

*This document may not be changed without HUD's prior written approval and any approved changes must be placed in a Ryder to the document.*

## MIXED-FINANCE AMENDMENT

### TO THE ~~CONSOLIDATED~~ ANNUAL CONTRIBUTIONS ~~CONTRACT~~ TERMS AND CONDITIONS FOR THE PUBLIC HOUSING PROGRAM (ACC)

I. On \_\_\_\_\_ the United States Department of Housing and Urban Development ("HUD") and \_\_\_\_\_ ("PHA") executed an Annual Contributions Terms and Conditions for the Public Housing Program ("ACC"), which establishes HUD's basic terms and conditions for the PHA's federally funded public housing grant programs.

II. This Mixed-Finance Amendment to the ACC ("Mixed-Finance Amendment") sets forth additional requirements that apply to the public housing units and related appurtenances ("Project Units" or "Project"), which are being developed as part of the larger development known as \_\_\_\_\_ (the "Development"), for which HUD approved a development proposal and related evidentiary documents (together known as the "Development Proposal") on \_\_\_\_\_.

III. The following amendments are made to the ACC and shall apply to the Project Units and/or Project, unless otherwise approved by HUD.

A. Section 3, Encumbrances: The requirements of Section 3 of the ACC are replaced with the following requirements:

~~Section 1. This Mixed-Finance Amendment to the Consolidated Annual Contributions Contract ("Mixed-Finance ACC Amendment") is entered into between the United States Department of Housing and Urban Development (HUD) and \_\_\_\_\_ part of a larger development known as \_\_\_\_\_ (the "Development," as further defined in Section 5(F)). The Public Housing Project number assigned to this project in the HUD PIH Information Center (PIC) is \_\_\_\_\_.~~

~~Section 2. This Mixed-Finance ACC Amendment is Amendment Number \_\_\_\_\_ to the Consolidated Annual Contributions Contract (ACC) (Form HUD-53012A and Form HUD- 53012B) Number \_\_\_\_\_, dated \_\_\_\_\_.~~

~~Section 3. The following sources of public housing funds (the "Public Housing Funds"), as defined in 24 CFR 905.108, are committed to development of the Project and/or the Project Units in accordance with this Mixed-Finance ACC Amendment:~~

<del>SOURCE OF FUNDS PH FUNDS</del>	<del>GRANT NUMBER</del>	<del>AMOUNT</del>
<del>HOPE VI</del>		
<del>Choice Neighborhoods</del>		
<del>Moving-to-Work</del>		
<del>Replacement Housing Factor (RHF)</del>		
<del>Demolition &amp; Disposition Transitional-Funding (DDTF)</del>		
<del>Capital Funds</del>		
<del>Other</del>		
<del>TOTAL</del>		

~~Note: Include funds shown in both Part A and Part B of Exhibit F.~~

~~Section 4. The ACC is amended to provide grant assistance for the Project identified in Section 1 and/or to add the Project Units to the ACC. This Mixed-Finance ACC Amendment is part of the ACC and incorporates Exhibits A-H, which are attached hereto.~~

*Effective Date March 1, 2016*

~~Section 5. The following provisions are applicable to the Project:~~

~~(A) Number of Project Units to be developed:\_\_\_~~

~~(B) \_\_\_\_\_ The Project Units will be (check one): [designated units\_\_\_\_]; [undesigned units\_\_\_\_] in the mixed-finance development.~~

~~(C) Housing Type (Project Units):~~

Type of Building	Number of Public Housing Units
Elevator	
Walk Up	
Row House	
Detached or Semi-Detached	
TOTAL	

~~(D) — The Project Units are (check one): [eligible   ]; [ineligible   ] to receive public housing Operating Fund assistance ("Operating Fund assistance") under section 9(e) of the United States Housing Act of 1937 (42 U.S.C. 1437, et. seq.) ("the Act"). If some or all of the Project Units are eligible to receive Operating Fund assistance, specify the number of eligible units (including the number of bedrooms per unit) that will be eligible to receive such assistance:    units; containing        bedrooms.~~

~~The Project Units shall be eligible to receive Capital Fund assistance in the future following placement in service. However, should Capital Funds be invested in the Project Units, the Project Units must be operated as public housing units, as defined in Section 3(b) of the United States Housing Act of 1937, for an additional period of 20 years from the date of the investment of the Capital Funds in the Project Units.~~

~~(E) — The definitions set forth in 24 CFR part 905 are applicable to this Mixed-Finance ACC Amendment.~~

~~(F) — As used in this Mixed-Finance ACC Amendment, the term "Development" shall refer to the entire housing development, containing    dwelling units, being developed using a mixed-finance strategy, and the term "Project," as used herein, shall refer only to the        units of the Development (containing        bedrooms) which shall be developed and continuously set aside, operated, and maintained as public housing units (the "Project Units"). Nothing contained herein shall be construed as requiring that any dwelling units included in the Development shall at any time be maintained and operated in accordance with the ACC, or constitute part of a "project" as defined in the ACC, other than the units constituting from time to time the Project Units.~~

## Section 6 - Authority certifications and assurances.

~~(A) — By executing this Mixed-Finance ACC Amendment, the Authority certifies to HUD and, as applicable, agrees that:~~

~~(1) — it has executed with HUD a 1995 version of the ACC to facilitate the execution of this Mixed-Finance ACC Amendment;~~

~~(2) — any Project Units to be newly constructed at the Development with Capital Funds under section 9(d) of the Act, or with Operating Funds under section 9(g)(2) of the Act (applicable to small Authorities, only), or other Public Housing Funds are eligible to receive formula funding in accordance with the~~

~~requirements set forth in section 9(g)(3) of the Act;~~

~~(3) — it will not use Public Housing Funds to pay for the development cost of the Project Units if such development would result in a net increase in the number of public housing units that the Authority owned, assisted, or operated on October 1, 1999, as provided in 24 CFR 905.602(b) or successor legislation;~~

~~(4) — it has the legal authority under State and local law to develop public housing units through the establishment or selection of an owner entity (the “Owner Entity”), and to enter into all agreements and provide all assurances as required by HUD, the HUD-approved Development Proposal submitted by the Authority under 24 CFR part 905.606 (“the Proposal”), and this Mixed-Finance ACC Amendment. The Authority also warrants that it has the legal authority under State and local law to enter into any proposed partnership and to fulfill its obligations as a partner thereunder, and that it has obtained all necessary approvals for this purpose;~~

