

NATIONAL HOUSING TRUST FUND PROGRAM AGREEMENT  
FOR RENTAL ACTIVITIES  
BY AND BETWEEN  
ARKANSAS DEVELOPMENT FINANCE AUTHORITY  
AND  
CITY OF JONESBORO

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This Agreement (the "Agreement") is entered into this 31st day of July, 2019, by and between the Arkansas Development Finance Authority (hereafter designated as "ADFA") and the City of Jonesboro (hereafter designated as "Owner").

WHEREAS, ADFA has applied for and received National Housing Trust Fund (hereafter designated as "NHTF") (hereafter designated as the "NHTF Program") funding (hereinafter "NHTF Funds") from the United States Department of Housing and Urban Development (hereinafter designated as "HUD"); and

WHEREAS, Owner has applied for and been approved to construct nine (9) single family detached units, of which nine (9) will be reserved for extremely low income veterans; and

WHEREAS, Owner has evidenced the capacity to construct the affordable housing Project funded in part by this Agreement located in Jonesboro, Arkansas; and

WHEREAS, on or about February 21, 2019, ADFA Board of Directors approved the described use of NHTF Funds and authorized staff to enter into an Agreement with Owner to provide One Million Fifty-Eight Thousand Nine Hundred Twenty-Five Dollars (\$1,058,925.00) in NHTF Funds to construct nine (9) single-family detached units for veterans. Seven (7) of these units will be efficiencies reserved for extremely low income veterans while two (2) of the units will be two-bedroom units reserved for extremely low income veterans.

NOW THEREFORE, ADFA and Owner hereby execute this Agreement to undertake the described affordable housing Project.

FURTHERMORE, ADFA and Owner agree as follows:

I. SCOPE OF SERVICE

- A. Owner shall complete construction of nine (9) units in Jonesboro, Arkansas, more particularly described in Exhibit "A" (hereinafter the "Project"). Seven (7) of the units will efficiencies reserved for extremely low income veterans. Two (2) of the units will be two-bedroom units reserved for extremely low income veterans.
- B. Owner shall construct nine (9) total single family detached units identified above to standards required in Section IV of this Agreement.
- C. All NHTF-assisted units shall be affirmatively marketed for rent to eligible veterans whose total household incomes do not exceed thirty percent (30%) area median income, determined by HUD, adjusted for family size, in accordance with 24 CFR 93.302.
- D. Owner shall establish, for housing constructed under the terms of this Agreement, rent limits which

do not exceed the NHTF limits as established by HUD in 24 CFR 93.302. .

- E. Owner shall establish initial rents and the procedures for future rent increases based on rules and regulations established in 24 CFR 93.302, Rental Housing.
- F. Owner shall provide a detailed construction schedule, attached as Attachment B and acceptable to ADFA, of activities to be completed under this Agreement.

## II. PROJECT FUNDING

- A. ADFA hereby approves the award of NHTF Funds in the amount of One Million Fifty Eight Thousand Nine Hundred Twenty-Five Dollars (\$1,058,925.00) to the Owner as owner of the Project located in the City of Jonesboro, Arkansas.
- B. Owner shall provide a detailed budget (See attached as Attachment A), acceptable to ADFA, indicating usage of all funds in the Project budget, including NHTF Funds provided under this Agreement.
- C. Owner shall ensure NHTF Funds provided under this Agreement will be requested for disbursement only in required amounts and as needed for payment of eligible costs for activities described and approved in this Agreement. Payments will be made by ADFA for eligible expenses actually incurred by Owner, and will not exceed actual cash requirements. ADFA reserves the right to liquidate funds available under this Agreement for eligible costs incurred by ADFA on behalf of Owner. The full amount of the grant, One Million Fifty Eight Thousand Nine Hundred Twenty-Five Dollars (\$1,058,925.00) shall be disbursed as earned by verified performance of activities to be completed under this Agreement. **ANY PROGRAM INCOME GENERATED FROM THIS PROJECT SHALL BE REMITTED TO ADFA.**
- D. NHTF Funds provided under this Agreement will be in the form of a forgivable grant. The NHTF grant will remain a forgivable grant, as long as the development remains in compliance with NHTF and ADFA requirements for the entire affordability period of thirty (30) years.
- E. The Note shall be secured by a Mortgage encumbering the Project in favor of ADFA. The entire outstanding principal balance of the grant shall be due and payable upon sale of the Project or any portion thereof during the applicable affordability period, except that subsequent purchasers of the Project may be approved by ADFA, provided the subsequent purchaser agrees to: 1.) enter into an agreement with ADFA to own and operate the Project as affordable rental housing; and 2.) abide by all applicable NHTF Program requirements.
- F. If for any reason, Owner breaches any term of this Agreement, ADFA may require full repayment of any amounts advanced under this Agreement pursuant to Section VIII, Remedies on Default.
- G. NHTF Funds to be provided under this Agreement are contingent upon ADFA's determination to proceed, modify, or cancel the Project based on the results of a subsequent environmental review in accordance with 24 CFR § 93.301(f)(1).
- H. **NHTF FUNDS TO BE ALLOCATED UNDER THIS AGREEMENT ARE ENTIRELY CONTINGENT UPON THE FOLLOWING PROJECT DEADLINES:**
  - 1) Owner shall obtain all necessary permanent Project financing, including the permanent financing for the required period of affordability within SIX (6) MONTHS of the date of the NHTF Agreement; and

