacement, Relocation Assistance and Real Property Acquisition for HUD and HUD Assisted Programs; and 24 CFR 570.606 – Displacement, relocation acquisition, and replacement of housing, as may be amended by the NSP2 NOFA. The Consortium Member shall provide appropriate relocation assistance (URA or section 104(d)) to eligible displaced persons as defined by applicable HUD and/or URA regulations that are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for an NSP2-assisted project. The Consortium Member also agrees to comply with applicable Lead Member or local ordinances, resolutions and policies concerning the displacement of persons.

The Consortium member will demolish or convert units using NSP2 funds only to the extent and scope described in the Consortium application. The Consortium Member will carry out no demolition or conversion activity that is not in conformance with the application without prior written approval from the Lead Member.

IV. TENANT PROTECTION REQUIREMENTS

The Consortium Member agrees to comply with the Recovery Act provisions concerning tenant protections applicable to NSP2 acquisitions of foreclosed property. The Consortium Member must document its efforts to ensure that the initial successor in interest (ISII) in a foreclosed upon dwelling or residential real property (typically, the initial successor in interest in property acquired through foreclosure is the lender or trustee for holders of obligations secured by mortgage liens) has provided bona fide tenants with the notice and other protections outlined in the Recovery Act. The Consortium Member will not use NSP2 funds to finance the acquisition of property from any initial successor in interest that failed to comply with applicable requirements unless the Consortium Member assumes the obligations of such initial successor in interest with respect to bona fide tenants. If the Consortium Member elects to assume such obligations, it may only do so if the tenant is still occupying the property and will provide any tenant displaced as a result of the NSP2 funded acquisition with the assistance outlined in 24 CFR 570.606. If the Consortium Member knows that the ISII did not comply with the NSP tenant protection requirements and vacated the property contrary to the NSP requirements, NSP funds cannot be used to acquire such properties.

V. PERSONNEL & PARTICIPANT CONDITIONS

A. Civil Rights

1. Compliance

The Consortium Member agrees to comply with applicable state and local civil rights ordinances and with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, section 104(b) and section 109 of Title I of the Housing and Community Development Act of 1974 as amended (the HCDA), section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.

2. Nondiscrimination

The Consortium Member agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in section 109 of the HCDA are still applicable.

3. Section 504

The Consortium Member agrees to comply with all Federal regulations issued pursuant to section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against the individuals with disabilities or handicaps in any Federally assisted program. The Lead Member shall provide the Consortium Member with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

B. Affirmative Action

1. Approved Plan

The Consortium Member agrees that it shall be committed to carry out, pursuant to the Lead Member's specifications, an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1966. The Lead Member shall provide Affirmative Action guidelines to the Consortium Member to assist in the formulation of such program. The Consortium Member shall submit a plan for an Affirmative Action Program for approval prior to the award of funds.

2. Women- and Minority-Owned Businesses (W/MBE)

The Consortium Member will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. The Consortium Member may rely on written representations by businesses regarding their status as minority and women-owned business enterprises in lieu of an independent investigation.

3. Access to Records

The Consortium Member shall furnish and cause each of its own Consortium Members or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Lead Member, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

4. Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

The Consortium Member will, in all solicitations or advertisements for employees placed by or on behalf of the Consortium Member, state that it is an Equal Opportunity or Affirmative Action employer.

5. Subcontract Provisions

The Consortium Member will include the provisions of Paragraphs XI.A, Civil Rights, and B, Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own Consortium Members or subcontractors.

C. Employment Restrictions

1. Prohibited Activity

The Consortium Member is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.

2. Labor Standards

The Consortium Member agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act, as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327 *et seq.*) and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. The Consortium Member agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874 *et seq.*) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. The Consortium Member shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Lead Member for review upon request.

The Consortium Member agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair work financed in whole or in part with assistance provided under this contract, shall comply with Federal requirements adopted by the Lead Member pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided that, if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is

intended to relieve the Consortium Member of its obligation, if any, to require payment of the higher wage. The Consortium Member shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

3. "Section 3" Clause

a. Compliance

Compliance with the provisions of Section 3 of the Housing and Urban Development Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder prior to the execution of this contract, shall be a condition of the Federal financial assistance provided under this contract and binding upon the Lead Member, the Consortium Member and any of the Consortium Member's grantees and subcontractors. Failure to fulfill these requirements shall subject the Lead Member, the Consortium Member and any of the Consortium Member's grantees and subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. The Consortium Member certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

The Consortium Member further agrees to comply with these "Section 3" requirements and to include the following language in all subcontracts executed under this Agreement:

"The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located."

The Consortium Member further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area in which the NSP2-funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project to business concerns that provide economic opportunities for low- and very low-income persons

residing within the metropolitan area in which the NSP2-funded project is located; where feasible, priority should be given to business concerns that provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

The Consortium Member certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.

b. Notifications

The Consortium Member agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or worker's representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

c. Subcontracts

The Consortium Member will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Lead Member's agency. The Consortium Member will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

D. Conduct

1. Assignability

The Consortium Member shall not assign or transfer any interest in this Agreement without the prior written consent of the Lead Member thereto and HUD; provided, however, that claims for money due or to become due to the Consortium Member from the Lead Member under this contract may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the Lead Member.

2. Subcontracts

a. Approvals

The Consortium Member shall not enter into any subcontracts over \$100,000 with any agency or individual in the performance of this contract without the written consent of the Lead Member prior to the execution of such agreement.

b. Monitoring

The Consortium Member will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.

c. Content

The Consortium Member shall cause all of the provisions of this contract in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement.

d. Selection Process

The Consortium Member shall undertake to insure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis in accordance with applicable procurement requirements. Executed copies of all subcontracts shall be forwarded to the Lead Member along with documentation concerning the selection process.

3. Hatch Act

The Consortium Member agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the United States Code.

4. Conflict of Interest

The Consortium Member agrees to abide by the provisions of 24 CFR 84.42 and 570.611 or 24 CFR 570.489 for a State Consortium Member or 24 CFR 85.36, for other governmental entities, which include (but are not limited to) the following:

- a. The Consortium Member shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds.
- b. No employee, officer or agent of the Consortium Member shall participate in the selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.
- c. No covered persons who exercise or have exercised any functions or responsibilities with respect to NSP2-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the NSP2-assisted activity, or with respect to the proceeds from the NSP2-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this

paragraph, a "covered person" includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the Lead Member, the Consortium Member, or any designated public agency.

5. Lobbying

The Consortium Member hereby certifies that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
- c. It will require that the language of paragraph (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all Consortium Members shall certify and disclose accordingly:
- d. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

6. Copyright

If this contract results in any copyrightable material or inventions, HUD reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for governmental purposes.

7. Religious Activities

The Consortium Member agrees that it will comply with 24 CFR 570.200(j) so that funds are not used to support inherently religious activities.

VI. ENVIRONMENTAL CONDITIONS

A. Air and Water

The Consortium Member agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

- Clean Air Act, 42 U.S.C. , 7401, *et seq.*;
- Federal Water Pollution Control Act, as amended, 33 U.S.C., 1251, *et seq.*, as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder;
- Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.

B. Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), the Consortium Member shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

C. Lead-Based Paint

The Consortium Member agrees that any construction or rehabilitation of residential structures with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.487 or 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all NSP2-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint. Such notification shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

D. Historic Preservation

The Consortium Member agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state, or local historic property list.

VII. ENVIRONMENTAL REVIEW

All NSP2 assistance is subject to the National Environmental Policy Act of 1969 and related federal environmental authorities and regulations at 24 CFR part 50 or 58.

If the Consortium Member is a state, Indian tribe or a unit of general local government, it will perform environmental reviews on behalf of the Consortium for NSP2 projects within its jurisdiction as described under part 58. A copy of the Environmental Review Record shall be maintained by both the Consortium Member and the Lead Member.

If the Lead Member is a state, Indian tribe or a unit of general local government, it will perform environmental reviews on behalf of the Consortium for NSP2 projects within its jurisdiction as described under part 58. If more than one Consortium Member is a state, Indian tribe, or unit of general local government with jurisdiction over the project area, the Lead Member will determine which entity will perform the environmental reviews for that project.

If: 1) neither the Lead Member and the Consortium Member is an appropriate governmental entity or 2) either or both are such an entity, but the NSP2 project in question is not within the jurisdiction of a Lead or Consortium Member that must assume environmental review responsibility under 24 CFR part 58, the Lead and Consortium members shall not assume environmental review responsibilities and the Lead Member must receive HUD approved environmental reviews under 24 CFR part 50. NOTE: The Consortium Member must comply with applicable requirements in part 50 or 58 before committing funds to a project or taking choice-limiting actions on a property.

VIII. REHABILITATION STANDARDS

The Consortium Member will carry out all NSP2-assisted rehabilitation of a foreclosed-upon home or residential property in compliance with the rehabilitation standards in the Consortium's NSP2 application and in accordance with applicable laws, codes, and other requirements relating to housing safety, quality, and habitability, in order to sell, rent, or redevelop such homes and properties.

IX. TIMELINESS OF USE AND EXPENDITURE OF NSP2 FUNDS

The Consortium Member will ensure that NSP2 allocated funds are expended within a timely manner in accordance with the schedule in this Agreement. Should the Consortium as a whole fail to meet the requirement to expend its award prior to the deadline in its grant agreement with HUD, HUD, on the first business day after that deadline, will notify the Lead Member, restrict the amount of unused funds in the grantee's line of credit, and begin the process of de-obligating the unused amounts.

X. ELIGIBILITY AND ALLOWABLE COSTS

The Consortium member will ensure and document that its NSP2 activities meet eligible use, allowable cost, and eligible activity requirements of the NSP2 NOFA.

XI. PURCHASE DISCOUNT

The Consortium Member will acquire property with NSP2 funds at a minimum discount of one percent for each residential property. This requirement applies to all properties purchased with

NSP2 funds, and the discount must be taken from the current market appraised value as described in the NSP2 NOFA.

XII. EMINENT DOMAIN

The Consortium Member will not undertake any involuntary acquisition of property with NSP2 funds without prior written consent of the Lead Applicant and written opinion of counsel that such acquisition is lawful.

XIII. SEVERABILITY

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

XIV. SECTION HEADINGS AND SUBHEADINGS

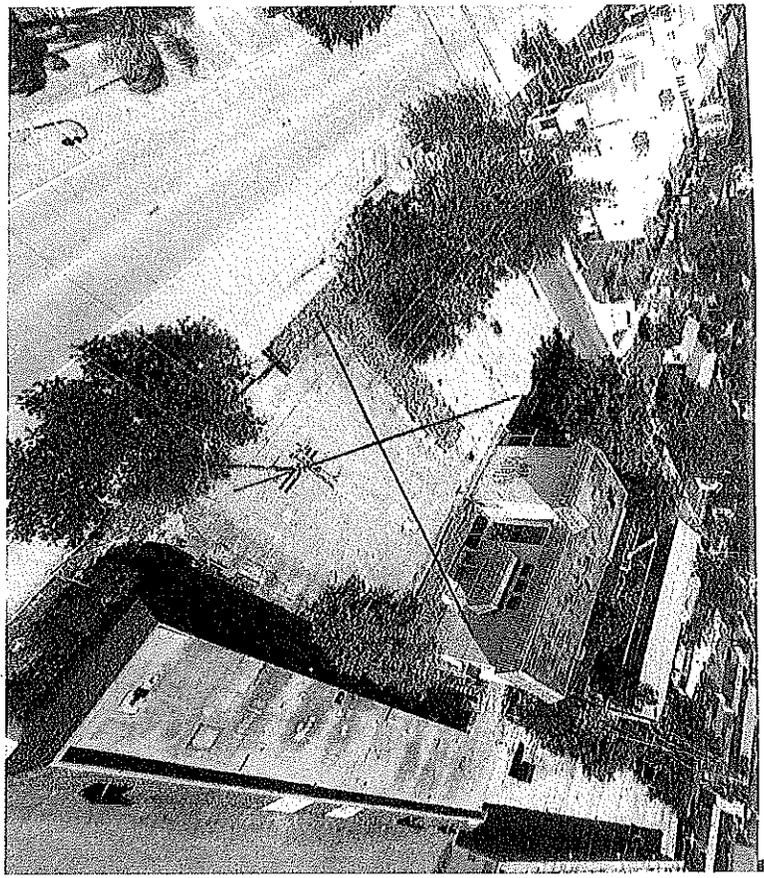
The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

XV. WAIVER

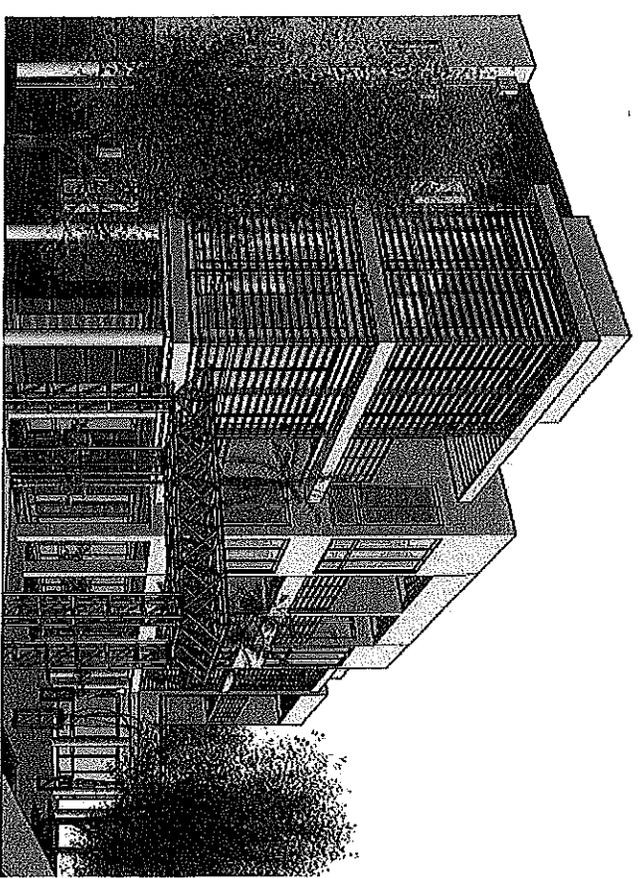
The Lead Member's failure to act with respect to a breach by the Consortium Member does not waive its right to act with respect to subsequent or similar breaches. The failure of the Lead Member to exercise or enforce any right or provision shall not constitute a waiver of such right or provision.

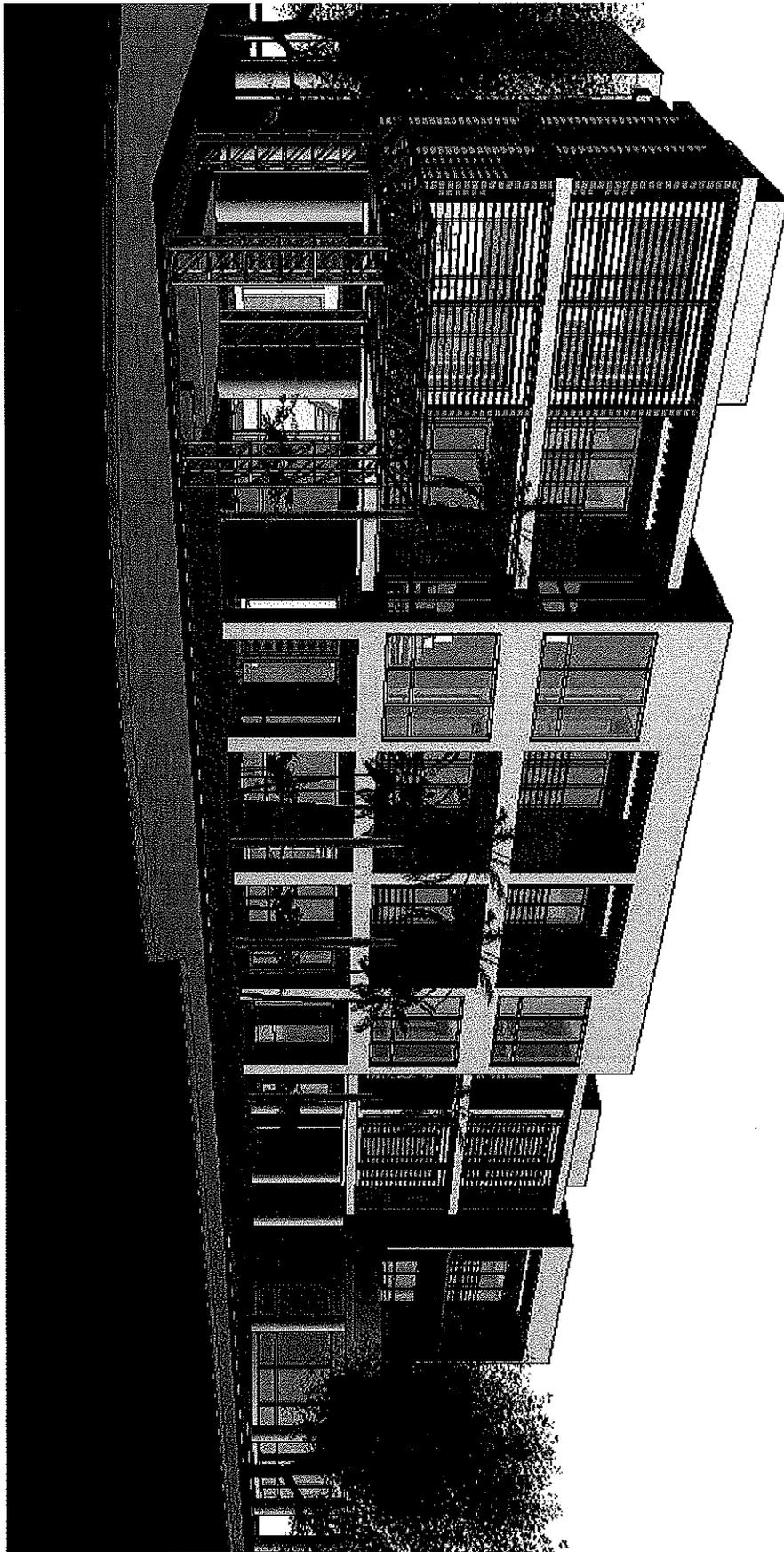
[NOTE: For the above sections, if the Consortium Member is a governmental or quasi-governmental agency, the applicable sections of 24 CFR Part 85, "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments," and OMB Circular A-87 would apply instead of part 84.]