~~(5) — the Project will be developed in accordance with the HUD-approved Proposal, including the same number of Project Units, the budget set forth in Exhibit F of this Mixed-Finance ACC Amendment, and the HUD-determined total development cost (TDC) and housing construction cost (HCC) limits for the Project;~~

~~(6) — it will ensure that the requirements for development of, admission to, continued occupancy of, management, and modernization of the Project Units are in accordance with all requirements applicable to public housing, including the Act, HUD regulations thereunder (and, to the extent applicable, any HUD-approved waivers of regulatory requirements), the ACC, this Mixed-Finance ACC Amendment, the HUD-approved Proposal, other requirements specific to public housing programs, such as HOPE VI and Choice Neighborhoods, if applicable, the Authority’s standard public housing admissions and occupancy policies adopted in accordance with Federal law and described in the Authority’s approved Public Housing Agency Annual Plan, or any approved amendment to the Plan (the “Plan”) or any contrary provisions in the MTW Agreement; *provided, however*, that the Authority may adopt modifications of its standard public housing admissions and occupancy policies for purposes of its mixed-finance projects generally, or specifically for the Project, to the extent these modifications conform with the requirements of Federal law, including but not limited to 24 CFR parts 903, 905, 960, and 966 (and expressly including tenants’ advance notice and comment rights afforded by 24 CFR § 966.3 and § 966.52 relating to modifications of standard public housing lease and grievance procedures, respectively), and such modified admissions and occupancy policies are described in the Plan and made applicable to the Project prior to occupancy, and all other pertinent Federal statutory, executive order, and regulatory requirements, as those requirements may be amended from time to time. The requirements set forth in this paragraph are hereafter to be collectively referred to as the “Applicable Public Housing Requirements”;~~

~~(7) — it will ensure that the Project is developed in accordance with all requirements applicable to the development of public housing, including, without~~

~~limitation, the Act, the ACC (except that any requirement set forth in the ACC shall be superseded by a modified requirement set forth in this Mixed-Finance ACC Amendment), the Mixed-Finance ACC~~

~~Amendment, the Proposal, the HUD-approved declaration of restrictive covenants to be recorded against the Development (the "Declaration"), the requirements of other public housing programs, such as HOPE VI or Choice Neighborhoods, if applicable, and all other pertinent Federal statutory, executive order, and regulatory requirements, as those requirements may be amended from time to time;~~

~~(8) — there is no action, proceeding, or investigation now pending, nor any basis therefore, known or believed to exist by the Authority, which: (i) questions the validity of this Mixed-Finance ACC Amendment, or any action taken, or to be taken, under it, or; (ii) is likely to result in any materially adverse change in the authorities, properties, liabilities, or condition (financial or otherwise) of the Authority or the Proposal, or of any participating party, that would materially or substantially impair the Authority's or such participating party's ability to perform any of the obligations imposed upon it under the Proposal and this Mixed-Finance ACC Amendment;~~

~~(9) — it has obtained all Federal, State, and local government approvals, permits and reviews required by law, or reasonably required by HUD, to be obtained by the Authority for commencement of the activities set forth in the Proposal, and all participating parties have obtained all such approvals, permits and reviews required to be obtained by the participating parties for commencement of such activities;~~

~~(10) — if the Authority will pay for more than its pro-rata share of the cost of common area improvements related to the Development, it further agrees that the common area improvements will benefit all residents of the Development;~~

~~(11) — to the extent the Authority's Proposal provides that public housing units within a Development will not be specifically designated as public housing units, but will be a fixed percentage of the housing units and number of bedrooms developed under the Proposal, the Authority agrees to certify that the percentage of public housing units, and the percentage of bedrooms, to be developed under the Proposal will be maintained by the Owner Entity for the term of the low income use restrictions;~~

~~(12) — it will immediately notify HUD of (i) any material change in any representations, statements, certifications or other matters contained in the Authority's Proposal, this~~

~~Mixed-Finance ACC Amendment, and (ii) any default of which it has notice under any agreement submitted to HUD as part of the evidentiary materials hereunder;~~

~~(13) — it will ensure that the portion of reserves to be replenished with Operating Fund assistance provided under section 9(e) of the Act (the "Project Reserves") shall remain dedicated for use in operating and maintaining the Project Units, or shall be returned to the Authority for use in connection with its other public housing projects;~~

~~(14) — it will ensure that the Applicable Public Housing Requirements are binding upon the Owner Entity and any partner of the Authority and, to the extent determined necessary by HUD, upon any other participating party. In addition, in the event of any noncompliance with the requirements of the Applicable Public Housing Requirements, the Authority agrees to take all necessary enforcement action to ensure such compliance or, alternatively to pursue any legal or equitable remedies that HUD deems appropriate;~~

~~(15) the representations, statements, certifications and other matters contained in the~~

~~Proposal were, to the best of the Authority's information and belief, true and complete in all material respects as of the date of submission of the Proposal to HUD (including the dates of any separate submissions for a specific Authority), and upon the execution of this Mixed-Finance ACC Amendment and will continue to be true and complete in all material respects as of the date of any amendment to this Mixed-Finance ACC Amendment, except as modified by such amendment (and any corollary modification to the Proposal that the Authority deems necessary);~~

~~(16) — this Mixed-Finance ACC Amendment has been executed and delivered by the Authority in such a manner and form as to comply with all applicable laws so as to make this Mixed-Finance ACC Amendment the valid and legally binding act and agreement of the Authority;~~

~~(17) — it will use, or ensure the use of, Program Income during the grant period, in accordance with 2 CFR § Subpart D, only for eligible program costs or other affordable housing purposes as outlined in that certain HUD-approved Program Income Certification, attached hereto as Exhibit H, and incorporated herein by this reference. The Authority agrees that after the end of the award period, any gross income received by the Authority or a sub-grantee that was directly generated by a grant-supported activity (or earned only as the result of funding provided under Section 3 of this Mixed-Finance ACC Amendment), including, without limitation, principal and interest on loans made with grant funds, will be utilized solely for eligible program costs or other affordable housing purposes. This covenant will survive any termination of the grant and, at HUD's direction, may be incorporated into any documentation related to the closeout of the grant;~~

~~(18) — it will take all steps necessary to ensure that, in the event of a foreclosure or other adverse action brought against the Owner Entity with respect to the Development (including, but not limited to the Project Units), the operation of the Project Units will not be adversely affected;~~