- 2) All Project Owners shall properly request a disbursement of HOME funds in part, and disbursement of funds shall be made by ADFA, no later than TWELVE (12) months after the date of the NHTF Agreement; and
- 3) All construction loan closings shall occur no later than EIGHT (8) MONTHS after the date of the NHTF Agreement. "Construction loan closing" is defined as the recordation of all construction financing loan documents, including, as applicable, the NHTF Deed of Trust and NHTF Regulatory Agreement.

I. THE ALLOCATION OF NHTF FUNDS TO BE PROVIDED UNDER THIS AGREEMENT IS CONTINGENT UPON THE OWNER MEETING ALL DEADLINES SET FORTH HEREIN OR OTHERWISE SET IN WRITING BY ADFA:

(a.) A pre-construction conference conducted by ADFA or in which ADFA is a participant must be held within thirty (30) calendar days of closing all funding sources for the Project; and

(b.) Owner shall provide no cause for ADFA not to be able to issue the Notice to Proceed within ten (10) calendar days of the pre-construction conference; and

(c.) Construction must begin within ten (10) calendar days after the pre-construction conference; and

(d.) If the Project has an award of federal low-income housing tax credits, the Project must be completed and placed in service by December 31st of the second year following carryover allocation; and

(e.) If the Project does not have an award of federal low-income housing tax credits, the Project must be completed and placed in service within two (2) years of the date of the Notice to Proceed.

FAILURE TO MEET ANY OF THE ABOVE PROJECT DEADLINES MAY RESULT IN ADFA'S RECAPTURE OF ANY NHTF FUNDS DISBURSED TO OWNER, CANCELLATION OF THE ENTIRE PROJECT NHTF FUND ALLOCATION AWARD, AND FUTURE APPLICATIONS FOR NHTF FUNDS BEING DENIED BY ADFA, IN ITS SOLE AND ABSOLUTE DISCRETION.

III. AFFORDABILITY

As provided in 24 CFR 93.302, all housing developed with funding provided under this Agreement shall be affordable and available to low-income veterans for a period of thirty (30) years for the NHTF Program, beginning upon the day of project completion. Total combined NHTF Program Period is thirty (30) years. If the housing does not meet the applicable affordability requirements for the full Affordability Period for any reason whatsoever, payment to ADFA of the unforgiven balance of NHTF Funds invested in the Project will be required according to the repayment terms set forth in Section VIII of this Agreement. Owner shall ensure the affordability requirements of the housing for the full Affordability Period through HUD- approved deed restrictions or other HUD-approved mechanisms. Affordability requirements shall be enforced by ADFA via a HUD-approved deed restriction encumbering the Project for the full Affordability Period.

ADFA will complete monitoring audits and will require an Annual Owners Certification to ensure

compliance of Part 93-Housing Trust Fund Code of Federal Regulations during the full term of the affordability period. Monitoring audits will include on-site and internal monitoring audits of project data and records.