Existing site to be cleared — Arts Lofts Phase 1 in background on left



New 8 unit affordable Arts Lofts with outdoor stage and sculpture garden





PROJECT NO. **A106**
 DATE: 11/26/06
 DRAWN BY: JIM
 CHECKED BY: JIM
 PROJECT LOCATION: LAKE WORTH, FL
 PROJECT NAME: LAKE WORTH - CRA
 PROJECT NUMBER: 0530 NE 21 ROAD - PORT LAUDERDALE, FLORIDA 33308
 PHONE: (954) 609-1989 EMAIL: jim@jpad.com
 WWW: www.jpad.com

LAKE WORTH - CRA
 LAKE WORTH, FL
LAKE WORTH - CRA

jp **jp architectural design, inc.**
 6530 NE 21 Road - Port Lauderdale, Florida 33308
 phone: (954) 609-1989 email: jim@jpad.com
 www.jpad.com

11/26/06 11:26 AM

EXHIBIT "B"

AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY

THIS AGREEMENT FOR PURCHASE AND SALE ("Agreement") is made on this ____ day of _____, 2015 by and between the **Lake Worth Community Redevelopment Agency, a Florida public body corporate and politic created pursuant to Section 163.356 F.S.** (hereinafter referred to as "SELLER") and NEIGHBORHOOD RENAISSANCE, INC., a Florida not for profit corporation, (hereinafter referred to as "PURCHASER").

WITNESSETH

In consideration of the mutual agreements and upon and subject to the terms and conditions herein contained, the parties hereto agree as follows:

1. DEFINITIONS.

The following terms when used in this Agreement for Purchase and Sale shall have the following meanings:

1.1 Property. That certain property located at 110 North F Street, in the City of Lake Worth, County of Palm Beach, State of Florida (the "Property"), more particularly described in **Exhibit "A"** attached hereto.

1.2 Closing Date. The Closing Date is the date on which the closing ("Closing") shall occur and shall be no later than thirty (30) calendar days from the approval of the Site Plan by the City of Lake Worth, for the Property, and any extension thereof as mutually approved by the parties. With respect to such approval of the Site Plan, Purchaser shall not be deemed to have obtained such approval until all appeal periods have passed without any appeal having been taken, or, if any such appeal has been taken, such appeal(s) have been finally and conclusively been resolved in Purchaser's favor.

1.3 Deed. A Special Warranty Deed, in its statutory form, which shall convey the Property from SELLER to PURCHASER.

1.4 Effective Date. The Effective Date of this Agreement shall be the date when the last one of the Seller and Purchaser has signed the Agreement.

1.5 SELLER'S Address. Seller's mailing address is 29 South J Street, Lake Worth, Florida 33460, with copy to Goren, Cherof, Doody & Ezrol, P.A., Attn: David N. Tolces, Esq., at 3099 East Commercial Boulevard, Suite 200, Ft. Lauderdale, Florida 33308.

1.6 PURCHASER'S Address. Purchaser's mailing address is 510 24t Street, Suite A, West Palm Beach, FL 33407.

1.7 NSP-2. The Neighborhood Stabilization Program-2 is the Program established by the United States Department of Housing and Urban Development (“HUD”) and implemented pursuant to guidelines (“Guidelines”) established by HUD.

1.8. Other Definitions. The terms defined in any part of this Agreement shall have the defined meaning wherever capitalized herein. Wherever appropriate in this Agreement, the singular shall be deemed to refer to the plural and the plural to the singular, and pronouns of each gender shall be deemed to comprehend either or both of the other genders. As used in this Agreement, the terms "herein", "hereof" and the like refer to this Agreement in its entirety and not to any specific section or subsection.

2. PURCHASE PRICE.

Subject to the provisions of this Agreement, the SELLER hereby agrees to sell to PURCHASER, and PURCHASER hereby agrees to purchase from SELLER, the Property for the total Purchase Price of TEN AND 00/100 DOLLARS (\$10.00) and upon and subject to the terms and conditions hereinafter set forth.

3. INSPECTIONS.

3.1 PURCHASER shall have forty-five (45) days from the Effective Date to perform inspections of the Property as the PURCHASER deems necessary (“Inspection Period”). Within five (5) business days following the Effective Date of the Agreement, Seller shall provide Buyer with access to the following: (1) Documentation in Seller's possession relating to title and survey of the Property and (2) Copies of any environmental reports and topography, geotechnical and other studies that were previously performed for or upon the Property in Seller's possession.

3.2 During the Inspection Period, PURCHASER shall, at its sole cost and expense, determine that utility services including, water, waste water, electric, telephone and all other utilities are available in the proper size and capacity to serve the existing facilities and installed to the property lines. At all times during the Inspection Period, PURCHASER and its agents shall be provided with reasonable access during normal business hours to the Property for purposes of on-site inspection, upon reasonable prior notice to SELLER. The scope of the inspection contemplated herein shall be determined by the PURCHASER as deemed appropriate under the circumstances provided however, no invasive environmental tests, surveys, audits or inspections may be performed by PURCHASER unless SELLER has provided its written consent thereto, which consent will not be unreasonably withheld, delayed or conditioned. PURCHASER shall promptly repair and restore any damage to the Property caused by, and will not allow any lien or claim of lien to be recorded as a result of PURCHASER’S inspections. To the extent permitted by law, and subject to the limitations of Section 768.28, Florida Statutes, PURCHASER also agrees to indemnify and hold SELLER harmless from

any losses, claims, costs, and expenses, including reasonable attorney's fees, which may result from or be connected with any acts or omissions of PURCHASER and/or its contractors and consultants during inspections that are done pursuant hereto which obligation shall survive termination of, or Closing under this Agreement. Any contractors or consultants engaged by PURCHASER to perform such inspections shall be licensed by the State of Florida and, prior to entering the Property, shall provide SELLER with evidence of insurance coverage in an amount and with a company reasonably satisfactory to SELLER.

3.3 During the Inspection Period, the PURCHASER, at its sole discretion, shall be entitled to terminate this Agreement for any reason. PURCHASER will provide written notice by mail or facsimile to SELLER and/or SELLER'S counsel, which notice must be received prior to the expiration of the Inspection Period, and receive an immediate refund of the Earnest Money Deposit plus interest paid hereto in the event the PURCHASER terminates this Agreement.

3.4 If during the Inspection Period PURCHASER delivers written notice to SELLER of PURCHASER'S determination that the Property is satisfactory and is approved by PURCHASER or if PURCHASER fails to timely deliver to SELLER any written notice exercising the termination right granted to PURCHASER, then this Agreement shall remain in full force and effect, and the parties shall proceed to closing.

3.5 PURCHASER has determined that the subject site meets with PURCHASER's needs subject to development of the Property in a manner consistent with the Development Agreement, which is attached hereto as **Exhibit "B"**. The Development Agreement shall survive the closing.

4. SELLER'S REPRESENTATIONS.

To induce PURCHASER to enter into this Agreement, SELLER makes the following representations, all of which, to the best of SELLER'S knowledge, in all material respects and except as otherwise provided in this Agreement (i) are now true, and (ii) shall be true as of the date of the Closing unless SELLER receives information to the contrary, in which case SELLER shall immediately provide PURCHASER notice of such contrary information and upon receipt PURCHASER may, in its sole discretion, deem such contrary information material and terminate this Agreement, and (iii) shall survive the Closing:

4.1 At all times from the Effective Date until the Closing on the Property, SELLER shall keep the Property free and clear of all liens, encumbrances and/or clouds upon title, including without limitation, liens related to service, labor and/or materials furnished to, or for the benefit of, the Property, lis pendens, tax liens, permit violations, code violations, ordinance violations, and SELLER shall indemnify, defend and hold PURCHASER harmless from and against all expense and liability in connection therewith (including, without limitation, court costs and reasonable

attorney's fees).

4.2 SELLER has no actual knowledge nor has SELLER received any notice of any litigation, claim, action or proceeding, actual or threatened, against SELLER or the Property by any organization, person, individual or governmental agency which would affect (as to any threatened litigation, claim, action or proceeding, in a materially adverse fashion) the use, occupancy or value of the Property or any part thereof or which would otherwise relate to the Land.

4.3 SELLER has full power and authority to enter into this Agreement and to assume and perform its obligations hereunder in this Agreement. No action by any federal, state or municipal or other governmental department, commission, board, bureau or instrumentality is necessary to make this Agreement a valid instrument binding upon the SELLER in accordance with its terms. The execution and delivery of this Agreement and the consummation of the transaction contemplated hereunder on the part of the SELLER do not and will not violate any public or corporate obligations of the SELLER and will not conflict with or result in the breach of any condition or provision, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any of the terms of any contract, mortgage, lien, lease, agreement, indenture, instrument or judgment to which the SELLER is a party nor will create a lien or encumbrance upon the Property or assets of the SELLER.

4.4 SELLER represents that SELLER will not, between the date of this Agreement and the Closing, without PURCHASER'S prior written consent, which consent shall not be unreasonably withheld or delayed, except in the ordinary course of business, create any encumbrances on the Property. For purposes of this provision the term "encumbrances" shall mean any liens, claims, options, or other encumbrances, encroachments, rights-of-way, leases, easements, covenants, conditions or restrictions.

4.5 SELLER represents that there are no parties other than SELLER in possession of the Property or any portion of the Property as a lessee.

4.6 SELLER shall not list or offer the Property for sale or solicit or negotiate offers to purchase the Property while this Agreement is in effect. SELLER shall use its best efforts to maintain the Property in its present condition so as to ensure that it shall remain substantially in the same condition from the Effective Date to the Closing Date.

4.7 REAL PROPERTY SOLD AS IS, WHERE IS, RELEASE: SELLER makes and shall make no warranty regarding the title to the Property except as to any warranties which will be contained in the instruments to be delivered by SELLER at Closing in accordance with this Agreement. SELLER makes and shall make no representation or warranty either expressed or implied (except as specifically set forth in the Agreement) regarding condition, operability, safety, fitness for

intended purpose, use, governmental requirements, development potential, utility availability, legal access, economic feasibility or any other matters whatsoever with respect to the Property. The PURCHASER specifically acknowledges and agrees that SELLER shall sell and PURCHASER shall purchase the Property on an “AS IS, WHERE IS, AND WITH ALL FAULTS” basis and that, except for the SELLER’S representations and warranties specifically set forth in this Agreement and those obligations described in the Development Agreement, PURCHASER is not relying on any representations or warranties of any kind whatsoever, except as specifically set forth in this Agreement, express or implied, from SELLER its agents, officers, or employees, as to any matters concerning the Property including, without limitation, any matters relating to (1) the quality, nature, adequacy, or physical condition of the Property, (2) the quality nature, adequacy or physical condition of soils, fill, geology, or any groundwater, (3) the existence, quality, nature, adequacy or physical condition of utilities serving the Property, (4) the development potential, income potential, expenses of the Property, (5) the Property’s value, use, habitability, or merchantability, (6) the fitness, suitability, or adequacy of the Property for any particular use or purpose, (7) the zoning or other legal status of the Property, (8) the compliance of the Property or its operation with any applicable codes, laws, rules, regulations, statutes, ordinances, covenants, judgments, orders, directives, decisions, guidelines, conditions, or restrictions of any governmental or quasi-governmental entity or of any other person or entity, including, without limitation, environmental person or entity, including without limitation, environmental laws, (9) the presence of Hazardous Materials (as defined herein) or any other hazardous or toxic matter on, under, or about the Property or adjoining or neighboring property, (10) the freedom of the Property from latent or apparent vices or defects, (11) peaceable possession of the Property, (12) environmental matters of any kind or nature whatsoever relating to the Property, (13) any development order or agreement, or (14) any other matter or matters of any nature or kind whatsoever relating to the Property.

As used herein, the term “Hazardous Materials” means (i) those substances included within the definitions of “hazardous substances”, “hazardous materials”, “toxic substances” or “solid waste” in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §960 et seq., the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901 et seq., the Hazardous Materials Transportation Act, 49 U.S. C. §1801 et seq., or the Clean Water Act, 33 U.S.C. §1321 et seq., as amended, and in the regulations promulgated pursuant thereto; (ii) those substances listed in the United States Department of Transportation Table (49 CFR §172.101) or by the Environmental Protection Agency as “hazardous substances”, “hazardous materials”, “toxic substances” or “solid waste”, (iii) such other substances, materials and wastes which are regulated, or classified as hazardous or toxic, under applicable local, state or federal laws, ordinances or regulations;

and any material, waste or substance which is petroleum, asbestos, polychlorinated, biphenyls, flammable explosives or radioactive materials.

5. EVIDENCE OF TITLE.

5.1 Title to the Property. SELLER shall convey to PURCHASER at Closing, by delivery of a Special Warranty Deed, title to the subject Property. PURCHASER may secure a title insurance commitment issued by a title insurance underwriter approved by PURCHASER, for the subject Property insuring PURCHASER'S title to the Property. The costs and expenses relative to the issuance of a title commitment and an owner's title policy shall be borne by the PURCHASER.

If PURCHASER so desires to obtain title insurance on the Property, the PURCHASER shall have Ten (10) days from the date of receiving said commitment to examine the title commitment ("Title Inspection Period"). If PURCHASER objects to any exception to title as shown in the title commitment, PURCHASER within ten (10) days of expiration of the Inspection Period shall notify SELLER in writing specifying the specific exception(s) to which it objects. Any objection(s) of which PURCHASER has so notified SELLER, and which SELLER chooses to cure, shall be cured by SELLER so as to enable the removal of said objection(s) from the title commitment within Ten (10) days after PURCHASER has provided notice to SELLER. Within five (5) days after the expiration of SELLER'S time to cure any objection, SELLER shall send to PURCHASER a notice in writing (a "cure notice") stating either (i) that the objection has been cured and in such case enclosing evidence of such cure, or (ii) that SELLER is either unable to cure or has chosen not to cure such objection. If SELLER shall be unable or unwilling to cure all objections within the time period set forth in the preceding sentence, then PURCHASER may (a) terminate this Agreement by written notice to the SELLER within five (5) days after receipt of a cure notice specifying an uncured objection; or (b) subject to the provisions set forth below, proceed to close the transaction contemplated herein despite the uncured objection.

5.2. Survey and Legal Description. Within thirty (30) days of the Effective Date of this Agreement, SELLER shall provide PURCHASER with: (i) a survey prepared by a registered land surveyor or engineer licensed in the State of Florida showing the boundaries of the land, and the location of any easements thereon and certifying the number of acres (to the nearest one thousandth acre) of land contained in the Property, all buildings, improvements and encroachments; and (ii) a correct legal description of the Property which, upon approval thereof by PURCHASER and SELLER (not to be unreasonably withheld), shall be the legal description used in the deed of conveyance. The survey and legal description shall be prepared and certified by a surveyor licensed and registered in the State of Florida and shall comply with the requirements of the survey map established in connection with the issuance of an owner's title insurance policy on the Land. The survey shall be certified to

PURCHASER and the title insurance company issuing the title insurance.

6. PURCHASER'S REPRESENTATIONS.

PURCHASER hereby represents and warrants to the best of its knowledge that all of the following are true and correct:

6.1 PURCHASER has full power and authority to enter into this Agreement and to assume and perform all of its obligations hereunder.

6.2 The execution and delivery of this Agreement and the consummation of the transaction contemplated hereunder on the part of the PURCHASER do not and will not violate the corporate or organizational documents of PURCHASER and will not conflict with or result in the breach of any condition or provision, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any of the terms of any contract, mortgage, lien, lease, agreement, indenture, instrument or judgment to which the PURCHASER is a party.

6.3 No action by any federal, state, municipal or other governmental department, commission, board, bureau or instrumentality is necessary to make this Agreement a valid instrument binding upon PURCHASER in accordance with its terms and conditions.