~~(19) — The certifications are made to the best of the certifier's~~

~~knowledge, information and belief. The certifier acknowledges that the certifications are subject to HUD's authority to prosecute false claims and the sanctions of 24 CFR 905.804;~~

~~(20) — The Authority shall ensure that the development of the Project Units will be in compliance with labor standards applicable to the development of public housing including, but not limited to, wage rates determined under the Davis-Bacon Act (40 U.S.C. 3141 et seq. ). If the proposed development will include Project Units that are not specifically designated units, the Authority shall ensure that such labor requirements are met with respect to the development of all units that may, at any time, be used as Project Units. Wherever HUD financial assistance is expended for housing or community development, economic opportunities will be made available to the greatest extent feasible, to low and very low income persons and businesses pursuant to section 3 of the Housing and Urban Development Act of 1968. The requirements of Section 3 apply to projects or activities that are funded with covered HUD financial assistance in their entirety, regardless of whether the project or activity is fully or partially funded with covered assistance. "Section 3 covered assistance" is defined at 24 CFR 135.5, and includes PIH operating and capital funds, modernization funding, HOPE VI and other assistance listed in that definition;~~

~~(21) — The Authority has ensured and will continue to ensure the irrevocability, amount, source and availability of financing committed to the Development by the participating party or~~

~~parties. Irrevocability of funds means that binding legal documents, such as loan agreements, mortgages/deeds of trust, partnership agreements, operating agreements, or similar documents committing funds have been executed by the applicable parties, though disbursement of such funds may be subject to meeting progress milestones, avoiding default, and meeting other commercially reasonable conditions precedent under such documents. For developments involving revolving loan funds, the irrevocability of funds means that funds in an amount identified to HUD as the maximum revolving loan have been committed pursuant to legally binding documents, though disbursement of such funds may be subject to meeting progress milestones, the absence of default, and meeting other commercially reasonable conditions precedent under such documents. The Authority has ensured the amount, source and availability of funds by the participating parties by reviewing the legal documents described above, confirming the terms of the documents and confirming that such documents are duly executed by the participating parties;~~

~~(22) — The Authority shall take all steps necessary to ensure compliance with the applicable civil rights laws as stated in 24 CFR 5.105(a), including: nondiscrimination; affirmatively furthering fair housing; and accessibility~~



~~requirements for persons with disabilities; and,~~

~~(23) — HUD's Declaration of Restrictive Covenants is recorded properly under local law and procedures and that it encumbers the property in the order approved by HUD. The terms of the restriction must be in compliance with 42 U.S.C. 1437g(d)(3), as those requirements may be amended from time to time.~~

~~(B) The Authority warrants that it will include, or cause to be included:~~

~~(1) — in all its agreements or contracts with the partner, the Owner Entity, and/or other participating parties receiving Public Housing Funds under section 9(d) of the Act, or other appropriations act or section of the Act, and/or Operating Funds under section 9(e) of the Act, an acknowledgement that a transfer of the Public Housing Funds and/or Operating Funds by the Authority to the partner, the Owner Entity, or other participating party will not be (and shall not be deemed to be) an assignment of Public Housing Funds and/or Operating Funds, and the partner, Owner Entity, or other participating party will not succeed to any rights or benefits of the Authority under the ACC or this Mixed-Finance ACC Amendment, or any other grant documents, such as the HOPE VI or Choice Neighborhoods Grant Agreements, if applicable, or attain any privileges, authorities, interests, or rights in or under the ACC or this Mixed-Finance ACC Amendment, or any other grant documents, such as the HOPE VI or Choice Neighborhoods Grant Agreements, if applicable; and,~~

~~(2) — in all its agreements or contracts with the partner, the Owner Entity, or other participating parties, and in all contracts with any party involving the use of Public Housing Funds and/or Operating Funds, a provision that nothing contained in the ACC or this Mixed-Finance ACC Amendment, or any other agreement, such as the HOPE VI or Choice Neighborhoods Grant Agreements, if applicable, nor in any agreement or contract between the parties, nor any act of HUD, the Authority, or any of the parties, will be deemed or construed to create any relationship of third-party beneficiary, principal and agent, limited or general partnership, joint venture, or any association or relationship involving HUD; provided, however, that the mortgagee under the first mortgage or deed to secure debt and note secured thereby, as said documents are more specifically identified in Exhibit E hereto (respectively, referred to herein as the "First Mortgage" and "Note") shall be entitled to rely upon Section 12(C) and (D) of~~

~~this Mixed-Finance ACC Amendment.~~

~~(C) — The Authority hereby acknowledges that HUD has approved the Proposal in reliance upon the Authority's representations that the Authority, the partner(s), the Owner Entity(ies), and other participating parties will, and the Authority hereby further agrees that it will, or will cause the participating parties to:~~



~~(1) — carry out the activities ascribed to them in accordance with the Proposal and the approved evidentiary documents (as set forth in Exhibit E hereto) and the requirements of this Mixed-Finance ACC Amendment;~~

~~(2) — complete those activities in accordance with the schedule set forth in Exhibit D, including the development of the Project Units;~~

~~(3) — have (or will have when necessary to implement their activities in accordance with the Proposal), the financial capacity to assure carrying out the activities to their completion;~~

~~(4) — invest, or cause to be invested, in the activities described in the Proposal all funds identified in Exhibit F hereto.~~

~~(D) — HUD has also relied upon the Authority's, the Owner Entity's, and the partner(s)'s representations that they and all other participating parties, prior to the use of the Public Housing Funds for the Project (except for predevelopment funding approved by HUD), will enter into legally binding agreements, as identified in Exhibit E to this Mixed-Finance ACC Amendment, to provide funding for completion of the Development in compliance with the requirements of this Mixed-Finance ACC Amendment.~~

## **Section 7 – Evidentiary Materials.**

~~(A) — Identification of Evidentiary Materials. Exhibit E to this Mixed-Finance ACC Amendment shall include a list of all evidentiary materials applicable to the Development.~~

~~(B) — Submission of Evidentiary Materials. The Authority shall submit to HUD for review and approval the following evidentiary materials. Such evidentiary materials must be submitted in the form of legally binding and enforceable commitments of the participating parties to undertake and complete the specified activities connected with the Proposal:~~

~~(1) — This mixed-finance amendment to the ACC executed by the Authority and HUD, along with any required exhibits, as applicable;~~

~~(2) — HUD's Declaration of Restrictive Covenants, to be properly recorded in the appropriate land records, in the form and order of priority approved by HUD. The restriction must assure that the public housing units will be available for use by eligible low-income families in accordance with all Applicable Public Housing Requirements for the period required by law;~~