#### IV. PROPERTY STANDARDS

- A. All affordable housing developed with NHTF Funds provided under this Agreement shall, upon completion, meet or exceed ADFA Minimum Design Standards , as well as the Property Standards set forth under 24 CFR 93.301. In addition, all housing assisted under this Agreement shall be maintained in compliance with all applicable minimum housing code standards, as established by ADFA, and as well as the Property Standards set forth under 24 CFR 93.301, for the duration of the Agreement and the full term of the required Affordability Period.
- B. Owner shall establish and maintain records for each NHTF-assisted housing unit to ensure adherence to all applicable minimum housing code standards, as established by ADFA, and all state and local housing, zoning, and building codes, as amended. Prior to processing any periodic pay requests for the Project, the Owner's compliance with all Property Standards will be verified by an ADFA inspection. The method of inspection by ADFA to ensure maintenance of required housing standards for the full period of affordability will be in accordance with 24 CFR 93.301 and 93.404(2).
- C. ADFA reserves the right to inspect at any time during normal business hours any and all construction accomplished under this Agreement to assure adherence to applicable Property Standards, minimum housing codes, as established by the local jurisdiction, and all state and local housing, zoning, building and fire codes, as amended. Owner agrees to abide by all policies, rules, and guidelines regarding inspection requirements and costs set forth by ADFA.
- D. Owner shall use only licensed contractors and subcontractors, reputable workmen, material suppliers, and agents acceptable to ADFA in the construction, marketing, and leasing of the housing units to be constructed under this Agreement.

#### V. NOTICES

Communication and details concerning this Agreement shall be directed to the following persons:

ADFA  
Lori Brockway  
NHTF Program Manager  
900 West Capitol Ave., Suite 310  
Little Rock, AR 72203

City of Jonesboro  
300 North Church St.  
Jonesboro, AR 72403  
Attention: Regina Burkett

The contact persons listed above may be changed upon fifteen (15) days' written notice to the other party.

## VI. ADMINISTRATIVE REQUIREMENTS

- A. Owner shall abide by all applicable federal, state, and local laws, regulations, codes, and ordinances in the performance of all activities required by this Agreement, and specifically agrees to adhere to applicable requirements of 24 CFR 93.405 – 93.408.
- B. Audits of the grantee and subgrantees must be conducted in accordance with 2 CFR part 200, subpart F. The use of HTF grant funds by the grantee must be audited not less than annually to ensure compliance with this part. Any financial statement submitted by the grantee to HUD must be reviewed by an independent certified public accountant, in accordance with Statements on Standards for Accounting and Review Services, which is issued by the American Institute of Certified Public Accountants. The recipient will submit to the grantee a cost certification performed by a certified public accountant for each project assisted with NHTF funds. The recipient will submit to the grantee an annual audit performed on each project assisted with NHTF funds, beginning the first year following the cost certification and with the final annual audit occurring the last year of the affordability period.
- C. Owner shall make available to ADFA at any time during normal business hours all financial, compliance and construction records of activities pertaining to funding and the Project covered by this Agreement to allow ADFA to conduct monitoring, performance, and compliance reviews and evaluations. Notwithstanding any other provision in this Agreement, ADFA will monitor the performance of Owner against the activities described in this Agreement. Substandard performance as determined by ADFA shall constitute non-compliance with this Agreement. If action to correct such substandard performance is not taken by Owner within thirty (30) calendar days after being notified by ADFA, suspension or termination procedures may be initiated as specified in Section VIII or Section IX.
- D. Owner shall ensure that no person will be displaced from his or her dwelling as a direct result of activities assisted with NHTF Funds provided under this Agreement. In the event that displacement is unavoidable, the Owner will adhere to the Uniform Relocation Act.
- E. Owner shall affirmatively market all housing units developed under this Agreement to extremely income veterans in compliance with 24 CFR 93.350, Public Laws 88-352 and 90-284 (as amended) and ensure maintenance of documentation of affirmative marketing efforts to such persons. Prior to any funds being disbursed under this Agreement, Owner shall provide an affirmative marketing plan to ADFA documenting the planned affirmative marketing efforts to be undertaken by Owner regarding the Project.
- F. Owner shall not pay any part of funds received under this Agreement for lobbying the Executive or Legislative Branches of the Federal, State, or local government.
- G. Owner shall comply with the provisions of the National Environmental Policy Act of 1969, as applicable to Projects funded under this Agreement, the Flood Disaster Protection Act of 1973, and the Lead-Based Paint Poisoning Prevention Act, and the regulations promulgated thereunder, all as amended as applicable. Owner agrees to comply with the following regulations insofar as they apply to this Agreement, the Clean Air Act, Federal Water Pollution Control Act, Environmental Protection Agency regulations pursuant to 40 CFR 50, all as amended, as well as all other applicable environmental laws and regulations, as applicable. Owner shall ensure maintenance of documentation to evidence compliance with environmental statutes and regulations.