All of the representations, warranties and covenants of PURCHASER contained in this Agreement or in any other document, delivered to SELLER in connection with the transaction contemplated herein shall be true and correct in all material respects and not in default at the time of Closing, just as though they were made at such time.

7. CONDITIONS PRECEDENT TO CLOSING.

Each of the following events or occurrences ("Conditions Precedents") shall be a condition precedent to PURCHASER'S obligation to close this transaction:

- (a) PURCHASER has completed its inspection of the Property, and performed all of its obligations and conditions of this Agreement.
- (b) SELLER has performed all covenants, agreements and obligations, and complied with all conditions required by this Agreement to convey clear and marketable title of the Property to PURCHASER, prior to closing.
- (c) The Lake Worth Community Redevelopment Agency Board of Commissioners has approved this Purchase and Sale Agreement and the Development Agreement which is attached hereto as **Exhibit "B"**.

8. CLOSING DOCUMENTS.

8.1 At Closing, SELLER shall deliver to PURCHASER a Special Warranty Deed, Bill of Sale, if applicable, No Lien/Gap Affidavit, Non-Foreign Certification in accordance with Section 1445 of the Internal Revenue Code, 1099 Form and any other documents as listed as title

requirements in Schedule B-I of the Title Commitment to assure the conveyance of good and marketable fee simple title of the Property to the PURCHASER.

8.2 At Closing, SELLER and PURCHASER shall execute the Development Agreement, in a form substantially similar to the Development Agreement that is attached hereto as **Exhibit "B"**, and incorporated herein by reference. The Development Agreement outlines the responsibilities of the PURCHASER to the SELLER and SELLER to the PURCHASER relative to the development of the Property. PURCHASER and SELLER acknowledge that the Development Agreement shall be recorded simultaneously with the Deed. The Development Agreement shall survive the Closing.

9. CLOSING COSTS, TAXES AND PRORATIONS.

9.1 Ad Valorem Taxes. PURCHASER and SELLER shall comply with Section 196.295, Florida Statutes, with respect to the payment of prorated ad valorem taxes for the year of closing into escrow with the Palm Beach County Revenue Collector. In the event that, following the Closing, the actual amount of assessed real property tax on the Property for the current year is higher than any estimate of such tax used for purposes of the Closing, the parties shall re-prorate any amounts paid or credited based on such estimate as if paid in November. This shall survive the Closing.

9.2 Seller's Closing Costs. SELLER shall pay for the following items prior to or at Closing:

a) Cost of providing marketable title as provided herein;

9.3 Purchaser's Closing Costs. PURCHASER shall pay for the following items prior to or at Closing,

a) Documentary Stamps on the deed as provided under Chapter 201, Florida Statutes;

b) Recording fees of the Warranty Deed, Mortgage, if any, and any other instrument as required to be recorded in the Public Records, and

c) Cost of obtaining owner's title insurance policy.

10. CLOSING DATE AND PLACE.

The Closing will take place on or before the expiration of thirty (30) calendar days following the final approval of the Site Plan for the Property by the City of Lake Worth. The closing shall take place at the CRA offices located at 29 South "J" Street, Lake Worth, FL 33460, or such other location as the SELLER may designate. With respect to such approval of the Site Plan, Purchaser shall not be deemed to have obtained such approval until all appeal periods have passed without any appeal having

been taken, or, if any such appeal has been taken, such appeal(s) have been finally and conclusively been resolved in Purchaser's favor.

11. TERMINATION AND DEFAULT.

11.1 Termination by Purchaser. In the event that any inspections as set forth in Section 3. herein and any review of documents conducted by the PURCHASER relative to the Property, prior to the approval of the Site Plan, prove unsatisfactory in any fashion, the PURCHASER, at its sole discretion, shall be entitled to terminate this Agreement. PURCHASER will provide written notice of said termination by mail or facsimile to SELLER no later than the date of approval of the Site Plan by the City of Lake Worth.

11.2 Termination by Seller. In the event that the PURCHASER does not obtain site plan approval for the Property on or before March 1, 2016, the SELLER may terminate this Agreement by providing a written notice of termination to the PURCHASER.

11.3 Default. In the event of a default by SELLER, SELLER shall pay to PURCHASER all funds expended by PURCHASER on the development, improvement or maintenance of the Property, prior to the Closing Date and after the Property is allocated to the PURCHASER at the Property Acquisition Committee Meeting. Further, if SELLER defaults, PURCHASER shall have the election of the following remedies: (1) seek damages incurred by PURCHASER resulting from SELLER'S default; or (2) equitable relief to enforce the terms and conditions of this Agreement through a decree for specific performance and/or injunctive relief.

In the event of default by PURCHASER, SELLER shall have the election of the following remedies: (1) seek damages incurred by SELLER resulting from PURCHASER'S default, including without limitation; or (2) equitable relief to enforce the terms and conditions of this Agreement through a decree for specific performance and/or injunctive relief.

12. BROKER.

The parties each represent to the other that they have not dealt with any real estate broker, real estate salesman or finder in conjunction with this transaction who is entitled to a fee or brokerage commission in accordance with Florida law.

13. ENFORCEABILITY.

If any provision in this Agreement shall be held to be excessively broad, it shall be construed, by limiting and reducing it, to be enforceable to the extent compatible with applicable law. If any provision in this Agreement shall, notwithstanding the preceding sentence, be held illegal or unenforceable, such illegality or unenforceability shall not affect any other provision of this Agreement.

14. NOTICE.

All written notices shall be deemed effective if sent to the following places:

PURCHASER: Michael Pecar, Real Estate Development Director
510 24th Street, Suite A,
West Palm Beach, FL 33407
Telephone No. (561) 832-6776
Facsimile No. (561) 832-0483

With Copy to: Terri Murray, Executive Director
510 24th Street, Suite A,
West Palm Beach, FL 33407
Telephone No. (561) 832-6776
Facsimile No. (561) 832-0483

SELLER: Lake Worth Community Redevelopment Agency
29 South J Street
Lake Worth, Florida 33460
Attn: Ms. Joan Oliva

With Copy to: David N. Tolces, Esq.
GOREN, CHEROF, DOODY & EZROL, P.A.
3099 East Commercial Boulevard, #200
Fort Lauderdale, Florida 33308
Tel: (954) 771-4500
Fax: (954) 771-4923

15. GOVERNING LAW & VENUE.

This Agreement shall be governed by the laws of the State of Florida. Each party agrees that the Circuit Court for the Fifteenth Judicial Circuit in and for Palm Beach County shall be the exclusive jurisdiction and venue of any litigation or special proceeding to resolve any dispute or claim arising from or related to or connected with this Agreement, including any claims based upon equity, statute, common law or rule. The parties hereby waive any objection to such forum based upon venue or forum non convenient grounds.

16. ENTIRE AGREEMENT.

All prior understandings and agreements between SELLER and PURCHASER are merged in this Agreement. This Agreement completely expresses their full agreement.

17. AMENDMENT.

No modification or amendment of this Agreement shall be of any force or effect unless in writing and executed by both SELLER and PURCHASER.

18. SUCCESSORS.

This Agreement shall apply to and bind the executors, administrators, successors and assigns

of SELLER and PURCHASER. Any assignment of this Agreement must be approved by the Lake Worth CRA Board of Commissioners.

19. COUNTERPARTS:

This Agreement may be executed in two or more counterparts, each of which shall be taken to be an original and all collectively deemed one instrument. The parties hereto agree that a facsimile copy hereof and any signatures hereon shall be considered for all purposes as originals.

20. LITIGATION COSTS.

In connection with any litigation arising out of this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party all costs and expenses incurred, including its reasonable attorney's fees at all trial and appellate levels and post judgment proceedings.

21. WAIVER OF JURY TRIAL.

Each party hereby knowingly, voluntarily and intentionally waives any and all rights it may have to a trial by jury in respect of any dispute, litigation or court action (including, but not limited to, any claims, crossclaims or third-party claims) arising from, growing out of, or related to this Agreement. The parties acknowledge that this waiver is a significant consideration to, and a material inducement for the parties to enter into this Agreement. Each party hereby certifies that no representative or agent of the other party has represented, expressly or otherwise, that either party would not, in the event of such litigation, seek to enforce this waiver of right to jury trial provision.

21. PRECEDENCE.

In the event of conflict, handwritten provisions shall take precedence over typewritten and printed provisions. Typewritten provisions shall take precedence over printed provisions.

22. DRAFTING.

This Agreement has been negotiated and drafted mutually by the parties and shall be construed and interpreted as if both parties drafted same so that neither party shall be entitled to the benefits of any rules of construction, interpretation or enforcement against the drafters.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates indicated above:

Witnesses:

SELLER:

Lake Worth Community Redevelopment
Agency

By: Joan Oliva
Title: Executive Director

Signed on _____

PURCHASER:

NEIGHBORHOOD RENAISSANCE,
INC., a Florida not-for-profit corporation

ATTEST:

Print Name: _____
Title: _____

By: _____
Print Name: _____
Title: _____

Signed on _____

(CORPORATE SEAL)

EXHIBIT "A"
LEGAL DESCRIPTION

Lots 26 to 31, inclusive, Block 12, Palm Beach Farms Company Plat No. 2, The Townsite of Lucerne n/k/a Lake Worth, according to the map or plat thereof as recorded in Plat Book 2, Page 29, Public Records, Palm Beach County, Florida

Folio No.: 38-43-44-21-15-012-0260

Street Address: 110 North F Street, Lake Worth, Florida

EXHIBIT "A"
LEGAL DESCRIPTION

Lots 26 to 31, inclusive, Block 12, Palm Beach Farms Company Plat No. 2, The Townsite of Lucerne n/k/a Lake Worth, according to the map or plat thereof as recorded in Plat Book 2, Page 29, Public Records, Palm Beach County, Florida

Folio No.: 38-43-44-21-15-012-0260

Street Address: 110 North F Street, Lake Worth, Florida



**Annual Income Limits for West Palm Beach and Boca Raton
Metropolitan Statistical Area (MSA)**

FY 2015 Median Family Income

(HOME up to 80%; State, SHIP, NSP up to 120%)

\$64,900

Number of Persons in Household	Extremely Low Income (30%)	Very Low Income (50%)	Low Income (80%)	Moderate Income (120%)
1	\$13,800.00	\$23,000.00	\$36,750.00	\$55,200.00
2	\$15,930.00	\$26,250.00	\$42,000.00	\$63,000.00
3	\$20,090.00	\$29,550.00	\$47,250.00	\$70,920.00
4	\$24,250.00	\$32,800.00	\$52,500.00	\$78,720.00
5	\$28,410.00	\$35,450.00	\$56,700.00	\$85,080.00
6	\$32,570.00	\$38,050.00	\$60,900.00	\$91,320.00
7	\$36,730.00	\$40,700.00	\$65,100.00	\$97,680.00
8	\$40,890.00	\$43,300.00	\$69,300.00	\$103,920.00

Palm Beach County
Mortgage & Housing Investments
*HUD.gov
Florida Housing Finance Corporation Posted 3/16/15;

*Effective March 6, 2015



Gary R. Nikolits, CFA
Property Appraiser
 Palm Beach County

Homestead Exemption **E-file**



Location Address 110 N F ST
 Municipality LAKE WORTH
 Parcel Control Number 38-43-44-21-15-012-0260
 Subdivision LAKE WORTH TOWN OF
 Official Records Book 27554 Page 905
 Sale Date MAY-2015
 Legal Description TOWN OF LAKE WORTH LOTS 26 TO 31 INC BLK 12

Owners
 LAKE WORTH CRA

Mailing address
 29 S J ST
 LAKE WORTH FL 33460 3756

Sales Date	Price	OR Book/Page	Sale Type	Owner
MAY-2015	\$10	27554 / 0905	QUIT CLAIM	LAKE WORTH CRA

Exemption Applicant/Owner	Year	Detail
LAKE WORTH CRA	2015	FULL: MUNICIPAL GOVERNMENT
LAKE WORTH CRA	2015	FULL: CRA'S AND DDA'S

Number of Units 0 *Total Square Feet 0 Acres 0.4649
 Use Code 8900 - MUNICIPAL Zoning P - Public (38-LAKE WORTH)

Tax Year	2014	2013	2012
Improvement Value	\$261,953	\$245,602	\$409,631
Land Value	\$109,350	\$109,350	\$109,350
Total Market Value	\$371,303	\$354,952	\$518,981

All values are as of January 1st each year

Tax Year	2014	2013	2012
Assessed Value	\$371,303	\$354,952	\$518,981
Exemption Amount	\$371,303	\$354,952	\$518,981
Taxable Value	\$0	\$0	\$0

Tax Year	2014	2013	2012
Ad Valorem	\$0	\$0	\$0
Non Ad Valorem	\$0	\$0	\$0
Total tax	\$0	\$0	\$0

NSP 2 PROPERTY DEVELOPMENT AGREEMENT

This Development Agreement (hereinafter "Agreement") is made and entered into as of the Effective Date (hereinafter defined), by and between LAKE WORTH COMMUNITY REDEVELOPMENT AGENCY, a public agency created pursuant to Chapter 163, Part III, of the Florida Statutes (hereinafter "CRA") and Neighborhood Renaissance, Inc. (hereinafter "NRI"), having an address of 510 24th Street, Suite A, West Palm Beach, FL 33407.

WITNESSETH:

WHEREAS, the CRA owns property located at 110 North F Street, in the City of Lake Worth, as more particularly described in **Exhibit "A"**, which is attached hereto and incorporated herein by reference (the "Property"); and

WHEREAS, the CRA and NRI desire to enter into this Development Agreement ("Agreement") in order to provide for the development of the Property as provided in the specifications described in paragraph 2.2, (the "Project"); and

WHEREAS, the CRA and the NRI desire to enter into this Agreement in order to clarify the parties' obligations and responsibilities with respect to the development of the Property, which will eliminate the blighted conditions of the Property; and

WHEREAS, the Agreement is consistent with the CRA's Community Redevelopment Plan, and serves both a municipal and public purpose.

NOW, THEREFORE, in consideration of the foregoing Recitals, which are incorporated herein by reference, the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto do hereby covenant, represent, warrant and agree as follows:

1. Definitions. The following terms for purposes of this Agreement shall have the following meanings:

2. Artist – An "Artist" for the LW-CRA NSP program is defined as an individual with a record of professional accomplishment demonstrated through continuous public presentation and peer acceptance as either an emerging artist of outstanding promise or as an established artist with a recognized body of work. A determination of "Artist" status is dependent on expertise, reputation and achievements verified through resume, letters of recommendation and support materials.

2.1 "Development" or "Project" means the construction of up to eleven (11) owner occupied live/work residential units, with all units offered at 120% or less of Area Medium Income (AMI), as defined herein, approximately 2000 to 3000 sq. ft. of commercial space, detached garages, parking areas, and associated amenities as depicted in the site plan which are attached hereto as **Exhibit "B"**, and incorporated herein by reference.

- 2.2 "Effective Date" means the date on which the CRA Chair signs the Agreement.
- 2.3 "Premises" or "Property" is that certain real property situated in Palm Beach County, State of Florida, legally described in **Exhibit "A"**, which is attached hereto and incorporated herein by this reference, together with all easements and rights of way pertaining thereto.
- 2.4 "Site Plan" means the plans pertaining to the overall building design and general placement of same on the Premises, the initial version of which is contained in the Proposal which attached hereto as **Exhibit "B"** subject to changes as may be required by NRI and/or permitting agencies. The CRA shall be entitled to review all revisions to the Site Plan. The CRA's approval shall be required for any material revisions to the Site Plan. Material Revisions include changes to the numbers of units, square footage of commercial space, changes to the exterior façade, and relocation of parking or buildings on the Premises. The final approved Site Plan shall be attached as **Exhibit "B"**, and shall be incorporated herein by reference.

3. Development Sale of the Property. CRA and NRI acknowledge that the property described in **Exhibit "A"** ("Property") is being developed for the purpose of selling the units to qualified purchasers pursuant to the Neighborhood Stabilization Program – 2 ("NSP2") guidelines ("Guidelines") as established by the United States Department of Housing and Urban Development ("HUD") and "Artist" as defined herein. The CRA agrees to convey the Property to NRI pursuant to the Agreement for Purchase and Sale attached hereto as **Exhibit "C"**, which is attached hereto and incorporated herein by reference.