~~(3) — A Regulatory and Operating Agreement between the Authority and the owner entity that provides binding assurances that the public housing units will be operated in accordance with all Applicable Public Housing Requirements. This Agreement should also describe the methodology for providing operating subsidy to the public housing units in the Development, the Development's reserve structure, and other provisions as required by HUD;~~

~~(4) — A copy of the lease and memorandum of lease between the Authority and the owner entity encompassing all land included in the Development;~~

~~(5) An ALTA survey of the Development;~~

~~(6) A title policy reflecting the following:~~

~~(i) — Evidence of fee simple or leasehold title to the real property which must be in the form of an original ALTA (or other form acceptable to HUD) policy of owner's or mortgagee's title insurance, which must identify the real property and the ownership interests of the Authority, Owner Entity, and other participating parties (as appropriate) as the owners or lessees of record of such property;~~

~~(ii) — The title policy must also reflect any instruments securing any private or public financing, including any loan of Public Housing Funds that have been recorded against the title, and also reflect that the Declaration of Restrictive Covenants, as required by Section 10 of this Mixed-Finance ACC Amendment, is the first encumbrance recorded against the Development, or is recorded in the order approved by HUD, to ensure that the Project Units are operated in accordance with the Applicable Public Housing Requirements for the period required by law and this Mixed-Finance ACC Amendment;~~

~~(7) — A legal opinion prepared by counsel to the Authority and counsel to the Owner, as follows:~~

~~(i) — Counsel must opine to the following for each document submitted as an evidentiary material under Section 7(B) to this Mixed-Finance ACC Amendment:~~

~~(a) — An examination of the authority of all parties to the documents and all persons executing the documents on behalf of the parties has been made and that the parties and said persons were authorized to enter into and execute the documents; and~~

~~(b) — Each document constitutes a valid and legally enforceable~~

~~agreement or contract under the laws of the Authority's State and the commitments and/or agreements evidenced thereby can be carried out in accordance with their terms under State and local law, and conform to the provisions of the Proposal approved by HUD and the requirements of this Mixed-Finance AGC Amendment, and that there is nothing in such document that conflicts with, or is inconsistent with, the Proposal and this Mixed-Finance AGC Amendment.~~

~~(ii)—— Minimally, separate written opinions of the Authority's counsel and the Owner Entity's counsel are required.~~

~~(iii)—— Counsel may rely upon the certification of other persons, or the written statements or opinions of other counsel, provided that a copy of each such certification, statement, or opinion must be attached to the opinion of that counsel.~~

~~(iv)—— If counsel predicates an opinion upon "information and belief," then in all such cases the counsel's opinion must contain, or have attached thereto, a statement or description of all of the information upon which the belief of counsel is predicated.~~

~~(8)—— A revised and updated Proposal consistent with this Mixed-Finance Amendment to the AGC;~~

~~(9)—— A management agreement, management plan and form of tenant lease for the public housing units, if the units will be managed by an entity other than the Authority;~~

~~(10) Mixed-Finance Certifications and Assurances (HUD form 50161); and,~~

~~(11)—— The Authority shall provide such additional documents and certifications as may be required by HUD.~~

~~(C)—— Form of Submission of Evidentiary Materials. All final evidentiary materials submitted to HUD must be in the form of either duplicate originals of the fully executed documents or photographic copies of the fully executed originals of the documents and must be submitted in one complete binder(s) with an index and tabbed dividers or submitted on a CD or other electronic medium approved by HUD, with an index and with each document copied to the CD or other electronic medium as a discrete file. In addition, the submission must include a certification that each document is a true and complete copy of the original, as previously approved by HUD in draft form or, if changes have been made since HUD approval, a list of all substantive changes.~~

~~(D) — Amendment of approved evidentiary materials. After HUD has approved evidentiary materials submitted in accordance with this Mixed-Finance ACC Amendment, the evidentiary material document may not be amended in any material respect without the prior written approval of HUD.~~

~~(E) — Recordkeeping. Except as otherwise required by the ACC and 2-CFR subpart D, the Authority must retain for inspection, upon reasonable notice and request by HUD, all documentation of the mixed-finance closing including, but not limited to: all development agreements, related management agreements, surveys, title policies, zoning assurances, environmental reports and approvals, partnership agreements, ground leases, regulatory agreements, development financing documents, and any recorded documents encumbering the use of the land. The documentation must be retained in one location for the period required by the application regulations or such lesser period of time if the property is disposed to a new owner entity.~~

## **Section 8 – Draw down of Funds.**

~~(A) — The Authority shall ensure that Public Housing Funds are expended only in accordance with the requirements set forth in this Mixed-Finance ACC Amendment and the approved budget set forth in Exhibit F to this Mixed-Finance ACC Amendment.~~

~~(B) — In the event that funds in addition to those set forth in the budget(s) at Exhibit F are received from any source in connection with the Development, such excess funds may only be used, as approved by HUD in writing, for: (1) cost overruns; (2) additional betterments; (3) other purposes for the benefit of the Project residents and/or the Development; or (4) as otherwise approved by HUD.~~

~~(C) The Authority shall request all draw downs of grant funds under the Line of Credit~~

~~Control System (eLOCCS), unless and until another payment system is designated by HUD. The Authority shall comply with all rules, guidelines and notices established for the development of public housing under the e-LOCCS system, or any substitute system, in connection with the draw down of Public Housing Funds.~~

~~(D) — HUD may withhold payments under this Mixed-Finance ACC Amendment in accordance with 2 CFR Subpart D, except that indebtedness of the Authority to the United States, which is not related to a Project under this Mixed-Finance ACC Amendment, shall not be the basis for withholding payments under~~

~~this Mixed-Finance ACC Amendment pursuant to 24 CFR Subpart D.~~

~~(E) — After HUD provides the Authority with written notification that the final evidentiary materials submitted to HUD, as listed in Exhibit E, have been reviewed and approved, the Authority may request a draw-down of Public Housing Funds pursuant to the approved budget in Exhibit F.~~

~~(F) — No grant funds may be drawn down under this Mixed-Finance ACC Amendment during any period in which the Authority has failed to file with HUD any overdue financial report(s).~~

## **Section 9 – Covenant Against Disposition and Encumbrances.**

~~With respect only to the Project under this Mixed-Finance ACC Amendment, Section 7 of the ACC is modified in its entirety to read as follows:~~