- H. Owner shall establish and ensure the eligibility of tenants leasing housing developed under this Agreement with regard to program requirements specified by the Department of Housing and Urban Development. In addition, Owner shall ensure maintenance of beneficiary information regarding persons assisted under this Agreement, including name, address, family size, social security number, race, sex, income, marital status, and whether the assisted person(s) is elderly, female head-of-household, handicapped, American Indian or Alaska Native, Hispanic, Caucasian, Black or African American, Asian, or Native Hawaiian or Pacific Islander. The information shall be maintained for each housing unit and person(s) or families assisted under this Agreement. Owner shall submit the beneficiary information to ADFA upon request.
- I. Owner shall provide drug-free workplaces in accordance with the Drug-Free Workplace Act of 1988.
- J. Due to Title I of the Housing and Economic Recovery Act of 2008, Section 1131 not making Davis-Bacon applicable to the NHTF in its establishment, this project (funded by the NHTF) does not require adherence to Davis-Bacon standards.
- K. Owner shall ensure compliance with the requirements of Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), Executive Order 11246 (Equal Employment Opportunity), as amended by Executive Order 12086, and the regulations issued pursuant thereto, Executive Orders 11625, 12432, and 12138, which require affirmative actions to encourage participation by minority and women-owned business enterprises. Owner shall ensure that the provisions of this paragraph are included in every subcontract entered into by Owner associated with this Agreement and Project. Owner shall ensure maintenance of records and reports to document compliance with fair housing and equal opportunity requirements.
- L. Owner will ensure that all records required under this Agreement are retained for a period of five (5) years after the applicable required period of affordability has expired. When requested, Owner shall furnish, and cause all its subcontractors to furnish, all reports and information required hereunder, and will permit access to its books, records, and accounts, by ADFA, the Department of Housing and Urban Development or its agent, or other authorized federal officials for purposes of investigation to ascertain compliance with the statutes, rules, regulations, and provisions stated herein.
- M. Owner shall ensure that where employees are engaged in activities not covered under the Occupational Safety and Health Act of 1970, said employees shall not be required or permitted to work, be trained in, or receive services in buildings or surroundings, or under working conditions, which are unsanitary, hazardous, or dangerous to the participants' health or safety.
- N. Owner shall comply with Executive Order 11063, as amended by Executive Order 12259, and shall not discriminate against persons on the basis of race, color, creed, religion, ancestry, national origin, sex, disability or other handicap, age, marital or familial status, or status with regard to public assistance. Owner shall maintain records and documentation to evidence compliance with this

requirement. Owner shall take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include, but are not limited to, the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Owner agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting agency setting forth the provisions of this nondiscrimination clause.

- O. Owner shall comply with Section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Lower Income Persons in Connection with Assisted Projects, and regulations issued pursuant thereto. Owner shall cause a "Section 3 Clause" to appear in all subcontract agreements executed under this Agreement or in connection with this Project and shall take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of Section 3 or the regulations promulgated pursuant thereto. Owner shall not subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of Section 3 and implementing regulations. Further, Owner shall not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of Section 3 and implementing regulations.
- P. Owner shall comply with Title VI of the Civil Rights Act of 1964, (Nondiscrimination in Federal-assisted Programs) as amended, Section 109 of Title I of the Housing and Community Development Act of 1974, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, and the Age Discrimination Act of 1975, along with all applicable regulations associated therewith, all as amended. Owner shall include the provisions of this paragraph in every subcontract entered into by Owner associated with this Agreement or this Project. Owner shall ensure maintenance of records and reports to document compliance.
- Q. Owner agrees that funds received under this Agreement will not be utilized for religious activities, to promote religious interests, or for the benefit of a religious organization.
- R. Owner shall not further encumber the Project pursuant to this Agreement without the prior written approval of ADFA.
- S. Owner shall 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. Owner shall cause the applicable provisions of this Agreement to be included in, and made a part of, any subcontract executed in the performance of this Agreement. Executed copies of all subcontracts entered into by Owner shall be available for review by ADFA, along with documentation concerning the selection process.

## VII. DEBARMENT AND SUSPENSION

Owner certifies that the Owner or its principals:

- A. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation from covered transactions by any federal department or agency;
- B. Have not within a three (3) year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statement(s) or receiving stolen property;

- C. Are not presently indicted for or otherwise criminally charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated above, and;
- D. Have not within a three (3) year period preceding this Agreement had one (1) or more public transactions (Federal, State or local) terminated for cause or default.