- 3.1 The Property shall be developed in substantial conformance to the Site Plan contained within the Proposal, which is attached hereto as **Exhibit "B"**, and contain the following elements ("Specifications"):
 - 3.1.1 Up to eleven (11) residential live/work units for sale to
 - 3.1.2 Up to 3000 sq. ft. of commercial space;
 - 3.1.3 Garages for unit owners, and parking areas for visitors;
 - 3.1.4 The development must include green building elements including, but not limited to, Energy Star Appliances, ceiling fans, tile floors, drought tolerant landscaping and any additional elements, making the project eligible to meet Florida Green Building Standards. Once complete the project will be Florida Green Building Coalition certified.
- 3.2 The CRA and NRI agree that the units shall be jointly marketed and be made available to the following purchasers subject to the following

conditions:

- 3.2.1 Purchasers must be “Artists” and shall be limited to individuals, households and families earning less than or equal to 120% of the Area Median Income (“AMI”);
 - 3.2.2 The CRA shall participate in the recruitment of interested purchasers and work with Artists who desire to purchase a unit so that NRI may sell the unit to the Artist. As part of that process, NRI shall use an application form substantially similar to the application form attached hereto as **Exhibit “D”**, in order to identify qualified artists who may be potential purchasers of units within the Project.
 - 3.2.3 The affordability periods shall remain in place for a minimum of fifteen (15) years, and shall be evidenced by a declaration recorded in the public records of Palm Beach County, Florida at the time the CRA conveys the Property to the NRI.
 - 3.2.4 The CRA agrees to provide NRI with a loan in an amount not to exceed seven hundred thousand dollars (\$700,000) in conjunction with the closing of the sale of the Property (the “Loan”). The Loan will be used to pay for costs associated with the Project including impact fees, permit fees, water and sewer connection fees, public infrastructure and other necessary fees and costs such as recording and closing costs, engineering and architectural fees, utility relocation and other fees that all constitute NSP-2 eligible expenses (“Development Costs”).
- 3.3 Payment of the Development Costs shall be made by CRA pursuant to the following process:
- 3.3.1 NRI shall submit requests for payment of Development Costs to CRA's representative along with all supporting documentation.
 - 3.3.2 Upon receipt of the Development Cost payment request, the CRA shall review and insure NRI provided all required documentation to support the payment request.
 - 3.3.3 Once the CRA, at its sole discretion is satisfied with the payment request, CRA shall provide funds to NRI.
 - 3.3.4 The CRA, using NSP-2 funds, shall also provide up to \$25,000 to NRI for use as an initial maintenance reserve. These funds will be placed in an account that, once all the units are sold, will provide funding for the to-be-established Owners Association (OA) account. Upon receipt of a certificate of occupancy for a unit in the Project, NRI shall provide written notice to the CRA. The CRA

will then provide the \$25,000 no later than thirty (30) days after receipt of the written notice.

- 3.3.5 The CRA will make available funds, up to \$12,000, to assist the Artists with the purchase of the units. The funds would be made available through the NSP2 program, and in consideration of the provision of funds, there would be a mortgage recorded against the property at the time of purchase by the Artist. The mortgage and note would contain restrictions on re-sale and affordability of the units.
- 3.4 Other than the Loan provided by the CRA, NRI is responsible for securing all other necessary financing for the construction of the Project.
- 3.5 The budget for the Project is attached hereto as **Exhibit "E"**, which is attached hereto and incorporated herein by reference. In the event of any material change to the budget for the Project, NRI shall provide written notice of the change in the budget to the CRA with a copy of the revised budget.

4. CRA Obligations. CRA and NRI agree as follows:

- 4.1 CRA has the full right, power, and authority to sell and convey the Property to NRI as provided in this Agreement and to carry out CRA's obligations hereunder. All requisite actions necessary to authorize CRA to enter into this Agreement and to perform its obligations hereunder have been taken.
- 4.2 CRA is not bankrupt or insolvent as such terms are defined under federal, state or local law.
- 4.3 CRA has not received written notice of any default or breach of any covenants, conditions, restrictions or easements affecting the Property.
- 4.4 There are no ongoing lawsuits (including without limitation, condemnation or eminent domain proceedings) with respect to the Property. CRA has not received any written notice from any party threatening any lawsuits with respect to the Property, nor has CRA received any written notice from any public or quasi-public authority having powers of eminent domain or condemnation over the Property.
- 4.5 To the best of CRA's knowledge, there are no Hazardous Materials on the Premises as of the date of this Agreement.
- 4.6 The execution and delivery of this Agreement, the consummation of the transaction herein contemplated, and the compliance with the terms of this Agreement will not conflict with, or with or without notice or the passage of time, or both, result in a breach of, any of the terms or provisions, of or

constitute a default under, any indenture, mortgage, loan, agreement, regulation, ordinance or instrument to which CRA is a party or by which CRA or the Property is bound, or, to CRA's knowledge, any judgment, order, or decree of any court having jurisdiction over CRA or the Property.

- 4.7 There are no attachments, executions, assignments for the benefit of creditors, or voluntary or involuntary proceedings in bankruptcy or under any other debtor relief laws contemplated by or pending or to CRA's knowledge, threatened against CRA or the Property.
- 4.8 There will be no parties in possession of any portion of the Property which is subject to this Agreement whether as lessees, trespassers or otherwise. No other "person," as such term is defined in Section 1.1(3), Florida Statutes, has any right, claim or interest in the Property or any portion thereof, arising out of adverse possession, prescriptive rights, or otherwise.
- 4.9 From and after the Effective Date, NRI or CRA will not cause any act to be performed, the result of which will cause any lien, encumbrance or cloud upon CRA's title to the Property such that CRA shall be unable to convey title to the respective portions of the Property to NRI at the closing
- 4.10 CRA has no actual notice or actual knowledge of: (i) any pending improvement liens to be made by any governmental authority with respect to the Real Property; (ii) any violations of zoning ordinances or other governmental authority with respect to the Real Property; (iii) any pending or threatened lawsuits with respect to the Real Property; or, (iv) any pending or threatened condemnation proceedings with respect to the Real Property.
- 4.11 CRA agrees to sign any applications for development approvals that may be required by any governmental authority that has jurisdiction over any aspect of the Project.
- 4.12 NRI's Representations and Warranties. NRI hereby warrants and represents to the CRA as follows:
 - 4.13 Existence. NRI is corporation presently existing and in good standing under the laws of the State of Florida
 - 4.14 Authority and Approvals. NRI (i) has the ownership power and authority to own its properties and assets, to conduct its business as presently conducted and to execute, deliver and perform its obligations under this Agreement, and (ii) has obtained all ownership authorizations and approvals which are necessary for it to execute, deliver and perform its obligations under this Agreement.
 - 4.15 Binding Obligation. This Agreement has been duly and validly executed

and delivered by NRI and constitutes a legal, valid and binding obligation of NRI enforceable in accordance with its terms.

- 4.16 NRI shall use its best efforts to comply with the following timeframes with respect to the development of the Project:
- 4.16.1 The submittal of all required applications and documents to the City of Lake Worth for conditional use, and site plan approval on or before eighty (80) days after the Effective Date, whichever is later. Once the Site Plan for the Project is approved by the City of Lake Worth, NRI shall forward a copy of approved Site Plan to the CRA, and the approved Site Plan shall then be attached to this Agreement as **Exhibit "B"**, and shall be incorporated herein by reference.
 - 4.16.2 Submit applications for all necessary building permits to all governmental authorities by on or before one hundred eighty (180) days after the Effective Date, whichever is later.
 - 4.16.3 Obtain all building permits and governmental approvals necessary for the commencement of the construction of the Project on or before two hundred seventy (270) days after the Effective Date, whichever is later.
 - 4.16.4 Commence vertical construction of the Project, as depicted in **Exhibit "B"**, on or before three hundred (300) days after the Effective Date, whichever is later.
 - 4.16.5 Obtain a certificate of occupancy for the Project, as depicted in **Exhibit "B"**, on or before six hundred (600) days after the Effective Date, whichever is later.
 - 4.16.6 Sale of all residential units in the Project on or before nine hundred (900) days after the Effective Date, whichever is later.
 - 4.16.7 The above timeframes may be enlarged as may be necessary through the execution of a written amendment to this Agreement by both parties. Any amendment to the timeframes shall require the approval of the CRA Board of Commissioners.
- 4.17 Litigation. There is no pending or, to the best of NRI's knowledge, threatened investigation, action or proceeding by or before any court, any governmental entity or arbitrator which (i) questions the validity of this Agreement or any action or act taken or to be taken by NRI pursuant to this Agreement, or (ii) is likely to result in a material adverse change in the CRA, property, assets, liabilities or condition, financial or otherwise, of NRI which will materially impair its ability to perform its obligations hereunder.

4.18 Full Disclosure. No representation, statement or warranty by NRI contained in this Agreement or in any exhibit attached hereto contains any untrue statement or omits a material fact necessary to make such statement of fact therein not misleading.

5. Best Efforts. CRA agrees to assist NRI in NRI's efforts to complete designs, permitting, construction and occupancy of the Property herein, including but not limited to the following:

- 5.1 Providing copies of relevant documents necessary for development and construction such as appraisals, surveys, as may be in CRA's possession.
- 5.2 Signing permit and other applications that may be needed by NRI to obtain approvals and permits from any and all governmental agencies;
- 5.3 Serving as an advocate to governmental agencies as well as public and private utilities in the design, permitting, construction and occupancy of improvements to the Property.

6. CRA Design Approval. CRA shall have the right to approve the design of the Project to ensure compliance with the Specifications in Section 3.1. Such design approval shall not be unreasonably withheld and shall be provided in writing to NRI within twenty (20) business days of receipt of proposed plans for the Project.

7. Time Periods. The time periods contained herein may be extended upon the mutual agreement of the Parties upon request of either Party. In order for the extension of any time period, either Party shall provide written notice to the other Parties' representative pursuant to the Notice Section below. The CRA's Executive Director may, upon good cause shown by the NRI, extend the time for completion of any of the tasks identified herein for a total time period of not to exceed one hundred eighty (180) days. Any request to extend the time periods by either Party beyond one hundred eighty (180) days need to be presented to the CRA's Board of Commissioners (the "Board") for approval, which approval shall not be unreasonably withheld. In the event the extension is necessary due to the failure of the City of Lake Worth or other governmental entities' failure to perform in a timely manner, the CRA shall provide the extension following receipt of notice from NRI. By way of example only, NRI may request a ninety (90) day extension to obtain building permits, which may be approved by the Executive Director; however, any subsequent requests for extensions of time that amount to more than 90 days for any of the tasks in Section 5.4 will need to be submitted to the CRA's Board for approval. As such it is fully expected by both Parties that the timelines above may be extended. NRI agrees to use it best efforts to meet the timeframes set forth above. **NRI and CRA agree that time is of the essence.**

8. Quit Claim Deed. NRI hereby agrees to execute a Quit Claim Deed to CRA at Closing, which shall be held in escrow by CRA's attorney.

- 8.1 NRI and CRA agree that the sole purpose of the Quit Claim Deed is to provide CRA a procedure to regain ownership of the Property in the event that NRI fails to meet its obligations to develop the Property as provided

in this Agreement.

- 8.2 In the event NRI does not comply with the requirements of this Agreement, by either failing to meet the time frames as provided in this Agreement, or failing to meet its other obligations as provided in this Agreement, subject to the provisions contained herein, the CRA shall provide NRI with written notice of the NRI's non-performance or lack of performance ("Notice") which shall specifically identify the NRI's non-performance, or lack of performance. NRI, upon receipt of the Notice shall have sixty (60) days to cure the issues raised in the Notice ("Cure Period). In addition, following delivery of the Notice, NRI and CRA shall meet, in good faith, to discuss the items identified in the Notice and use their best efforts to resolve the issues identified in the Notice. If NRI is unable to resolve the issues identified in the Notice during the Cure Period, then the CRA shall forward the Notice to Board for a hearing. The Board, no later than thirty (30) days after the end of the Cure Period shall hold a duly notice public meeting to determine whether the CRA should record the Quit Claim Deed, or allow NRI to continue with the development of the Property. If the Board authorizes the recording of the Quit Claim Deed, the CRA shall record the Quit Claim Deed in the Public Records of Palm Beach County. The CRA's attorney shall only record the Quit Claim Deed if so authorized by the Board.
- 8.3 Once the Property is developed and sold as outlined in this Agreement, NRI shall inform CRA's attorney to destroy the Quit Claim Deed, and the CRA's attorney shall destroy the Quit Claim Deed, and provide written confirmation to NRI that the Quit Claim Deed was destroyed.

9. Notices. Any notice required by this Agreement shall be delivered to the following parties at the following addresses:

If to the CRA: Lake Worth Community Redevelopment Agency
Joan Oliva, Executive Director
29 South J. Street
Lake Worth, Florida 33460
Telephone No. (561) 493-2550
Facsimile No. (561) 493-2549

Copy To: Office of the General Counsel
Goren, Cherof, Doody & Ezrol, P.A.
3099 East Commercial Boulevard, Suite 200
Fort Lauderdale, Florida 33308
Attn: David N. Tolces
Telephone No. (561) 276-9400
Facsimile No. (954) 771-4923

If to NRI: Michael Pecar, Real Estate Development Director
510 24th Street, Suite A,
West Palm Beach, FL 33407
Telephone No. (561) 832-6776
Facsimile No. (561) 832-0483

With Copy to: Terri Murray, Executive Director
510 24th Street, Suite A,
West Palm Beach, FL 33407
Telephone No. (561) 832-6776
Facsimile No. (561) 832-0483

Any notice required or permitted to be delivered under this Agreement shall be deemed to be given and effective: (a) when deposited in the United States mail, postage prepaid, certified or registered mail, return receipt requested, (b) when sent, if sent by a nationally recognized overnight carrier, or (c) when received, if delivered personally, provided that all charges have been prepaid and the notice is addressed to the party as set forth above. The time period for a response to a notice shall be measured from date of receipt or refusal of delivery of the notice. Notices given on behalf of a party by its attorney shall be effective for and on behalf of such party. Each party shall have the right to specify that notice be addressed to any other address by giving to the other party ten (10) days' written notice thereof.

10. Default. The CRA and NRI agree that, in the event any party is in default of its obligations under this Agreement, the non-defaulting party shall provide to the defaulting party thirty (30) days written notice to cure the default. In the event the defaulting party fails to cure the default within the thirty (30) day cure period, the non-defaulting party shall be entitled to seek any remedy available to it at law or equity, including, but not limited to, the right to terminate this Agreement and seek damage or specific performance.

11. Termination.

11.1 The CRA and NRI acknowledge and agree that as of the Effective Date certain matters mutually agreed by the parties hereto are essential to the successful development of the Project have not been satisfied or are subject to certain conditions, legal requirements or approvals beyond the control of any of the parties hereto or which cannot be definitely resolved under this Agreement. In recognition of these events or conditions, the parties hereto mutually agree that, provided the appropriate or responsible party therefor diligently and in good faith seeks to the fullest extent of its capabilities to cause such event or condition to occur or be satisfied, the failure of the events or conditions listed herein to occur, or be satisfied, shall not constitute an event of default by any party, but may be the basis for a termination of this Agreement as provided herein.

11.2 This Agreement may be terminated as provided in this subsection after the

occurrence of any of the following events or conditions:

- 11.2.1 The appropriate Governmental Authority, upon petition by NRI, unduly delays or denies or fails to issue the Permits, issue the Building Permits, or approve any other governmental approvals or permits necessary to commence construction of the Project on the Property;
 - 11.2.2 A moratorium on new construction is imposed by a Governmental Authority so as to prevent construction of the Project to commence or be completed;
 - 11.2.3 NRI has not commenced construction of the Project on the Property by the date specified herein subject to those extensions as set forth above.
- 11.3 Upon the occurrence of an event described in this Section, then NRI or the CRA may, upon determining that such event cannot reasonably be expected to change in the foreseeable future so as to allow development of the Project, elect to terminate this Agreement by giving a notice to the other party hereto within thirty (30) days of the occurrence of such event or the determination of inability to cause a condition precedent to occur or be satisfied, stating its election to terminate this Agreement as a result thereof, in which case the counterparty shall have an opportunity to cure such event for a period of thirty (30) days following notice from the notifying party and if the event is not cured within said 30 day period, then this Agreement shall then terminate.
- 11.4 In the event of a termination as provided in this Section, neither NRI nor the CRA shall be obligated or liable one to the other in any way, financially or otherwise, for any claim or matter arising from or as a result of this Agreement or any actions taken by NRI and the CRA, or any of them, hereunder or contemplated hereby, and each party shall be responsible for its own costs. Notwithstanding anything to the contrary contained herein, in the event that any party shall have, but shall not exercise, the right hereunder to terminate this Agreement because of the non-satisfaction of any condition specified herein, and such condition is subsequently satisfied, then the non-satisfaction of such condition shall no longer be the basis for termination of this Agreement.

12. Recording of Agreement. NRI and CRA agree that a memorandum or similar land use restriction shall be recorded in the Public Records of Palm Beach County, so as to assure CRA of the affordability requirements contained herein.

13. Retention and Accessibility of Records

- 13.1 NRI shall maintain fiscal records and supporting documentation for all expenditures of funds made under this Agreement in a manner which

conforms with 24 CFR Section 570.490. NRI shall retain such records, and any supporting documentation for the greater of (i) three years after close-out of the HUD grant to the CRA (not the closeout of this Agreement); (ii) if notified by NRI in writing, the date that the final audit is accepted with all audit issues resolved to NRI's satisfaction, or (iii) a date consistent with the period required by other applicable laws and regulations as described in 24 CFR 570.487 and 570.488. Such records shall include but not be limited to:

13.1.1 Records providing a full description of each activity undertaken;

13.1.2 Records demonstrating that each activity undertaken benefits low, moderate, or middle income persons;

13.1.3 Records required documenting sale amounts of the property, discounts, and the sources and uses of funds for each activity;

13.1.4 Records documenting compliance with the fair housing and equal opportunity requirements of the NSP program, including but not limited to the racial, ethnic, and gender characteristics of persons who are applicants for, participants in, or beneficiaries of the NSP-2 Program;

13.1.5 Records documenting efforts to ensure that any initial successor in interest has complied with the applicable tenant protection requirements under the Protecting Tenants at Foreclosure Act of 2009. In addition, records documenting efforts to ensure compliance with Section 1497 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, as applicable.