1. ~~(A)~~ Neither the Project Units nor any part thereof shall be demolished or disposed of, encumbered in any way, or the assets of the Project pledged as collateral for a loan, other than in accordance with the terms of the ~~Applicable~~ Public Housing Requirements and only with prior written approval of HUD, so long as this Mixed-Finance ~~ACC~~ Amendment remains in force with respect to the Project, with the exception of: ~~(1) mortgages identified in Exhibit B of this Mixed-Finance Amendment which have been approved by HUD, (2) dwelling leases with eligible families for the Project Units; and (3) normal uses associated with the operation of the Project,~~

a. Mortgage, deeds of trust, and other financing arrangements approved as part of the Development Proposal;

b. Dwelling leases with eligible families living in the Project;

c. Conveyance or dedication of land for use as streets, alleys, or other public rights-of-way, and grants and easements for the establishment, operation and maintenance of public utilities approved as part of the Development Proposal;

d. A memorandum of ground lease for record against the Project prior to recordation of the HUD restrictive covenant, as approved by HUD as part of the Development Proposal; and,

e. Normal uses associated with operation of the Project.

2. ~~(B)~~ No transfer, conveyance, or assignment of the Project shall be made without the prior written approval of HUD of: ~~(1) any interest of a managing member, general partner, or controlling stockholder (any such interest being referred to as a “Controlling Interest”) of the Owner Entity; or (2) a Controlling Interest in any entity which has a Controlling Interest in the Owner Entity; or~~

a. any interest of a managing member, general partner, or controlling stockholder (any such interest being referred to as a “Controlling Interest”) of the Owner; or

b. a Controlling Interest in any entity which has a Controlling Interest in the Owner; or

c. any other interest in the Owner, or in any partner or member thereof, prior to the payment in full of all equity contributions ~~described in the approved evidentiary documents listed in the Mixed-Finance ACC Amendment, any other interest in the Owner Entity, or in any partner or member thereof,~~ as approved in the Development Proposal.

3. ~~(C)~~ Notwithstanding the foregoing, HUD consent is not required where a business organization that has a limited interest (non-controlling and non-managing) in the Owner ~~Entity~~ transfers a non-controlling and non-managing interest in the business organization, provided that the Owner ~~Entity: (i) provides HUD with written notice of such transfer and (ii) certifies to HUD that the new owner of the limited interest remains obligated to fund its equity contribution in accordance with the terms of the HUD-approved organizational documents of the Owner Entity.~~

a. provides HUD with written notice of such transfer; and

b. certifies to HUD that the new owner of the limited interest remains obligated to fund its equity contribution in accordance with the terms of the organizational documents of the Owner.

4. Notwithstanding the foregoing, the prior approval of HUD shall not be required for the exercise by the investor, i.e., limited partner, limited owner, etc. or its affiliates (“Limited Interest”), of their rights to remove a Controlling Interest of the Owner ~~Entity or partner or member thereof~~ and to designate an affiliate of the ~~investor~~ Limited Interest as a substitute Controlling Interest under the terms of the Partnership Agreement or Operating Agreement, provided that HUD is given prior written notice of default and of the Limited Interest’s intent to exercise its right of removal and appointment under the Partnership

Agreement or Operating Agreement ~~and of the exercise of the removal and appointment right therein~~ (the “Notice”). However, HUD consent shall be required for the appointment of ~~such~~ any permanent replacement Controlling Interest or substitute Controlling Interest ~~to extend~~ beyond a ~~ninety (90)-90~~-day period. Such 90-day period will commence on the date of the Notice (the “Interim Replacement Period”). With notice ~~to~~ and the prior written approval of HUD, the Interim Replacement Period may be extended for an additional 90 days to allow the ~~substitute Controlling Limited Interest of the Owner Entity~~ to find a permanent replacement Controlling Interest acceptable to HUD ~~and all other parties~~, provided that prior to the expiration of such additional 90-day period, the substitute Controlling Interest demonstrates that the ~~investor Limited Interest~~ is continuing to fund (or has already funded) its equity contribution, as required under the Partnership Agreement or Operating Agreement, and that the Project continues to be operated in a manner consistent with the ~~Applicable~~ Public Housing Requirements. ~~Notwithstanding the foregoing, any rights of the investor or its affiliates to appoint a substitute Controlling Interest pursuant to this paragraph remains subject to the prior written approval of the Authority.~~

5. ~~(E)~~ HUD and the Authority PHA authorize ~~the a~~ Controlling Interest to collaterally assign and pledge its interest in the Owner ~~Entity to a Bridge Lender in connection with a Construction Loan Agreement between the Bridge Lender and the Owner Entity dated on or about the date hereof, and to allow the Bridge Lender to a construction and/or permanent lender, and to allow a construction and/or permanent lender~~ to exercise any of its rights pursuant thereto, so long as the Bridge Lender construction and/or permanent lender gives prompt written notice to HUD ~~of at~~ the exercise of time it exercises such rights ~~at the time of such exercise~~ (the “*Pledge Notice*”). However, ~~the~~ consent of HUD ~~and the Authority~~ shall be required for the appointment of any permanent replacement Controlling Interest or substitute Controlling Interest (including Bridge Lender construction and/or permanent lender or its Affiliates) extending beyond a 90-day period. Such 90-day period will commence on the date of the Pledge Notice (the “*Pledge Replacement Period*”). With notice to the Authority PHA and notice and prior written ~~approval consent~~ of HUD, the Pledge Replacement Period may be extended for an additional 90 days to allow ~~the substitute Controlling Interest of the Owner Entity to find a construction and/or permanent lender to find a permanent~~ replacement Controlling Interest acceptable to HUD and the Authority PHA, provided that prior to the expiration of such additional 90-day period, the substitute Controlling Interest demonstrates that the ~~investor Limited Interest~~ is continuing to fund (or has already funded) its equity contribution as required by the Owner’s Partnership Agreement ~~or (or, if the Owner is a limited liability company, the Owner’s~~ Operating Agreement~~)~~ and that Project continues to be operated in accordance with the ~~Applicable~~ Public Housing Requirements.



6. ~~(F)~~ HUD will not unreasonably withhold, delay, or condition a request by the Owner ~~Entity~~ for HUD's consent to an internal reorganization of the corporate or partnership structure of the Owner ~~Entity~~ or any of the partners, members or stockholders of the Owner-~~Entity~~.