#### VIII. REMEDIES ON DEFAULT

In accordance with 24 CFR 93.452, Owner agrees that in the event ADFA determines that a breach of this Agreement has occurred, ADFA may exercise any and all of its rights and remedies under applicable regulations, including the right to terminate this Agreement and recapture or terminate all unforgiven NHTF Funds allocated under this Agreement. More specifically:

- A. Except as provided in Section D below, if ADFA determines that Owner has materially failed to comply with any provision of this Agreement, or with any rules, statutes, regulations, or ordinances referred to herein, ADFA will notify Owner in writing and hand-deliver, with written receipt evidencing the date and time of delivery, or send by certified mail, return receipt requested, such Notice of Default to the party designated to receive such Notices in Section V of this Agreement. For purposes of this section, the term materially means "an important or essential term of the Agreement."
- B. Except as provided in Section D below, ADFA will allow Owner the opportunity to demonstrate compliance with the Agreement requirements in question. Owner shall offer evidence of such compliance within thirty (30) days from receipt of the written Notice of Default. Substantial compliance shall not constitute compliance with the terms and conditions of this Agreement unless ADFA expressly agrees to the substantial compliance in writing.
- C. If Owner fails to demonstrate to ADFA that it has fulfilled the requirement(s), ADFA may, in addition to imposing any of the special conditions specified in 24 CFR 93.452, take corrective or remedial action(s) as follows:
  - 1) Corrective or remedial action will be designed to prevent a continuation of the deficiency, mitigate any adverse effects, and prevent recurrence of the deficiency.
  - 2) Corrective or remedial action may include:
    - a. Preparing and following a schedule of actions for carrying out the affected activities, consisting of schedules, timetables, and milestones necessary to implement the affected activities.
    - b. Establishing and following a management plan that assigns responsibilities for carrying out the remedial actions.
    - c. Canceling or revising activities likely to be affected by the performance deficiency, before expending NHTF funds for the activities.
    - d. Reprogramming NHTF funds that have not yet been expended from affected activities to other eligible activities.



- e. Reimbursing its NHTF account in any amount not used in accordance with the requirements of this part.
  - f. Suspending disbursement of NHTF funds for affected activities.
  - g. Establishing procedures to ensure compliance with NHTF.
- D. No notice of default will be required, and no opportunity to cure a default will be given, where the extent or nature of the default(s) is such that there is a likelihood of material loss, liability, or prejudice to ADFA or the Project, or both, from delay in action.
- E. In the event Owner dissolves the organization, ceases to exist, or becomes unable for any reason to fulfill its obligations under this Agreement, ADFA will require Owner to fully repay to ADFA any unforgiven amounts under this Agreement.
- F. Notwithstanding any other provision of this Agreement, should there be any fraud, misrepresentation, embezzlement, or any other criminal activity associated with this Project, ADFA may pursue all legal and equitable remedies available to it against the Owner.
- G. Any decision regarding corrective, remedial, legal or equitable remedies or actions to be taken regarding this Agreement or Project shall be at the sole option and discretion of ADFA. A decision by ADFA to pursue one course of action shall not constitute a waiver of any other course of action ADFA may pursue under this Section VIII, Remedies on Default.
- H. Pursuant to 24 CFR 93.403(2), should this Agreement be terminated before completion of the Project, either voluntarily or otherwise, any NHTF Funds invested in the Project that is the subject of this Agreement shall be repaid to the ADFA's NHTF Fund in accordance with 24 CFR 93.403.

IX. CANCELLATION OR TERMINATION

ADFA may terminate this Agreement upon thirty (30) days prior written notice to the Owner contact person indicated in Section V of this Agreement. The notice of termination shall set forth the reasons for such termination, the effective date of termination, and in the case of partial termination, the portion of the award to be terminated. However, in the case of partial termination, if ADFA, in its sole and absolute discretion, determines that the remaining portion of the funding provided under this Agreement will not accomplish the purposes for which the award was made, ADFA may terminate the award in its entirety under this section, Section VIII, or 24 CFR 93.403

Funding allocations may be cancelled or reduced and the Agreement may be terminated or amended by ADFA under any one of the following conditions:

- (a.) Owner is not in compliance with the requirements of this Agreement or any other applicable agreement, note, regulation, or law;

- (b.) Implementation of the Project is not in compliance with the time frames and goals stated in Attachment B or other sections of this NHTF Agreement, any approved amendments;
- (c.) funding as stated in the ADFA Board-approved application and NHTF Agreement have not been fulfilled;
- (d.) if Owner does not receive and maintain a carryover allocation pursuant to I.R.C. Section 42, when Owner is approved as a joint application with the low-income housing tax credit program; or
- (e.) the NHTF Department has been notified by HUD, Rural Development, or any other ADFA program that Project funds have been reduced or eliminated.