13.2 Records of individual purchaser's income verifications and project inspections must be retained for the most recent five (5) year period, until five (5) years after the affordability period terminates.

13.3 NRI shall give the United States Department of Housing and Urban Development, the Inspector General, the General Accounting Department, and the CRA, or any of their duly authorized representatives, access to and the right to examine all books accounts, records, reports, files, and other papers, things, or property belonging to or in use by NRI pertaining to this Agreement. Such rights to access shall continue as long as the records are retained by NRI. NRI agrees to maintain such records in an accessible location and to provide citizens reasonable access to such records consistent with Florida's Public Records Law.

13.4 NRI shall include the substance of this Section in all subcontracts.

14. Monitoring. CRA reserves the right to perform periodic desk reviews and on-site monitoring of the NRI's compliance with the terms and conditions of this Agreement, and of the

adequacy and timeliness of NRI's performance under this Agreement. After each monitoring visit, the CRA shall provide NRI with a written report of the monitor's findings. If the monitoring reports note deficiencies in NRI's performances under the terms of this Agreement, the monitoring report shall include requirements for the timely correction of such deficiencies by NRI. Failure by NRI to take action specified in the monitoring report may be cause for termination as provided in this Agreement.

15. Insurance. NRI shall purchase and maintain such comprehensive general liability and other insurance as is appropriate for the Project, and as will provide protection from claims set forth below which may arise out of or result from NRI's performance and furnishing of the Project and NRI'S other obligations under the Contract Documents, whether it is to be performed or furnished by NRI, by any Subcontractor, by anyone directly or indirectly employed by any of them to perform or furnish any of the Work, or by anyone for whose acts any of them may be liable. Before starting and during the term of this Contract, NRI shall procure and maintain insurance of the types and to the limits specified below.

15.1 Coverage: Except as otherwise stated, the amounts and types of insurance shall conform to the following minimum requirements:

15.1.1 Workers' Compensation. Coverage to apply for all employees for Statutory Limits in compliance with the applicable State and Federal laws. NRI shall require all subcontractors to maintain workers compensation during the term of the agreement and up to the date of final acceptance. NRI shall defend, indemnify and save the CRA harmless from any damage resulting to them for failure of either NRI or any subcontractor to take out or maintain such insurance.

15.1.2 Employers' Liability with Statutory Limits of \$100,000/\$500,000/\$100,000.

15.1.3 Notice of Cancellation and/or Restriction. The policy must be endorsed to provide the CRA with thirty (30) days' written notice of cancellation and/or restriction.

15.2 If any operations are to be undertaken on or about navigable waters, coverage must be included for the U.S. Longshoremen and Harbor Workers Act and/or Jones Act if applicable.

15.3 Comprehensive General Liability or Commercial General Liability Coverage must be afforded on a form no more restrictive than the latest edition of the Comprehensive General Liability Policy or Commercial General Liability filed by the Insurance Services Office, and must include:

15.3.1 Minimum Limits of total coverage shall be \$3,000,000.00 \$3,000,000.00 per occurrence combined single limit for Bodily Injury Liability and Property Damage Liability, the basic policy to be in said form with any excess coverage (and the carrier) to meet

\$3,000,000.00 minimum to be acceptable to the CRA.

15.3.2 Premises and/or Operations.

15.3.3 Independent Contractor.

15.3.4 Products and/or Completed Operations. NRI shall maintain in force until at least three (3) years after completion of all services required under the Contract, coverage for products and completed operations, including Broad Form Property Damage.

15.3.5 XCU Coverage's.

15.3.6 Broad Form Property Damage including Completing Operations.

15.3.7 Broad Form Contractual Coverage applicable to this specific Agreement, including any hold harmless and/or indemnification agreement.

15.3.8 Personal Injury coverage with employees and contractual exclusions removed.

15.3.9 Additional Insured. The CRA shall be specifically included as an additional insured (including products).

15.3.10 Notice of Cancellation and/or Restriction. The policy must be endorsed to provide the CRA with thirty (30) days' written notice of cancellation and/or restriction.

15.3.11 NRI shall either require each subcontractor to procure and maintain, during the life of the subcontract, insurance of the type and in the same amounts specified herein and require that each subcontractor include the CRA specifically as additional insured (including products) or insure the activities of subcontractors in his own insurance policy.

15.4 Business Auto Policy. Coverage must be afforded on a form no more restrictive than the latest edition of the Business Auto Policy filed by the Insurance Service Office and must include:

15.4.1 Minimum limit of \$3,000,000.00 per occurrence combined single limit for Bodily Injury Liability and Property Damage Liability.

15.4.2 Owned Vehicles.

15.4.3 Hired and Non-Owned Vehicles

15.4.4 Employee Non-Ownership

15.4.5 Notice of Cancellation and/or Restriction. The policy must be

endorsed to provide the CRA with thirty (30) days' written notice of cancellation and/or restriction.

- 15.5 All Risk Property Insurance - When Applicable. Coverage must include real and personal property and in an amount equal to the replacement cost of all real and personal property for which NRI is responsible and over which he exercises control. Builders Risk insurance must be provided to cover Property under construction and an Installation Floater must cover all machinery, vessels, air conditioners or electric generators to be installed. This insurance shall include a waiver of subrogation as to the CRA, NRI, and their respective officers, agents, employees, and subcontractors.
- 15.5.1 Coverage to be provided on a full replacement cost basis.
- 15.5.2 Losses in excess of ten thousand dollars (\$10,000) shall be jointly payable to NRI and the CRA.
- 15.5.3 Maximum Deductible - \$5,000 each claim.
- 15.5.4 Copy of Policy. A certified copy of the policy must be provided to the CRA prior to the commencement of work.
- 15.5.5 Named Insured. The CRA must be included as named insured.
- 15.5.6 Notice of Cancellation and/or Restriction. The policy must be endorsed to provide the CRA with thirty (30) days written notice of cancellation and/or restriction.
- 15.6 Flood Insurance. When the buildings or structures are located within an identified special flood hazard area, flood insurance protecting the interest of NRI and the CRA must be afforded for the lesser of the total insurable value of such buildings or structures, or, the maximum amount of flood insurance coverage available under the National Flood Program.
- 15.7 A Best Rating of no less than A-7 is required for any carriers providing coverage required under the terms of this Contract. Failure to comply with the insurance requirements as herein provided shall constitute default of this Agreement. Neither NRI nor any subcontractor shall commence work under the Contract until they have all insurance required under this Section and have supplied the CRA with evidence of such coverage in the form of certified copies of policies (where required) and certificates of insurance, and such policies and certificates have been approved by the CRA. NRI shall be responsible for and shall obtain and file insurance certificates on behalf of its subcontractors. All certified copies of policies and certificates of insurance shall be filed with the CRA.

16. Indemnification. NRI agrees to protect, defend, indemnify, and hold harmless the CRA, its officers, employees, and agents from and against any and all lawsuits,

penalties, damages, settlements, judgments, decrees, costs, charges, and other expenses or liabilities of every kind, including court costs, reasonable attorney's fees, and paralegal expenses, at both the trial and appellate levels in connection with or arising directly out of NRI's performance of the work agreed to be performed herein, to the extent caused by the negligence, recklessness, or intentional wrongful misconduct of NRI, its employees, officers, representative, agents, and subcontractors. Without limiting the foregoing, any and all such claims, suits, etc., relating to personal injury, death, damage to property, defects in materials or workmanship, actual or alleged infringement of any patent, trademark, copyright or of any other tangible or intangible personal or property right, or any actual or alleged violation of any applicable statute, ordinance, administrative order, rule or regulation or decree of any court, is included in the indemnity. NRI further agrees to investigate, handle, respond to, provide defense for, and defend any such claims, etc., at his sole expense and agrees to bear all other costs and expenses related thereto, even if the claim(s) is groundless, false, or fraudulent. In case of injury to persons, animals, or property, real or personal, by reason of failure to erect or maintain proper and necessary barricades, safeguards, and signals or by reason of any negligence of any NRI, or any of the NRI's agents, servants, or employees during the performance of the work pursuant to this Agreement, the CRA may, through its officials, withhold such payments as long as it may deem necessary for the indemnity of the CRA, provided that the failure to pay the same shall not be construed or considered as a waiver of the indemnity as hereinabove set forth. The parties recognize that various provisions of this Agreement, including but not necessarily limited to this Section, provide for indemnification by the NRI and that Section 725.06, Florida Statutes, requires a specific consideration be given thereof. The parties therefore agree that the sum of Ten Dollars and 00/100 (\$10.00), receipt of which is hereby acknowledged, is the specific consideration for such indemnities, and the providing of such indemnities is deemed to be part of the specifications with respect to the services to be provided by NRI. Furthermore, the parties understand and agree that the covenants and representations relating to this indemnification provision shall survive the term of this Agreement and continue in full force and effect as to the party's responsibility to indemnify.

17. Non-Discrimination.

17.1 NRI shall not discriminate against employees or applicants for employment because of race, creed, color, religion, sex, age, handicapped status, disabilities, or national origin. NRI will endeavor to ensure that applicants are employed and that employees are treated during employment, without regard to their race, creed, color, religion, sex, age, handicapped status, or national origin. Such action shall include but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeship. NRI agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause. These provisions apply to all subcontractors and it is the responsibility of the subcontractor compliance.

17.2 NRI shall select eligible purchasers for available units from a written waiting list in chronological order of their application, insofar as it is

practical, and without regard as to disability, religion, race, color, family composition, national origin, or sex.

18. Drug-Free Workplace. NRI shall comply with Florida Statutes Section 287.087 which gives preference to businesses with drug-free workplace programs.

19. Assignment. This Agreement, nor any monies due hereunder, or any part thereof, shall not be assigned, or transferred, by NRI, nor shall the CRA be liable to any assignee or transferee, without the written consent of the CRA, to the assignment, or transfer. The CRA shall not release or discharge NRI from any obligation hereunder, unless such release or discharge is approved by the CRA Board of Commissioners.

20. Contract Documents. The Contract Documents which comprise the entire agreement between the CRA and NRI concerning the Work consist of the following:

- 20.1 This Agreement;
- 20.2 Exhibits to this Agreement;
- 20.3 Certificates of Insurance.
- 20.4 CRA Approved Site Plan.
- 20.5 Requirements for Federally Funded Projects, which is attached hereto.
- 20.6 The following which may be delivered or issued after the Effective Date of the Agreement and are not attached hereto: All Written Amendments and other documents amending, modifying, or supplementing the Contract Documents.
- 20.7 There are no Contract Documents other than those listed above in this Section. The Contract Documents may only be amended, modified or supplemented as provided herein.

21. Civil Rights

- 21.1 Compliance. NRI agrees to comply with applicable state and local civil rights ordinances and with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, section 104(b) and section 109 of Title I of the Housing and Community Development Act of 1974 as amended (the HCDA), section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063, and Executive Order 11246 as amended by Executive Orders 11375, 11478, 12107 and 12086.
- 21.2 Nondiscrimination. NRI agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 CFR 570.607, as revised by Executive

Order 13279. The applicable non-discrimination provisions in section 109 of the HCDA are still applicable.

- 21.3 Section 504. NRI agrees to comply with all Federal regulations issued pursuant to section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), which prohibits discrimination against the individuals with disabilities or handicaps in any Federally assisted program. CRA shall provide NRI with any guidelines necessary for compliance with that portion of the regulations in force during the term of this Agreement.

22. Affirmative Action

- 22.1 Approved Plan. NRI agrees that it shall be committed to carry out, pursuant to the Grantee's specifications, an Affirmative Marketing Plan in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1966. NRI shall submit an Affirmative Marketing for approval. The plan should include:

22.1.1 Methods for informing the public, owners and potential purchasers about fair housing laws and the grantee's policies (for example, use of the Fair Housing logo or equal opportunity language);

22.1.2 A description of what owners will do to affirmatively market housing assisted with NSP funds;

22.1.3 A description of what owners will do to inform persons not likely to apply for housing without special outreach;

22.1.4 Maintenance of records to document actions taken to affirmatively market assisted units and to assess marketing effectiveness; and

22.1.5 Description of how efforts will be assessed and what corrective actions will be taken where requirements are not met.

23. Women- and Minority-Owned Businesses (W/MBE). NRI will use its best efforts to afford small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of this contract. As used in this contract, the terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority groups or women. NRI may rely on written representations by businesses regarding their status as minority and women-owned business enterprises in lieu of an independent investigation.

24. Access to Records. NRI shall furnish and cause each of its own contractors or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by the Grantee, HUD or its agent, or other authorized Federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

25. Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement. NRI will, in all solicitations or advertisements for employees placed by or on behalf of NRI, state that it is an Equal Opportunity or Affirmative Action employer.

26. Subcontract Provisions. NRI will include the provisions of the prior Sections (Civil Rights and Affirmative Action) in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each of its own contractors or subcontractors.

27. Employment Restrictions.

27.1 Prohibited Activity. NRI is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; and nepotism activities.

27.2 Labor Standards. NRI agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act, as amended, the provisions of Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et seq.) and all other applicable Federal, state and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. NRI agrees to comply with the Copeland Anti-Kick Back Act (18 U.S.C. 874 et seq.) and its implementing regulations of the U.S. Department of Labor at 29 CFR Part 5. NRI shall maintain documentation that demonstrates compliance with hour and wage requirements of this part. Such documentation shall be made available to the Grantee for review upon request.

27.3 NRI agrees that, except with respect to the rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of \$2,000.00 for construction, renovation or repair work financed in whole or in part with assistance provided under this contract, shall comply with Federal requirements adopted by the Grantee pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices and trainees to journey workers; provided that, if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve NRI of its obligation, if any, to require payment of the higher wage. NRI shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

27.4 "Section 3" Clause

27.4.1 Compliance. Compliance with the provisions of Section 3 of the Housing and Urban Development Act of 1968, as amended, and as implemented by the regulations set forth in 24 CFR 135, and all

applicable rules and orders issued hereunder prior to the execution of this contract, shall be a condition of the Federal financial assistance provided under this contract and binding upon the CRA, NRI, and any of NRI's grantees and subcontractors. Failure to fulfill these requirements shall subject the CRA, NRI, and any of NRI's grantees and subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. NRI certifies and agrees that no contractual or other disability exists that would prevent compliance with these requirements.

27.4.2 NRI further agrees to comply with the Section 3 requirements and to include the following language in all subcontracts executed under this Agreement:

27.4.3 "The work to be performed under this Agreement is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701). Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-income residents of the project area, and that contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located."

27.4.4 NRI further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area in which the NSP-funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area in which the NSP-funded project is located; where feasible, priority should be given to business concerns that provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in

other HUD programs.

27.4.5 NRI certifies and agrees that no contractual or other legal incapacity exists that would prevent compliance with these requirements.

27.4.6 Notifications. NRI agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or worker's representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

27.4.7 Subcontracts. NRI will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the CRA. NRI will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.

27.5 Hatch Act. NRI agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the United States Code.

27.6 Conflict of Interest. NRI agrees to abide by the provisions of 24 CFR 84.42 and 570.611, which include (but are not limited to) the following:

27.6.1 NRI shall maintain a written code or standards of conduct that shall govern the performance of its officers, employees or agents engaged in the award and administration of contracts supported by Federal funds.

27.6.2 No employee, officer or agent of NRI shall participate in the selection, or in the award, or administration of, a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved.

27.6.3 No covered persons who exercise or have exercised any functions or responsibilities with respect to NSP-assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or agreement with respect to the NSP-

assisted activity, or with respect to the proceeds from the NSP-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of one (1) year thereafter. For purposes of this paragraph, a “covered person” includes any person who is an employee, agent, consultant, officer, or elected or appointed official of the CRA, NRI, or any designated public agency.

27.7 Lobbying. NRI hereby certifies that:

27.7.1 No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

27.7.2 If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions; and

27.7.3 It will require that the language of paragraph (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all contractors shall certify and disclose accordingly:

27.7.4 Lobbying Certification. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

27.8 Copyright. If this contract results in any copyrightable material or inventions, HUD reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize

others to use, the work or materials for governmental purposes.

27.9 Religious Activities. NRI agrees that it will comply with 24 CFR 570.200(j) so that funds are not used to support inherently religious activities.

27.10 Debarment. NRI shall ensure that any contractor, subcontractor or participant awarded work under this contract has not been debarred, suspended or ineligible to perform work by HUD. To determine if a contractor, subcontractor or participant has been debarred, suspended or ineligible go to: <https://www.sam.gov/portal/public/SAM>.