B. Section ~~10 – Declaration of~~ 4. Restrictive Covenants: The requirements of Section 4 of the ACC are replaced with the following requirements:

~~With respect only to the Project under this Mixed-Finance ACC Amendment, Section 8 of the ACC is modified in its entirety to read as follows:~~

1. ~~The Authority~~ The PHA shall require the Owner ~~Entity~~ to execute and file ~~for~~ on record against the Development, in the order approved by HUD, ~~a Declaration in the form approved by HUD. The Declaration shall confirm and evidence the Owner Entity's obligation, during the term of this Mixed-Finance ACC Amendment and the Regulatory and Operating Agreement covering the Project Units and during such further period when such approval may be required by law as then in effect,~~ an instrument against the property (which may be in the form of a declaration of trust, declaration of restrictive covenants, or such other document as approved or prescribed by HUD) that encumbers the property and confirms the Owner's obligation to develop, maintain and operate the Project ~~Units~~ in compliance with the ~~Applicable~~ Public Housing Requirements. ~~The Declaration shall provide further that it~~ This instrument may not be modified, amended or released without the prior written approval of HUD.

### ~~Section 11 – Restoration:~~

~~With respect to the Project, as defined in Section 1 of this Mixed-Finance ACC Amendment, Section 13(B) of the ACC is modified in its entirety to read as follows:~~

C. Section 5(e), Restoration: The requirements of Section 5(e) of the ACC are replaced with the following requirements:

1. ~~(B) Taking or Casualty:~~ In the event of a taking or threatened taking by condemnation or other exercise of eminent domain of all or a portion of the Development (collectively a “Taking”) or the occurrence of a fire or other casualty resulting in damage to all or a portion of the Development (collectively a “Casualty”), the following shall apply:

The ~~Authority~~ PHA shall promptly cause the restoration, reconstruction, and/or repair (“Restoration”) of any damaged or destroyed property of the Development, but only to the extent that insurance proceeds or condemnation award proceeds (“Proceeds”) permit and only if Restoration is feasible. The obligation for Restoration, to the extent Proceeds and other funds (if

any are made available by the Owner ~~Entity~~ or the ~~Authority~~ PHA) permit, is also a requirement with which the Owner ~~Entity~~ must comply, if Restoration is feasible. In addition, each mortgagee must permit Restoration if Proceeds permit and if Restoration is feasible (rather than require application of Proceeds to reduce mortgage debt.)

Restoration is deemed “feasible” if (without limitation), following Restoration, the financial viability of the Project would not be materially impaired from its condition prior to the casualty, including (without limitation) if tax benefits would not be materially reduced or if committed sources of debt or equity financing would not be relieved of their obligation to fund as a result of the Casualty. ~~Further, a mortgage may provide and a mortgagee may exercise (with HUD approval as provided below), an option to apply any Proceeds to repayment of the mortgage debt instead of~~

However, a mortgage may provide and a mortgagee may exercise (with HUD approval, as provided below), an option to apply any Proceeds to repayment of the mortgage debt instead of restoration, if any of the following conditions is met in the reasonable determination of the mortgagee or, if different, the lender: ~~(i)-~~

a. there is no substantial certainty of sufficient funds for Restoration (whether from insurance proceeds, a condemnation award or settlement, or other funds that may be provided by the Owner ~~Entity~~, the ~~Authority~~ PHA or other lenders); ~~(ii)-~~

b. there is no substantial certainty that Restoration will be completed prior to the maturity date of the note secured by the mortgage; ~~(iii)-~~

c. if the loan is a construction loan, there is no substantial certainty that committed and sufficient loan repayment sources will be available upon Restoration, completion and loan maturity; ~~(iv)-~~

d. there is no substantial certainty that the operating income of the Development following Restoration will be sufficient to meet all operating costs and other expenses, payments for reserves, and loan repayment obligations relating to the Development; ~~or (vi)-~~

e. there is no substantial certainty that Restoration of the Development to a condition approved by lender will be completed prior to the earlier of the maturity date of the loan or any fixed date resulting from tax credit requirements or otherwise imposed by schedule sources of repayment for the loan.

2. Restoration Is Not Feasible: In the event a lender, Owner ~~Entity~~ and/or ~~Authority-PHA~~ determines that Restoration is not feasible, the ~~Authority-PHA~~ shall apply to HUD for approval not to restore the ~~project~~Project, which shall not be unreasonably withheld, conditioned or delayed. Upon HUD approval not to restore the project, Proceeds shall be applied as follows:

a. ~~(1)~~ to pay-off or reduce outstanding mortgage debt in accordance with the recordation order of the mortgage liens on the Development;

b. ~~(2)~~ to reduce any outstanding indebtedness of the Owner ~~Entity~~ to the ~~Authority-PHA~~ for an unsecured loan;

c. ~~(3)~~ to reimburse the ~~Authority-PHA~~ for any funds disbursed to the Owner ~~Entity~~ for development of the Development other than by loan. Such reimbursement shall include any funds provided by the ~~Authority-PHA~~ for predevelopment work or soft costs;

d. ~~(4)~~ to the Owner ~~Entity~~, in an amount equal to the amount that the Owner ~~Entity~~ or its general partner or managing member is required to pay to any investor member or partner in connection with the Casualty or Taking, as provided for in the Owner ~~Entity's 's~~ limited partnership agreement or operating agreement, such as repurchase of an interest, the triggering of "credit adjusters", or otherwise;

e. ~~(5)~~ to the Owner ~~Entity~~, to the extent not otherwise covered by paragraph ~~(4d)~~, above, in an amount equal to the amount that the Owner ~~Entity~~ is required to pay or distribute upon dissolution in accordance with its limited partnership agreement or operating agreement, including without limitation all debts of the Owner ~~Entity~~ whether to third persons or to partners or members, and whether for funds advanced, property or services, but disregarding for this purpose any provision in the limited partnership agreement or operating agreement for distribution of residual funds.

f. ~~(6)~~ to the ~~Authority-PHA~~ an amount equal to the total "cost of construction" attributable to the Project Units, less the sum of ~~(4a)~~, ~~(2b)~~ and ~~(3c)~~ above; and,

g. ~~(7)~~ to the Owner Entity.