Upon notification by ADFA that funding is cancelled or reduced and the NHTF Agreement is terminated or amended, the Owner shall complete all work affected by the cancellation or reduction that is in progress and terminate any other activities that were to be paid for with NHTF Funds.

#### X. MISCELLANEOUS PROVISIONS

- A. The officials who executed this Agreement hereby represent and warrant that they have full and complete authority to act on behalf of ADFA and Owner, respectively, and that their signatures below, the terms and provisions hereof, constitute valid and enforceable obligations of each.
- B. This Agreement shall be executed in the original, and any number of executed copies. Any copy of this Agreement so executed shall be deemed an original and shall be deemed authentic for any other use.
- C. The terms and conditions of this Agreement shall be binding upon the parties hereto, their respective successors and assignees.
- D. Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer and employee between the parties. Owner shall at all times remain an independent contractor with respect to the services to be performed under this Agreement.
- E. Owner shall not assign or transfer any interest in this Agreement without the prior written approval of ADFA.
- F. This Agreement shall be construed according to the laws of the State of Arkansas.
- G. Should any part, term or provision of this Agreement, or portions thereof, be determined by a court of competent jurisdiction to be illegal, void or unenforceable, the validity of the remaining portions or provisions shall not be affected thereby.

## XI. INDEMNITY

Owner agrees, to the extent allowable by law, that it shall indemnify and hold harmless ADFA, its officers, agents, directors and employees from:

- A. Any claims or losses for services rendered by any subcontractor, person or firm performing or supplying services, materials or supplies in connection with the performance of this Agreement.
- B. Any claims or losses resulting to any person or firm injured or damaged by the erroneous, willful or negligent acts or omissions, including disregard of Federal, State, and local statutes or regulations, by Owner, its officers, employees or subcontractors in the performance of this Agreement.
- C. Any claims or losses arising from the award of NHTF Funds, any reduction of the NHTF Fund, any reduction of the NHTF Fund award, any termination of the NHTF Fund award, and any recapture of NHTF Funds by the U.S. Department of Housing and Urban Development.
- D. Any claims or losses arising from the failure of Owner to comply with all applicable federal and state requirements, statutes, and laws.

## XII. NON-RECOURSE PROVISION

Notwithstanding any of the foregoing provisions, it is expressly understood by the parties hereto that none of the partners, general or limited, of the Owner shall have any personal liability, and the sole recourse of ADFA shall be the Project and assets of the Owner.

## XIII. TIME OF PERFORMANCE

Owner shall commence Project activities included in Section I., Scope of Services, only after receipt of the ADFA Notice to Proceed. Owner shall complete all activities included in Section I., Scope of Services, within two years from the date ADFA issues the Notice to Proceed. If Owner has an award of LIHTCs, the Project must be completed and placed in service by December 31 of the second year following carryover allocations.

## XIV. TERM OF AGREEMENT

This Agreement shall be in full force and effect from the date first written above and shall remain in force for the full period of affordability applicable to the Project assisted with NHTF Funds under this Agreement.

## XV. AMENDMENT OR MODIFICATION


THE PARTIES MAY AMEND OR MODIFY THIS AGREEMENT AT ANY TIME, PROVIDED THAT SUCH AMENDMENT(S) OR MODIFICATION(S) MAKE SPECIFIC REFERENCE TO THIS AGREEMENT, AND ARE EXECUTED IN WRITING BY A DULY AUTHORIZED REPRESENTATIVE OF BOTH PARTIES. SUCH AMENDMENT(S) OR MODIFICATION(S)

SHALL NEITHER INVALIDATE THIS AGREEMENT, NOR RELIEVE OR RELEASE THE PARTIES FROM THEIR OBLIGATIONS UNDER THIS AGREEMENT.