28. ENVIRONMENTAL CONDITIONS

28.1 Air and Water. NRI agrees to comply with the following requirements insofar as they apply to the performance of this Agreement:

28.1.1 Clean Air Act, 42 U.S.C. , 7401, et seq.;

28.1.2 Federal Water Pollution Control Act, as amended, 33 U.S.C., 1251, et seq., as amended, 1318 relating to inspection, monitoring, entry, reports, and information, as well as other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder;

28.1.3 Environmental Protection Agency (EPA) regulations pursuant to 40 CFR Part 50, as amended.

28.1.4 The National Environmental Policy Act of 1969 and related federal environmental authorities and regulations at 24 CFR part 50 or 58.

28.1.5 Flood Disaster Protection. In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001), NRI shall assure that for activities located in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

29. MISCELLANEOUS.

29.1 General. This Agreement, and any amendment hereto, may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall, together, constitute one and the same instrument. The section and paragraph headings herein contained are for the purposes of identification only and shall not be considered in construing this Agreement. Reference to a Section, shall be deemed to be a reference to the entire Section, unless otherwise specified. No

modification or amendment of this Agreement shall be of any force or effect unless in writing executed by Parties. This Agreement sets forth the entire agreement between the Parties relating to the Property and all subject matter herein and supersedes all prior and contemporaneous negotiations, understandings and agreements, written or oral, between the Parties. This Agreement shall be interpreted in accordance with the laws of the State of Florida. The Parties hereby agree that jurisdiction of any litigation brought arising out of this Agreement shall be in the Fifteenth Judicial Circuit in and for Palm Beach County, Florida, or, should any cause of action be limited to federal jurisdiction only, in the United States District Court for the Southern District Court of Florida.

- 29.2 Independent Contractor. This Agreement does not create an employee/employer relationship between the parties. It is the intent of the parties that NRI is an independent contractor under this Agreement and not the CRA's employee for all purposes, including but not limited to, the application of the Fair Labor Standards Act minimum wage and overtime payments, Federal Insurance Contribution Act, the Social Security Act, the Federal Unemployment Tax Act, the provisions of the Internal Revenue Code, the State Workers Compensation Act, and the State unemployment insurance law. NRI shall retain sole and absolute discretion in the judgment of the manner and means of carrying out NRI's activities and responsibilities hereunder. NRI agrees that it is a separate and independent enterprise from the CRA, that it has full opportunity to find other business, that it has made its own investment in its business, and that it will utilize a high level of skill necessary to perform the work. This Agreement shall not be construed as creating any joint employment relationship between NRI and the CRA, and the CRA will not be liable for any obligation incurred by NRI, including but not limited to unpaid minimum wages and/or overtime premiums.
- 29.3 Computation of Time. Any reference herein to time periods which are not measured in business days and which are less than six (6) days, shall exclude Saturdays, Sundays and legal holidays in the computation thereof. Any time period provided for in this Agreement which ends on a Saturday, Sunday or legal holiday shall extend to 5:00 p.m. on the next full business day. Time is of the essence in the performance of all obligations under this Agreement. Time periods commencing with the Effective Date shall not include the Effective Date in the calculation thereof.
- 29.4 Waiver. Neither the failure of a Party to insist upon a strict performance of any of the terms, provisions, covenants, agreements and conditions hereof, nor the acceptance of any item by a Party with knowledge of a breach of this Agreement by the other party in the performance of their respective obligations hereunder, shall be deemed a waiver of any rights or remedies that a party may have or a waiver of any subsequent breach or default in any of such terms, provisions, covenants, agreements or conditions. This

paragraph shall survive termination of this Agreement and the Closing.

- 29.5 Construction of Agreement. The Parties to this Agreement, through counsel, have participated freely in the negotiation and preparation hereof. Neither this Agreement nor any amendment hereto shall be more strictly construed against any of the parties. As used in this Agreement, or any amendment hereto, the masculine shall include the feminine, the singular shall include the plural, and the plural shall include the singular, as the context may require. Provisions of this Agreement that expressly provide that they survive the Closing shall not merge into the Deed.
- 29.6 Severability. If any provision of this Agreement or the application thereof shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of this Agreement nor the application of the provision to other persons, entities or circumstances shall be affected thereby, but instead shall be enforced to the maximum extent permitted by law. The provisions of this Section shall apply to any amendment of this Agreement.
- 29.7 Handwritten Provisions. Handwritten provisions inserted in this Agreement and initialed by NRI and CRA shall control all printed provisions in conflict therewith.
- 29.8 Waiver of Jury Trial. As an inducement to NRI agreeing to enter into this Agreement, NRI and CRA hereby waive trial by jury in any action or proceeding brought by either Party against the other Party pertaining to any matter whatsoever arising out of or in any way connected with this Agreement.
- 29.9 Attorney's Fees and Costs. Should it be necessary to bring an action to enforce any of the provisions of this Agreement, reasonable attorneys' fees and costs, including those at the appellate level, shall be awarded to the prevailing Party.
- 29.10 Binding Authority. Each Party hereby represents and warrants to the other that each person executing this Agreement on behalf of NRI and CRA has full right and lawful authority to execute this Agreement and to bind and obligate the party for whom or on whose behalf he or she is signing with respect to all provisions contained in this Agreement.
- 29.11 Survival. The covenants, warranties, representations, indemnities and undertakings of CRA set forth in this Agreement, shall survive the Closing, the delivery and recording of the CRA's Warranty Deed and NRI's possession of the Property.
- 29.12 NRI agrees to use its best efforts to accomplish all objectives outlined in this Agreement by the applicable dates set forth in this Agreement; provided, however, time for the performance hereof shall be extended by a

period equal to any delay caused by or resulting from acts of God, war, civil commotion, fire or other casualty, labor difficulties, shortages of energy, labor, materials or equipment, government regulations, or other causes beyond NRI's reasonable control (collectively, a "force majeure event"). In the event that a force majeure event should occur, NRI shall notify CRA with all possible speed of the existence of such event and such condition shall be approved by CRA, which approval shall be in CRA's reasonable discretion.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective date.

ATTEST:

CRA:

Lake Worth Community Redevelopment Agency

Joan Oliva, Secretary

Cary Sabol, Chair

Signed on _____

NRI:

Neighborhood Renaissance, Inc., a Florida not-for-profit corporation

ATTEST:

Print Name: _____
Title: _____

By: _____
Print Name: _____
Title: _____

Exhibit "A"
Legal Description

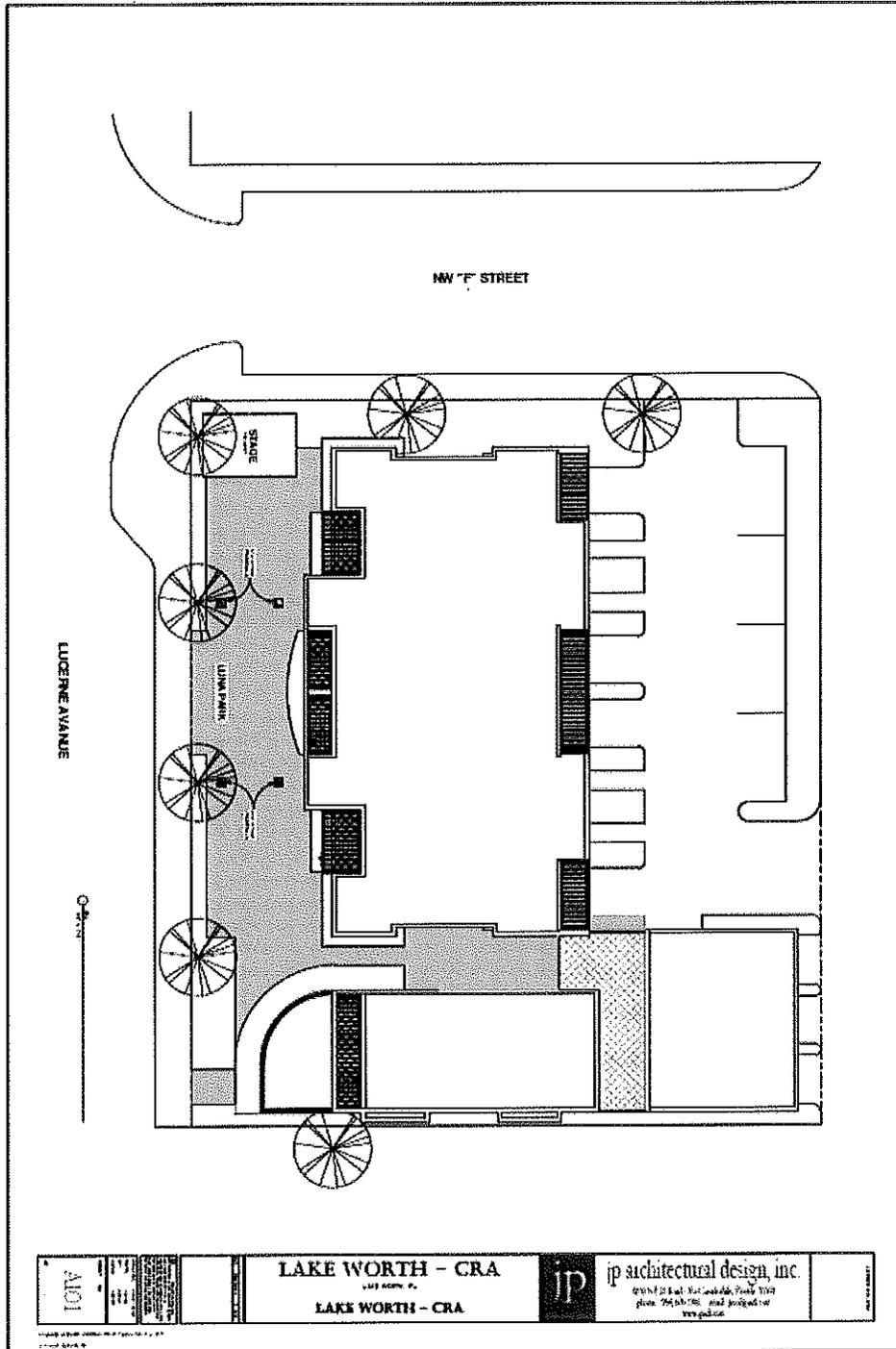
110 North F Street
Lake Worth, FL 33460

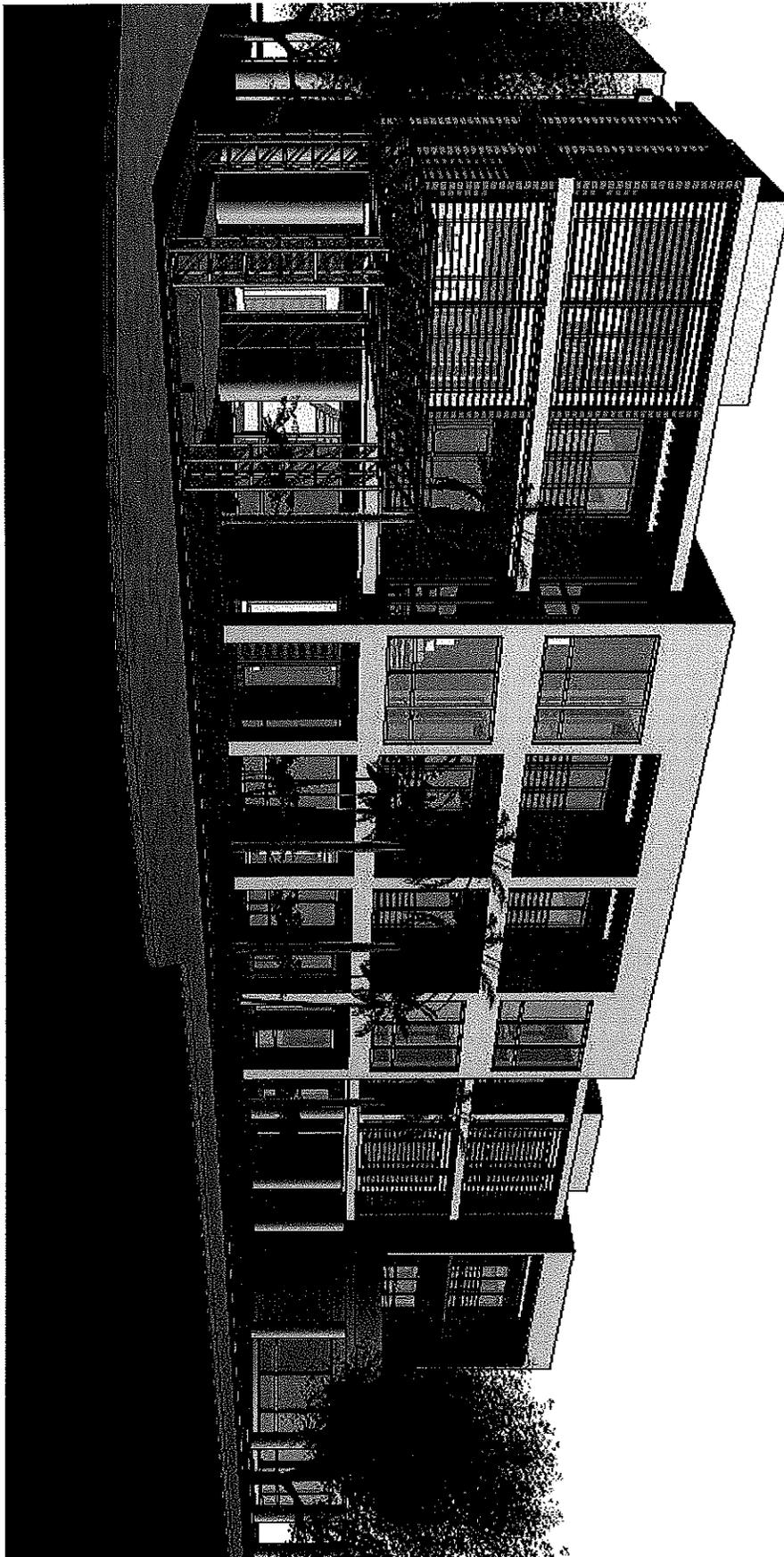
Property Control Number: 38-43-44-21-15-012-0260

Legally described as follows:

Lots 26 to 31, inclusive, Block 12, Palm Beach Farms Company Plan No. 2, The Townsite of Lucerne n/k/a Lake Worth, according to the map or plat thereof as recorded in Plat Book 2, Page 29, Public Records, Palm Beach County, Florida.

EXHIBIT "B"
PRELIMINARY SITE PLAN
(TO BE REPLACED BY CRA APPROVED SITE PLAN)



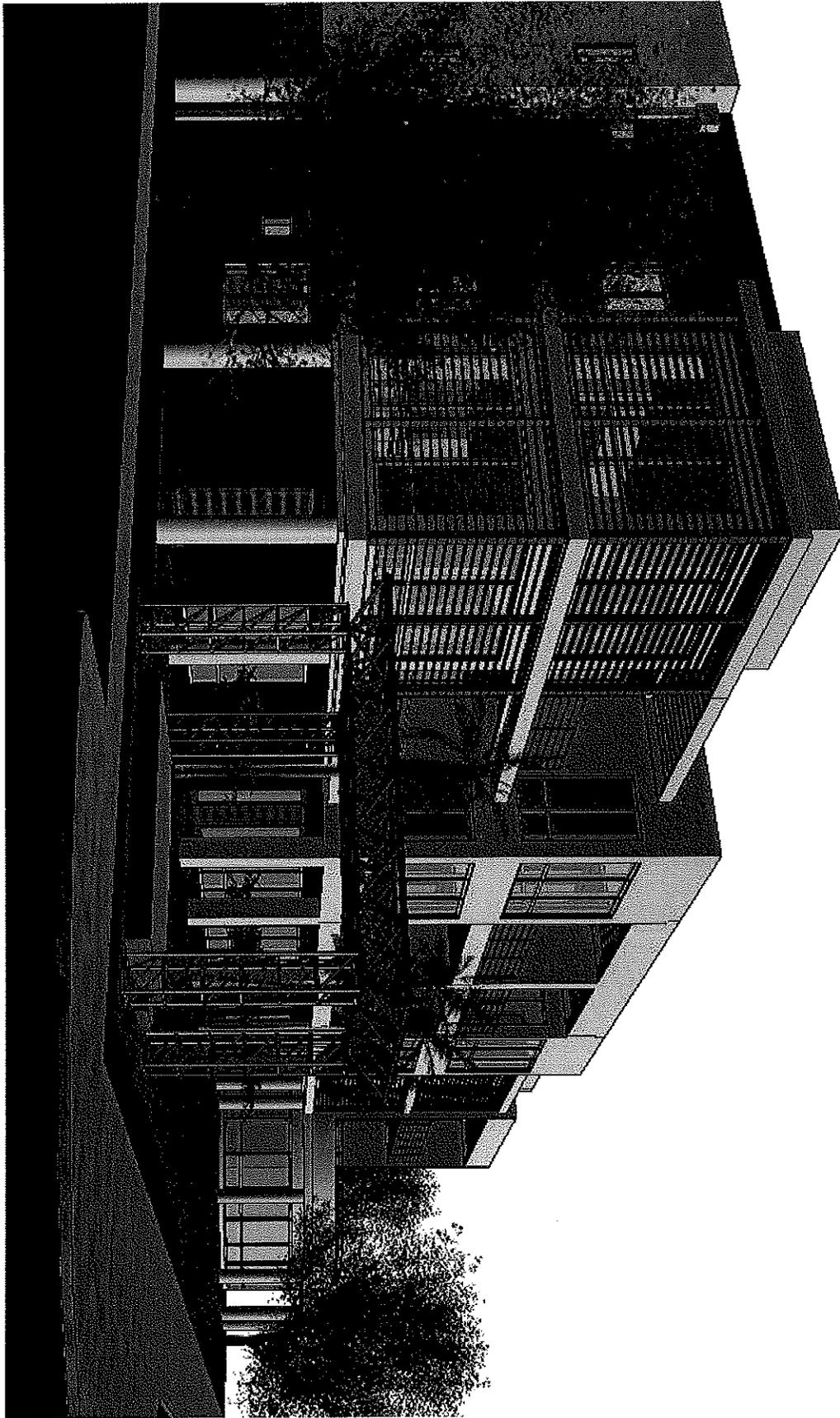


SHEET NO. **A106**
 DATE: 05/04/04
 DRAWN BY: [Name]
 CHECKED BY: [Name]