~~For the purposes of this Section 11, the term "cost of construction" shall mean the total cost of developing the Development, less land acquisition costs, if any, included as part of the initial development budget.~~

3. ~~In the event lender, Owner Entity and/or Authority Restoration Is Feasible – Partial Loss: In the event lender, Owner Entity and/or PHA determine that Restoration is feasible, the following requirements shall apply: and less than all of the dwelling units in the Development are damaged, destroyed or lost as a result of casualty or condemnation, the following provisions shall apply:~~

~~(1) Partial loss. In the event that less than all of the dwelling units in the Development are damaged, destroyed or lost as a result of a Casualty or Taking, the following provisions shall apply:~~

a. ~~(i)~~ If the Proceeds are sufficient to restore the Development to the same number of units that existed prior to the Casualty or Taking, the number of Project Units in the Development shall be the same number (and bedroom configuration) that existed prior

to the Casualty or Taking.

b. ~~(ii)~~ If the Proceeds are not sufficient to restore the Development to the same number of units that existed prior to the Casualty or Taking, the number of Project Units in the

Development shall be the same percentage of the total number of units (and bedroom configuration) as existed prior to the Casualty or Taking.

c. ~~(iii)~~ Any excess Proceeds remaining following redevelopment shall be distributed as follows:

i. ~~(a)~~ to pay-off or reduce outstanding mortgage debt in accordance with the recordation order of the mortgage liens on the Development;

ii. ~~(b)~~ to reduce any outstanding indebtedness of the Owner ~~Entity~~ to the ~~Authority~~ PHA for an unsecured loan;

iii. ~~(c)~~ to reimburse the ~~Authority~~ PHA for any funds disbursed to the Owner Entity for development of the Development other than by loan. Such reimbursement shall include any funds provided by the ~~Authority~~ PHA for predevelopment work or soft costs;

iv. ~~(d)~~ to the Owner ~~Entity~~, in an amount equal to the amount that the Owner ~~Entity~~ or its general partner or managing member is required to pay to any investor member or partner in connection with the Casualty or Taking, as provided for in the Owner ~~Entity's~~ s limited partnership agreement or operating agreement, such as repurchase of an interest, the triggering of "credit adjusters", or otherwise;

v. ~~(e)~~ to the Owner ~~Entity~~, to the extent not otherwise covered by paragraph ~~(eiii)~~, above, in an amount equal to the amount that the Owner ~~Entity~~ is required to pay or distribute upon dissolution in accordance with its limited partnership agreement or operating agreement, including without limitation all debts of the Owner ~~Entity~~ whether to third persons or to partners or members, and whether for funds advanced, property or services, but disregarding for this purpose any provision in the limited partnership agreement or operating agreement for distribution of residual funds;

vi. ~~(f)~~ to the ~~Authority~~ PHA an amount equal to the total "cost of construction" attributable to the Project Units, less the sum of ~~(ai)~~, ~~(bii)~~ and ~~(e-iii)~~, above; and,

vii. ~~(g)~~ to the Owner ~~Entity~~.

4. ~~(2)~~ Restoration is Feasible – Total ~~loss~~ Loss: In the event that all of the units in the ~~Development~~ Project are damaged, destroyed or lost as a result of ~~a Casualty or~~

~~Taking~~casualty or condemnation, and lender, Owner and/or PHA determine that restoration is feasible, the following provisions shall apply:

a. ~~(i)~~ If the Proceeds are sufficient to restore the Development to the same number of units that existed prior to the Casualty or Taking, the number of Project Units in the Development shall be the same number (and bedroom configuration) that existed prior to the Casualty or Taking.

b. ~~(ii)~~ If the Proceeds are not sufficient to restore the Development to the same number of units that existed prior to the Casualty or Taking, the number of Project Units in the Development shall be the same percentage of the total number of units (and bedroom configuration) as existed prior to the Casualty or Taking.

c. ~~(iii)~~ Any excess Proceeds remaining following redevelopment, shall be distributed as follows:

i. ~~(a)~~ to pay-off or reduce outstanding mortgage debt in accordance with the recordation order of the mortgage liens on the Development;

ii. ~~(b)~~ to reduce any outstanding indebtedness of the Owner Entity to the ~~Authority~~ PHA for an unsecured loan;

iii. ~~(c)~~ to reimburse the ~~Authority~~ PHA for any funds disbursed to the Owner Entity for development of the Development other than by loan. Such reimbursement shall include any funds provided by the ~~Authority~~ PHA for predevelopment work or soft costs;

iv. ~~(d)~~ to the Owner ~~Entity~~, in an amount equal to the amount that the Owner ~~Entity~~ or its general partner or managing member is required to pay to any investor member or partner in connection with the Casualty or Taking, as provided for in the Owner ~~Entity's~~ 's limited partnership agreement or operating agreement, such as repurchase of an interest, the triggering of "credit adjusters", or otherwise;

v. ~~(e)~~ to the Owner ~~Entity~~, to the extent not otherwise covered by paragraph ~~(e)~~ iii, above, in an amount equal to the amount that the Owner ~~Entity~~ is required to pay or distribute upon dissolution in accordance with its limited partnership agreement or operating agreement, including without limitation all debts of the Owner ~~Entity~~ whether to third persons or to partners or members, and whether for funds advanced, property or services, but disregarding for this purpose any provision in the limited partnership agreement or operating agreement for distribution of residual funds;



vi. ~~(f)~~ to the ~~Authority~~ PHA an amount equal to the total "cost of construction" attributable to the Project Units, less the sum of ~~(a)~~ i, ~~(b)~~ ii and ~~(c)~~ iii, above; and,

vii. ~~(g)~~ to the Owner ~~Entity~~.

5. The term "cost of construction" shall mean the total cost of developing the Development, less land acquisition costs, if any, included as part of the initial development budget.

6. All of the ~~The~~ above ~~provisions shall~~ restoration requirements must be incorporated into or otherwise addressed by the Regulatory and Operating Agreement between the ~~Authority~~ PHA and the Owner ~~Entity~~ (and ground lease, if applicable) and all mortgage documents encumbering the Development shall be consistent with these provisions.