**City of Jonesboro**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_  
Federal I.D. No.: \_\_\_\_\_

**Arkansas Development Finance Authority**

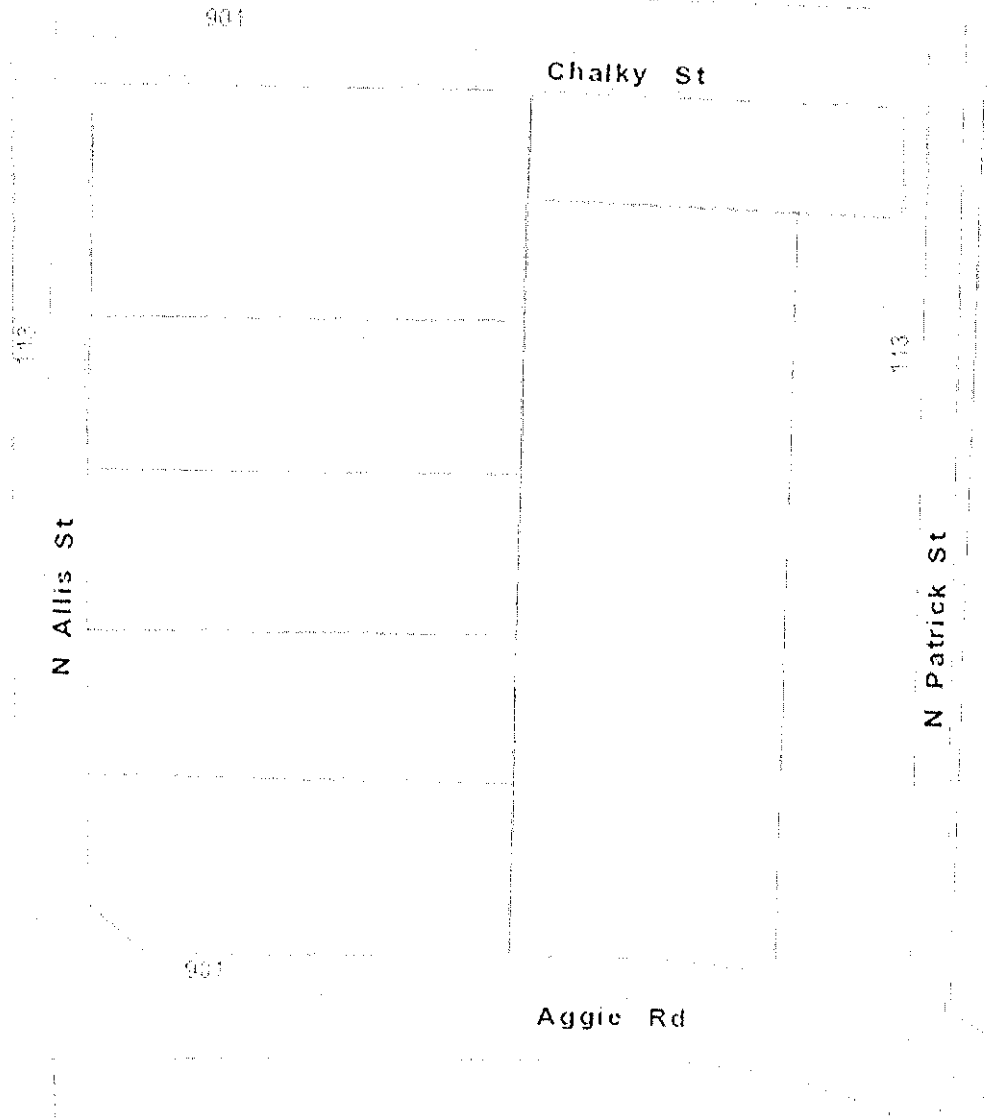
By:  \_\_\_\_\_  
Name: Cheryl Schluterman  
Title: President  
Date: 7/30/19  
Federal I.D. No.: 71-0503641

**Exhibit A**

**Legal Description**

In the County of Craighead, State of Arkansas:

The entire block bounded by Chalky Street on the north, N. Allis Street on the west, Aggie Road on the south, and N. Patrick on the east.





Attachment B

**Project Schedule:**

<u>Activity</u>	<u>Completion Date</u>
Plans and Specs	10/31/2019
Site Acquisition	2/28/2020
Pre-Construction Conference	3/4/2020
Construction Begins	3/31/2020
Construction Complete	6/27/2021
<u>Expenditure of Funds</u>	<u>Completion Date</u>
25%	10/31/2019
50%	3/4/2020
75%	11/28/2020
100%	6/27/2021