LAKE WORTH - CRA
 LAKE WORTH, FL
LAKE WORTH - CRA

jp jp architectural design, inc.
 6390 NE 21 Road - Fort Lauderdale, Florida 33308
 phone: (954) 409-1980 email: jpa@jpad.com
 www.jpad.com

DATE: 05/04/04



PROJECT NO. 107
 DATE: 11/20/04
 DRAWN BY: JPM
 CHECKED BY: JPM
 SCALE: AS SHOWN
 SHEET NO. 107

LAKE WORTH - CRA
 LAKE WORTH, FL
LAKE WORTH - CRA



jp architectural design, inc.
 6530 NB 21 Road - Fort Lauderdale, Florida 33308
 phone (954) 669-1960 email jpm@jpad.com
 www.jpad.com

11/20/04 11:20:44 AM



8108
 SHEET NO.
 DATE: 11/11/08
 DRAWN BY: [illegible]
 CHECKED BY: [illegible]

LAKE WORTH - CRA
 LAKE WORTH, FL
LAKE WORTH - CRA



jp architectural design, inc.
 6530 NP 21 Road - Fort Lauderdale, Florida 33308
 phone: (954) 609-1980 email: jim@jpad.com
 www.jpad.com

11/11/08
 11/11/08

EXHIBIT "C"
PURCHASE AND SALE AGREEMENT FOR PROPERTY

AGREEMENT FOR PURCHASE AND SALE OF REAL PROPERTY

THIS AGREEMENT FOR PURCHASE AND SALE ("Agreement") is made on this ____ day of _____, 2015 by and between the **Lake Worth Community Redevelopment Agency, a Florida public body corporate and politic created pursuant to Section 163.356 F.S.** (hereinafter referred to as "SELLER") and NEIGHBORHOOD RENAISSANCE, INC., a Florida not for profit corporation, (hereinafter referred to as "PURCHASER").

WITNESSETH

In consideration of the mutual agreements and upon and subject to the terms and conditions herein contained, the parties hereto agree as follows:

1. DEFINITIONS.

The following terms when used in this Agreement for Purchase and Sale shall have the following meanings:

1.1 Property. That certain property located at 110 North F Street, in the City of Lake Worth, County of Palm Beach, State of Florida (the "Property"), more particularly described in **Exhibit "A"** attached hereto.

1.2 Closing Date. The Closing Date is the date on which the closing ("Closing") shall occur and shall be no later than thirty (30) calendar days from the approval of the Site Plan by the City of Lake Worth, for the Property, and any extension thereof as mutually approved by the parties. With respect to such approval of the Site Plan, Purchaser shall not be deemed to have obtained such approval until all appeal periods have passed without any appeal having been taken, or, if any such appeal has been taken, such appeal(s) have been finally and conclusively been resolved in Purchaser's favor.

1.3 Deed. A Special Warranty Deed, in its statutory form, which shall convey the Property from SELLER to PURCHASER.

1.4 Effective Date. The Effective Date of this Agreement shall be the date when the last one of the Seller and Purchaser has signed the Agreement.

1.5 SELLER'S Address. Seller's mailing address is 29 South J Street, Lake Worth, Florida 33460, with copy to Goren, Cherof, Doody & Ezrol, P.A., Attn: David N. Tolces, Esq., at 3099 East Commercial Boulevard, Suite 200, Ft. Lauderdale, Florida 33308.

1.6 PURCHASER'S Address. Purchaser's mailing address is 510 24t Street, Suite A, West Palm Beach, FL 33407.

1.7 NSP-2. The Neighborhood Stabilization Program-2 is the Program established by the United States Department of Housing and Urban Development ("HUD") and implemented

pursuant to guidelines ("Guidelines") established by HUD.

1.8. Other Definitions. The terms defined in any part of this Agreement shall have the defined meaning wherever capitalized herein. Wherever appropriate in this Agreement, the singular shall be deemed to refer to the plural and the plural to the singular, and pronouns of each gender shall be deemed to comprehend either or both of the other genders. As used in this Agreement, the terms "herein", "hereof" and the like refer to this Agreement in its entirety and not to any specific section or subsection.

2. PURCHASE PRICE.

Subject to the provisions of this Agreement, the SELLER hereby agrees to sell to PURCHASER, and PURCHASER hereby agrees to purchase from SELLER, the Property for the total Purchase Price of TEN AND 00/100 DOLLARS (\$10.00) and upon and subject to the terms and conditions hereinafter set forth.

3. INSPECTIONS.

3.1 PURCHASER shall have forty-five (45) days from the Effective Date to perform inspections of the Property as the PURCHASER deems necessary ("Inspection Period"). Within five (5) business days following the Effective Date of the Agreement, Seller shall provide Buyer with access to the following: (1) Documentation in Seller's possession relating to title and survey of the Property and (2) Copies of any environmental reports and topography, geotechnical and other studies that were previously performed for or upon the Property in Seller's possession.

3.2 During the Inspection Period, PURCHASER shall, at its sole cost and expense, determine that utility services including, water, waste water, electric, telephone and all other utilities are available in the proper size and capacity to serve the existing facilities and installed to the property lines. At all times during the Inspection Period, PURCHASER and its agents shall be provided with reasonable access during normal business hours to the Property for purposes of on-site inspection, upon reasonable prior notice to SELLER. The scope of the inspection contemplated herein shall be determined by the PURCHASER as deemed appropriate under the circumstances provided however, no invasive environmental tests, surveys, audits or inspections may be performed by PURCHASER unless SELLER has provided its written consent thereto, which consent will not be unreasonably withheld, delayed or conditioned. PURCHASER shall promptly repair and restore any damage to the Property caused by, and will not allow any lien or claim of lien to be recorded as a result of PURCHASER'S inspections. To the extent permitted by law, and subject to the limitations of Section 768.28, Florida Statutes, PURCHASER also agrees to indemnify and hold SELLER harmless from any losses, claims, costs, and expenses, including reasonable attorney's fees, which may result from or be connected with any acts or omissions of PURCHASER and/or its contractors and consultants

during inspections that are done pursuant hereto which obligation shall survive termination of, or Closing under this Agreement. Any contractors or consultants engaged by PURCHASER to perform such inspections shall be licensed by the State of Florida and, prior to entering the Property, shall provide SELLER with evidence of insurance coverage in an amount and with a company reasonably satisfactory to SELLER.

3.3 During the Inspection Period, the PURCHASER, at its sole discretion, shall be entitled to terminate this Agreement for any reason. PURCHASER will provide written notice by mail or facsimile to SELLER and/or SELLER'S counsel, which notice must be received prior to the expiration of the Inspection Period, and receive an immediate refund of the Earnest Money Deposit plus interest paid hereto in the event the PURCHASER terminates this Agreement.

3.4 If during the Inspection Period PURCHASER delivers written notice to SELLER of PURCHASER'S determination that the Property is satisfactory and is approved by PURCHASER or if PURCHASER fails to timely deliver to SELLER any written notice exercising the termination right granted to PURCHASER, then this Agreement shall remain in full force and effect, and the parties shall proceed to closing.

3.5 PURCHASER has determined that the subject site meets with PURCHASER'S needs subject to development of the Property in a manner consistent with the Development Agreement, which is attached hereto as **Exhibit "B"**. The Development Agreement shall survive the closing.

4. **SELLER'S REPRESENTATIONS.**

To induce PURCHASER to enter into this Agreement, SELLER makes the following representations, all of which, to the best of SELLER'S knowledge, in all material respects and except as otherwise provided in this Agreement (i) are now true, and (ii) shall be true as of the date of the Closing unless SELLER receives information to the contrary, in which case SELLER shall immediately provide PURCHASER notice of such contrary information and upon receipt PURCHASER may, in its sole discretion, deem such contrary information material and terminate this Agreement, and (iii) shall survive the Closing:

4.1 At all times from the Effective Date until the Closing on the Property, SELLER shall keep the Property free and clear of all liens, encumbrances and/or clouds upon title, including without limitation, liens related to service, labor and/or materials furnished to, or for the benefit of, the Property, lis pendens, tax liens, permit violations, code violations, ordinance violations, and SELLER shall indemnify, defend and hold PURCHASER harmless from and against all expense and liability in connection therewith (including, without limitation, court costs and reasonable attorney's fees).

4.2 SELLER has no actual knowledge nor has SELLER received any notice of

any litigation, claim, action or proceeding, actual or threatened, against SELLER or the Property by any organization, person, individual or governmental agency which would affect (as to any threatened litigation, claim, action or proceeding, in a materially adverse fashion) the use, occupancy or value of the Property or any part thereof or which would otherwise relate to the Land.

4.3 SELLER has full power and authority to enter into this Agreement and to assume and perform its obligations hereunder in this Agreement. No action by any federal, state or municipal or other governmental department, commission, board, bureau or instrumentality is necessary to make this Agreement a valid instrument binding upon the SELLER in accordance with its terms. The execution and delivery of this Agreement and the consummation of the transaction contemplated hereunder on the part of the SELLER do not and will not violate any public or corporate obligations of the SELLER and will not conflict with or result in the breach of any condition or provision, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any of the terms of any contract, mortgage, lien, lease, agreement, indenture, instrument or judgment to which the SELLER is a party nor will create a lien or encumbrance upon the Property or assets of the SELLER.

4.4 SELLER represents that SELLER will not, between the date of this Agreement and the Closing, without PURCHASER'S prior written consent, which consent shall not be unreasonably withheld or delayed, except in the ordinary course of business, create any encumbrances on the Property. For purposes of this provision the term "encumbrances" shall mean any liens, claims, options, or other encumbrances, encroachments, rights-of-way, leases, easements, covenants, conditions or restrictions.

4.5 SELLER represents that there are no parties other than SELLER in possession of the Property or any portion of the Property as a lessee.

4.6 SELLER shall not list or offer the Property for sale or solicit or negotiate offers to purchase the Property while this Agreement is in effect. SELLER shall use its best efforts to maintain the Property in its present condition so as to ensure that it shall remain substantially in the same condition from the Effective Date to the Closing Date.

4.7 REAL PROPERTY SOLD AS IS, WHERE IS, RELEASE: SELLER makes and shall make no warranty regarding the title to the Property except as to any warranties which will be contained in the instruments to be delivered by SELLER at Closing in accordance with this Agreement. SELLER makes and shall make no representation or warranty either expressed or implied (except as specifically set forth in the Agreement) regarding condition, operability, safety, fitness for intended purpose, use, governmental requirements, development potential, utility availability, legal access, economic feasibility or any other matters whatsoever with respect to the Property. The

PURCHASER specifically acknowledges and agrees that SELLER shall sell and PURCHASER shall purchase the Property on an "AS IS, WHERE IS, AND WITH ALL FAULTS" basis and that, except for the SELLER'S representations and warranties specifically set forth in this Agreement and those obligations described in the Development Agreement, PURCHASER is not relying on any representations or warranties of any kind whatsoever, except as specifically set forth in this Agreement, express or implied, from SELLER its agents, officers, or employees, as to any matters concerning the Property including, without limitation, any matters relating to (1) the quality, nature, adequacy, or physical condition of the Property, (2) the quality nature, adequacy or physical condition of soils, fill, geology, or any groundwater, (3) the existence, quality, nature, adequacy or physical condition of utilities serving the Property, (4) the development potential, income potential, expenses of the Property, (5) the Property's value, use, habitability, or merchantability, (6) the fitness, suitability, or adequacy of the Property for any particular use or purpose, (7) the zoning or other legal status of the Property, (8) the compliance of the Property or its operation with any applicable codes, laws, rules, regulations, statutes, ordinances, covenants, judgments, orders, directives, decisions, guidelines, conditions, or restrictions of any governmental or quasi-governmental entity or of any other person or entity, including, without limitation, environmental person or entity, including without limitation, environmental laws, (9) the presence of Hazardous Materials (as defined herein) or any other hazardous or toxic matter on, under, or about the Property or adjoining or neighboring property, (10) the freedom of the Property from latent or apparent vices or defects, (11) peaceable possession of the Property, (12) environmental matters of any kind or nature whatsoever relating to the Property, (13) any development order or agreement, or (14) any other matter or matters of any nature or kind whatsoever relating to the Property.

As used herein, the term "Hazardous Materials" means (i) those substances included within the definitions of "hazardous substances", "hazardous materials", "toxic substances" or "solid waste" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §960 et seq., the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901 et seq., the Hazardous Materials Transportation Act, 49 U.S. C. §1801 et seq., or the Clean Water Act, 33 U.S.C. §1321 et seq., as amended, and in the regulations promulgated pursuant thereto; (ii) those substances listed in the United States Department of Transportation Table (49 CFR §172.101) or by the Environmental Protection Agency as "hazardous substances", "hazardous materials", "toxic substances" or "solid waste", (iii) such other substances, materials and wastes which are regulated, or classified as hazardous or toxic, under applicable local, state or federal laws, ordinances or regulations; and any material, waste or substance which is petroleum, asbestos, polychlorinated, biphenyls, flammable explosives or radioactive materials.

5. EVIDENCE OF TITLE.

5.1 Title to the Property. SELLER shall convey to PURCHASER at Closing, by delivery of a Special Warranty Deed, title to the subject Property. PURCHASER may secure a title insurance commitment issued by a title insurance underwriter approved by PURCHASER, for the subject Property insuring PURCHASER'S title to the Property. The costs and expenses relative to the issuance of a title commitment and an owner's title policy shall be borne by the PURCHASER.

If PURCHASER so desires to obtain title insurance on the Property, the PURCHASER shall have Ten (10) days from the date of receiving said commitment to examine the title commitment ("Title Inspection Period"). If PURCHASER objects to any exception to title as shown in the title commitment, PURCHASER within ten (10) days of expiration of the Inspection Period shall notify SELLER in writing specifying the specific exception(s) to which it objects. Any objection(s) of which PURCHASER has so notified SELLER, and which SELLER chooses to cure, shall be cured by SELLER so as to enable the removal of said objection(s) from the title commitment within Ten (10) days after PURCHASER has provided notice to SELLER. Within five (5) days after the expiration of SELLER'S time to cure any objection, SELLER shall send to PURCHASER a notice in writing (a "cure notice") stating either (i) that the objection has been cured and in such case enclosing evidence of such cure, or (ii) that SELLER is either unable to cure or has chosen not to cure such objection. If SELLER shall be unable or unwilling to cure all objections within the time period set forth in the preceding sentence, then PURCHASER may (a) terminate this Agreement by written notice to the SELLER within five (5) days after receipt of a cure notice specifying an uncured objection; or (b) subject to the provisions set forth below, proceed to close the transaction contemplated herein despite the uncured objection.

5.2. Survey and Legal Description. Within thirty (30) days of the Effective Date of this Agreement, SELLER shall provide PURCHASER with: (i) a survey prepared by a registered land surveyor or engineer licensed in the State of Florida showing the boundaries of the land, and the location of any easements thereon and certifying the number of acres (to the nearest one thousandth acre) of land contained in the Property, all buildings, improvements and encroachments; and (ii) a correct legal description of the Property which, upon approval thereof by PURCHASER and SELLER (not to be unreasonably withheld), shall be the legal description used in the deed of conveyance. The survey and legal description shall be prepared and certified by a surveyor licensed and registered in the State of Florida and shall comply with the requirements of the survey map established in connection with the issuance of an owner's title insurance policy on the Land. The survey shall be certified to PURCHASER and the title insurance company issuing the title insurance.

6. PURCHASER'S REPRESENTATIONS.

PURCHASER hereby represents and warrants to the best of its knowledge that all of the following are true and correct:

6.1 PURCHASER has full power and authority to enter into this Agreement and to assume and perform all of its obligations hereunder.

6.2 The execution and delivery of this Agreement and the consummation of the transaction contemplated hereunder on the part of the PURCHASER do not and will not violate the corporate or organizational documents of PURCHASER and will not conflict with or result in the breach of any condition or provision, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any of the terms of any contract, mortgage, lien, lease, agreement, indenture, instrument or judgment to which the PURCHASER is a party.

6.3 No action by any federal, state, municipal or other governmental department, commission, board, bureau or instrumentality is necessary to make this Agreement a valid instrument binding upon PURCHASER in accordance with its terms and conditions.

All of the representations, warranties and covenants of PURCHASER contained in this Agreement or in any other document, delivered to SELLER in connection with the transaction contemplated herein shall be true and correct in all material respects and not in default at the time of Closing, just as though they were made at such time.

7. CONDITIONS PRECEDENT TO CLOSING.

Each of the following events or occurrences (“Conditions Precedents”) shall be a condition precedent to PURCHASER'S obligation to close this transaction:

- (a) PURCHASER has completed its inspection of the Property, and performed all of its obligations and conditions of this Agreement.
- (b) SELLER has performed all covenants, agreements and obligations, and complied with all conditions required by this Agreement to convey clear and marketable title of the Property to PURCHASER, prior to closing.
- (c) The Lake Worth Community Redevelopment Agency Board of Commissioners has approved this Purchase and Sale Agreement and the Development Agreement which is attached hereto as **Exhibit “B”**.

8. CLOSING DOCUMENTS.

8.1 At Closing, SELLER shall deliver to PURCHASER a Special Warranty Deed, Bill of Sale, if applicable, No Lien/Gap Affidavit, Non-Foreign Certification in accordance with Section 1445 of the Internal Revenue Code, 1099 Form and any other documents as listed as title requirements in Schedule B-I of the Title Commitment to assure the conveyance of good and

marketable fee simple title of the Property to the PURCHASER.

8.2 At Closing, SELLER and PURCHASER shall execute the Development Agreement, in a form substantially similar to the Development Agreement that is attached hereto as **Exhibit "B"**, and incorporated herein by reference. The Development Agreement outlines the responsibilities of the PURCHASER to the SELLER and SELLER to the PURCHASER relative to the development of the Property. PURCHASER and SELLER acknowledge that the Development Agreement shall be recorded simultaneously with the Deed. The Development Agreement shall survive the Closing.

9. CLOSING COSTS, TAXES AND PRORATIONS.

9.1 Ad Valorem Taxes. PURCHASER and SELLER shall comply with Section 196.295, Florida Statutes, with respect to the payment of prorated ad valorem taxes for the year of closing into escrow with the Palm Beach County Revenue Collector. In the event that, following the Closing, the actual amount of assessed real property tax on the Property for the current year is higher than any estimate of such tax used for purposes of the Closing, the parties shall re-prorate any amounts paid or credited based on such estimate as if paid in November. This shall survive the Closing.

9.2 Seller's Closing Costs. SELLER shall pay for the following items prior to or at Closing:

a) Cost of providing marketable title as provided herein;

9.3 Purchaser's Closing Costs. PURCHASER shall pay for the following items prior to or at Closing,

a) Documentary Stamps on the deed as provided under Chapter 201, Florida Statutes;

b) Recording fees of the Warranty Deed, Mortgage, if any, and any other instrument as required to be recorded in the Public Records, and

c) Cost of obtaining owner's title insurance policy.

10. CLOSING DATE AND PLACE.

The Closing will take place on or before the expiration of thirty (30) calendar days following the final approval of the Site Plan for the Property by the City of Lake Worth. The closing shall take place at the CRA offices located at 29 South "J" Street, Lake Worth, FL 33460, or such other location as the SELLER may designate. With respect to such approval of the Site Plan, Purchaser shall not be deemed to have obtained such approval until all appeal periods have passed without any appeal having been taken, or, if any such appeal has been taken, such appeal(s) have been finally and conclusively

been resolved in Purchaser's favor.

11. TERMINATION AND DEFAULT.

11.1 Termination by Purchaser. In the event that any inspections as set forth in Section 3. herein and any review of documents conducted by the PURCHASER relative to the Property, prior to the approval of the Site Plan, prove unsatisfactory in any fashion, the PURCHASER, at its sole discretion, shall be entitled to terminate this Agreement. PURCHASER will provide written notice of said termination by mail or facsimile to SELLER no later than the date of approval of the Site Plan by the City of Lake Worth.

11.2 Termination by Seller. In the event that the PURCHASER does not obtain site plan approval for the Property on or before March 1, 2016, the SELLER may terminate this Agreement by providing a written notice of termination to the PURCHASER.

11.3 Default. In the event of a default by SELLER, SELLER shall pay to PURCHASER all funds expended by PURCHASER on the development, improvement or maintenance of the Property, prior to the Closing Date and after the Property is allocated to the PURCHASER at the Property Acquisition Committee Meeting,. Further, if SELLER defaults, PURCHASER shall have the election of the following remedies: (1) seek damages incurred by PURCHASER resulting from SELLER'S default; or (2) equitable relief to enforce the terms and conditions of this Agreement through a decree for specific performance and/or injunctive relief.

In the event of default by PURCHASER, SELLER shall have the election of the following remedies: (1) seek damages incurred by SELLER resulting from PURCHASER'S default, including without limitation; or (2) equitable relief to enforce the terms and conditions of this Agreement through a decree for specific performance and/or injunctive relief.

12. BROKER.

The parties each represent to the other that they have not dealt with any real estate broker, real estate salesman or finder in conjunction with this transaction who is entitled to a fee or brokerage commission in accordance with Florida law.

13. ENFORCEABILITY.

If any provision in this Agreement shall be held to be excessively broad, it shall be construed, by limiting and reducing it, to be enforceable to the extent compatible with applicable law. If any provision in this Agreement shall, notwithstanding the preceding sentence, be held illegal or unenforceable, such illegality or unenforceability shall not affect any other provision of this Agreement.

14. NOTICE.

All written notices shall be deemed effective if sent to the following places:

PURCHASER: Michael Pecar, Real Estate Development Director
510 24th Street, Suite A,
West Palm Beach, FL 33407
Telephone No. (561) 832-6776
Facsimile No. (561) 832-0483

With Copy to: Terri Murray, Executive Director
510 24th Street, Suite A,
West Palm Beach, FL 33407
Telephone No. (561) 832-6776
Facsimile No. (561) 832-0483

SELLER: Lake Worth Community Redevelopment Agency
29 South J Street
Lake Worth, Florida 33460
Attn: Ms. Joan Oliva

With Copy to: David N. Tolces, Esq.
GOREN, CHEROF, DOODY & EZROL, P.A.
3099 East Commercial Boulevard, #200
Fort Lauderdale, Florida 33308
Tel: (954) 771-4500
Fax: (954) 771-4923

15. GOVERNING LAW & VENUE.

This Agreement shall be governed by the laws of the State of Florida. Each party agrees that the Circuit Court for the Fifteenth Judicial Circuit in and for Palm Beach County shall be the exclusive jurisdiction and venue of any litigation or special proceeding to resolve any dispute or claim arising from or related to or connected with this Agreement, including any claims based upon equity, statute, common law or rule. The parties hereby waive any objection to such forum based upon venue or forum non convenient grounds.

16. ENTIRE AGREEMENT.

All prior understandings and agreements between SELLER and PURCHASER are merged in this Agreement. This Agreement completely expresses their full agreement.

17. AMENDMENT.

No modification or amendment of this Agreement shall be of any force or effect unless in writing and executed by both SELLER and PURCHASER.

18. SUCCESSORS.

This Agreement shall apply to and bind the executors, administrators, successors and assigns of SELLER and PURCHASER. Any assignment of this Agreement must be approved by the Lake

Worth CRA Board of Commissioners.

19. COUNTERPARTS:

This Agreement may be executed in two or more counterparts, each of which shall be taken to be an original and all collectively deemed one instrument. The parties hereto agree that a facsimile copy hereof and any signatures hereon shall be considered for all purposes as originals.

20. LITIGATION COSTS.

In connection with any litigation arising out of this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party all costs and expenses incurred, including its reasonable attorney's fees at all trial and appellate levels and post judgment proceedings.

21. WAIVER OF JURY TRIAL.

Each party hereby knowingly, voluntarily and intentionally waives any and all rights it may have to a trial by jury in respect of any dispute, litigation or court action (including, but not limited to, any claims, crossclaims or third-party claims) arising from, growing out of, or related to this Agreement. The parties acknowledge that this waiver is a significant consideration to, and a material inducement for the parties to enter into this Agreement. Each party hereby certifies that no representative or agent of the other party has represented, expressly or otherwise, that either party would not, in the event of such litigation, seek to enforce this waiver of right to jury trial provision.

21. PRECEDENCE.

In the event of conflict, handwritten provisions shall take precedence over typewritten and printed provisions. Typewritten provisions shall take precedence over printed provisions.

22. DRAFTING.

This Agreement has been negotiated and drafted mutually by the parties and shall be construed and interpreted as if both parties drafted same so that neither party shall be entitled to the benefits of any rules of construction, interpretation or enforcement against the drafters.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates indicated above:

Witnesses:

SELLER:
Lake Worth Community Redevelopment
Agency

By: Joan Oliva
Title: Executive Director

Signed on _____

PURCHASER:

NEIGHBORHOOD RENAISSANCE,
INC., a Florida not-for-profit corporation

ATTEST:

Print Name: _____
Title: _____

By: _____
Print Name: _____
Title: _____

Signed on _____

(CORPORATE SEAL)

EXHIBIT "D"
APPLICATION FOR ARTISTS

LAKE WORTH COMMUNITY REDEVELOPMENT AGENCY
ARTIST'S LOFTS & SINGLE FAMILY HOMES

ARTIST CERTIFICATION APPLICATION



Name: _____

Street Address: _____

Apt Number if applicable: _____

City/State/Zip Code: _____

Telephone #1: _____ Telephone #2 (if different from # 1): _____

Email address if available: _____

Describe briefly your living/working space needs:

What is your primary artistic discipline:

___ **Visual Arts:**

- ___ Crafts
- ___ Painting / Drawing
- ___ Printmaking
- ___ Sculpture
- ___ Photography
- ___ Woodworking
- ___ Architecture/Design
- ___ Other: _____

___ **Media Arts:**

- ___ Film/Video
- ___ New Media Specify
- ___ Other: _____

___ **Performing Arts:**

- ___ Dance
- ___ Theatre
- ___ Music
- ___ Performance Art
- ___ Other : _____

___ **Literary Arts:**

- ___ Fiction
- ___ Non-Fiction
- ___ Other: _____

Check List of Attachments:

Please note which of the following items are included with your application (check all that apply):

Support materials:

Up to 20 slides or digital images on CD or DVD (do not put stickers or labels on CD or DVD). Do not use just a URL please, as we will not look at it; and/or

Up to 10 minutes of videotape/CD/DVD/audiotape; and/or

Up to 20 production photographs; and/or

Up to 10 reproductions of sketches used in set or costume design; and/or

Up to 30 pages of sample scripts, works of fiction, non-fiction and/or poetry.

Be sure to label all materials with your name, date of the work, and, where appropriate, media, dimensions and/or duration. Work must have been completed within three years of the date of this application. Please include a slide/ image list with date, size and medium of work if slides/digital images are included. Include as much information as possible about each piece of work.

DO NOT SUBMIT ANY ORIGINAL MATERIALS. The LW-CRA will make every effort to handle materials with care but cannot accept responsibility for lost or damaged goods.

*Artist resumes listing professional arts experience (i.e., exhibitions, commissions, teaching, etc.) and educational training. Professional/non-arts related resume/-information is not relevant.

Up to 10 pages of sample programs, invitations, catalogs, and/or press clip.

Up to three letters of recommendations from artists or other arts professionals who are recognized in the local community attesting that you are a serious, working artist.

Return-addressed, stamped envelope

PLEASE DO NOT USE STAPLES, BINDERS OR OTHER PACKAGING. PAPER CLIPS ONLY. The LW-CRA will only return support materials when an artist provides a returned addressed stamped envelope. Other materials will be discarded after the review process is complete. BE SURE THE ENVELOPE HAS ADEQUATE POSTAGE FOR ALL MATERIALS THAT ARE SUBMITTED (or specify which of the materials you would like returned).

*Artist – an “artist” for the LW-CRA NSP-2 program is defined as an individual with a record of professional accomplishment demonstrated through continuous public presentation and peer acceptance as either an emerging artist of outstanding promise or as an established artist with a recognized body of work. A determination of “artist” status is dependent on experience, reputation and achievements verified through a resume, letters of recommendation and support materials.

HELPFUL TIPS FOR COMPLETING YOUR APPLICATION.

1. Applications cannot be accepted by email.
2. A website will not be considered supporting material for this application. If you have digital content you would like to submit, please do so using a CD, DVD or as printed material.
3. If you choose to provide letters of support, they must be included with your application package. They should not be mailed separately by your letter-writer.
4. Evidence of public presentation of your work (sample programs, invitations, catalogs, and/or press clips) is important for the review.
5. Students, recent graduates as well as any artist who does not have at least a couple of years of experience as a working artist should expect possible certification only if they have evidence of work created/publicly presented outside of a school setting. Please feel free to call if you have any questions about this suggestion.
6. Do not put "will supply upon request" in response to any aspect of this application. There will not be an opportunity for any such request.
7. As stated in the guidelines, this program certifies applicants who demonstrate that they have a body of work as an artist. Many talented and experienced people work in fields where they use their creative skills as a part of their jobs (architects, graphic designers, some newspaper writers, event producers etc.). Portfolios which include only commercial work (usually characterized as work that is done on commission, for a client, or as a part of a job or direct advance agreement for commercial purposes) will not support certification of an applicant's body of work as an artist. The guidelines and suggestions within this document describe the information and work samples that are most useful for participation in this program.
8. Most people that apply for this program are artists under some definition or another. For the purposes of this program, artists must be able to provide documentation of an artist's body of work as described within the guidelines of this document, and as interpreted by the LW-CRA Staff (not by the applicant).

A FEW LAST QUESTIONS....

1. Please list any of the current sites with artist units where you are applying:
2. Please tell us how you heard about this project; it will help us reach artists in the future:

Newspaper Please specify: _____
 CRA Web Site
 Word of Mouth
 Other: _____

**Send application and supporting materials to:
Artist Certification UAL,
LW Community Redevelopment Agency
29 South "J" Street Lake Worth, FL 33460.**

EXHIBIT "E"
PROJECT BUDGET

PROJECT COST		
Land Purchase		1
Actual Construction Costs		
Building Construction	1,113,75	
Landscape and irrigation	62,996	
Site Work and utilities	83,890	
Fire Protection	77,630	
Elevator	40,000	
General Contractor Fee	212,253	
Contingency	137,827	
A1. Actual Construction Cost	1,728,345	
A1.3 Total Including Land	\$ 1,728,346	
Financial Cost		
Construction Loan Credit Enhance	-	
Construction Loan Interest	87,411	
Construction Loan Orig. Fee	23,310	
Bridge Loan Interest	-	
Bridge Loan Orig. Fee	-	
Permanent Loan Credit Enhanceme	-	
Permanent Loan Orig. Fee	-	
A2. Total Financial Cost	\$ 110,720	
General Development Cost		
Accounting Fees	-	
Appraisal	9,500	
Architect's Fee - Design	92,120	
Architect's Fee - Supervision	25,000	
Builder's Risk Insurance	32,500	
Building Permit	56,331	
Brokerage Fees-Land	-	
Brokerage Fees-Bldg.	-	
Closing Costs-Construction Loan	-	
Closing Costs-Permanent Loan	-	
Engineering Fees	40,000	
Environmental Testing and Report	5,000	
Impact Fees	77,425	
Inspection Fees	5,000	
Insurance First year prefunded	-	
Legal Fees	10,000	
Market Study	7,500	
Marketing and Advertising	15,000	
Property Taxes-during construction	2,000	
Soil Test Report	2,000	
Project Manager Organizational cos	100,000	
Title Insurance	12,848	
Utility Connection Fees	81,686	
Other soft cost contingency	28,696	
A3. Total General Development Cost	\$ 602,606	
PBC Impact Fee Credit Program	-	
PBC Impact Fee Credit prior use	(28,957)	
LWCRA NSP2 Contribution	(700,000)	
Other	-	
C. Development Cost (total)	1,712,715	
D. Developer's Fee	289,526	
Other		
F. Total Development Cost	\$ 2,002,241	



**Annual Income Limits for West Palm Beach and Boca Raton
Metropolitan Statistical Area (MSA)**

FY 2015 Median Family Income

(HOME up to 80%; State, SHIP, NSP up to 120%)

\$64,900

Number of Persons in Household	Extremely Low Income (30%)	Very Low Income (50%)	Low Income (80%)	Moderate Income (120%)
1	\$13,800.00	\$23,000.00	\$36,750.00	\$55,200.00
2	\$15,930.00	\$26,250.00	\$42,000.00	\$63,000.00
3	\$20,090.00	\$29,550.00	\$47,250.00	\$70,920.00
4	\$24,250.00	\$32,800.00	\$52,500.00	\$78,720.00
5	\$28,410.00	\$35,450.00	\$56,700.00	\$85,080.00
6	\$32,570.00	\$38,050.00	\$60,900.00	\$91,320.00
7	\$36,730.00	\$40,700.00	\$65,100.00	\$97,680.00
8	\$40,890.00	\$43,300.00	\$69,300.00	\$103,920.00

Palm Beach County
Mortgage & Housing Investments
*HUD.gov
Florida Housing Finance Corporation Posted 3/16/15;

*Effective March 6, 2015