## **Section 12 – Default.**

D. ~~(A)~~Each of Section 9, Substantial Default: In addition to the requirements of Section 9 of the ACC, the following shall constitute an event of substantial default under the ACC:

~~(1) — The draw down of Public Housing Funds, including Capital Funds, Development Grant Funds, HOPE VI Grant Funds, or Choice Neighborhoods Funds, as applicable, under the Proposal in amounts greater than authorized;~~  
~~(2) Breach of any approved performance schedule; or~~

1. the drawdown and/or expenditure of Public Housing Funds is in an amount greater than approved in the Development Proposal or in an amount greater than allowed by the Public Housing Requirements;

2. a serious and material breach of any provision of the Development Proposal;  
and,

3. ~~(3)~~Serious a serious and material breach of any terms, covenants, agreements, provisions, or warranties of:

(i) the Authority, as set forth in this Mixed-Finance ACC Amendment;  
a. the PHA, which in the opinion of HUD, adversely affects the performance obligations of the PHA, the Owner, and/or other participating parties; and

b. ~~(ii)~~the Authority, as set forth in any agreement submitted to HUD as part of the evidentiary materials and entered into between the Authority and the Owner Entity the Owner, partner, or other participating party ~~relating to the Proposal~~, made in any

agreement or document submitted to HUD as part of the Development Proposal, which, in the opinion of HUD, adversely affects the performance obligations of the Authority PHA, the Owner-Entity, partner, and/or other participating parties, ~~as set forth in this Mixed-Finance ACC Amendment; and,~~

~~(iii) the Owner Entity, partner, or other participating party, made in any agreement~~

~~submitted to HUD as part of the evidentiary materials which, in the opinion of HUD, adversely affects the performance obligations of the Authority, the Owner-Entity, partner, or other participating party as set forth in this Mixed-Finance ACC Amendment.~~

4. ~~(B)~~ HUD shall permit an Owner-Entity, partner, or lender to participate, and may, in its discretion, permit any other participating party to the Development to participate, in any appeal from a notice of substantial default delivered by HUD to the Authority PHA pursuant to ~~Section 17(C) of the ACC~~ this Mixed-Finance Amendment or the Public Housing Requirements, with respect to the Project.

5. ~~(C)~~ During the term of ~~the Regulatory and Operating Agreement~~ any agreement between the Authority PHA and ~~the~~ Owner-Entity, and so long as the Owner Entity shall not be in default of its obligations thereunder, HUD agrees that in the event of ~~a~~ the substantial default by the Authority PHA under ~~the ACC~~ this Mixed-Finance Amendment, HUD shall exercise any remedies or sanctions authorized ~~under by~~ the ACC and this Mixed-Finance Amendment or the Public Housing Requirements, including taking possession of the ~~Authority's~~ PHA's interest in the Project, in such a manner as not to disturb the Owner-Entity's s rights under ~~the Regulatory and Operating Agreement~~ any such agreements.

6. ~~The~~ Any rights of the mortgagee under ~~(D) — the a~~ Note and First Mortgage ~~(if any), including the right to exercise all remedies specified therein),~~ shall not be subordinate to any other obligations imposed upon the Development Project, except as such obligations ~~(4a)~~ shall be reflected in the ~~Declaration, as required by Section 10 of this Mixed-Finance ACC HUD restrictive covenant approved by HUD, as provided for in Paragraph B of this Mixed-Finance~~ Amendment, or a memorandum of lease (if applicable), and/or any other recorded instrument which shall have been recorded prior to the lien of the First Mortgage, or ~~(2b)~~ shall be the subject of a subordination agreement with such mortgagee.

~~[SIGNATURES APPEAR ON THE FOLLOWING PAGE]~~

IV. Terms and Conditions: All other terms and conditions of the ACC shall remain applicable to the Project, unless otherwise waived or amended by HUD.

[\[Signature on the Following Page\]](#)

In consideration of the foregoing covenants, the parties do hereby execute this Mixed-Finance ACC Amendment:

**HOUSING AUTHORITY**

By: \_\_\_\_\_  
(signature)

By ( \_\_\_\_\_ Signature)

~~-(Name):~~ \_\_\_\_\_

~~-(Title):~~ \_\_\_\_\_

**UNITED STATES OF AMERICA**

**Secretary of Housing and Urban Development**

By ~~-(Signature):~~ \_\_\_\_\_  
(signature)

~~-(Name):~~ \_\_\_\_\_

~~-(Title):~~ \_\_\_\_\_

\_\_\_\_\_  
~~Office/Program Center~~ (Field)

Date: \_\_\_\_\_

**EXHIBIT A: Participating Parties**

[Insert the information included in Section 4 of the Development Proposal, which identifies key partners, their role, project interest, relationships and contact information.]

## **EXHIBIT B: Project Description and Project Financing**

[Insert the information included in Section 2 and Section 8 of the Development Proposal.]

## **EXHIBIT C: Type and Number of Units**

Complete the following charts applicable to the Development.

<b>Public Housing Units</b>					
<b>Unit Type</b>	<b>1BR</b>	<b>2BR</b>	<b>3BR</b>	<b>4BR</b>	<b>Total</b>
Detached/Semi-Detached					
Elevator					
Row House					
Walk-up					
<b>Total Public Housing Units</b>					

<b>Public Housing/Low Income Housing Tax Credit Units</b>					
<b>Unit Type</b>	<b>1BR</b>	<b>2BR</b>	<b>3BR</b>	<b>4BR</b>	<b>Total</b>
Detached/Semi-Detached					
Elevator					
Row House					
Walk-up					
<b>Total LIHTC/PH Units</b>					

<b>Project Based Voucher Units</b>					
<b>Unit Type</b>	<b>1BR</b>	<b>2BR</b>	<b>3BR</b>	<b>4BR</b>	<b>Total</b>
Detached/Semi-Detached					
Elevator					
Row House					
Walk-up					
<b>Total PBV Units</b>					

<b>Project Based Voucher/Low Income Housing Tax Credit Units</b>					
<b>Unit Type</b>	<b>1BR</b>	<b>2BR</b>	<b>3BR</b>	<b>4BR</b>	<b>Total</b>
Detached/Semi-Detached					
Elevator					

Row House					
Walk-up					
<b>Total PBV/LIHTC Units</b>					

Low Income Housing Tax Credit Units					
Unit Type	1BR	2BR	3BR	4BR	Total
Detached/Semi-Detached					
Elevator					
Row House					
Walk-up					
<b>Total LIHTC Units</b>					

Other Income Restricted Units					
Unit Type	1BR	2BR	3BR	4BR	Total
Detached/Semi-Detached					
Elevator					
Row House					
Walk-up					
<b>Total Restricted Units</b>					

Unrestricted Units					
Unit Type	1BR	2BR	3BR	4BR	Total
Detached/Semi-Detached					
Elevator					
Row House					
Walk-up					
<b>Total Unrestricted Units</b>					

Total Units					
Unit Type	1BR	2BR	3BR	4BR	Total
Detached/Semi-Detached					
Elevator					
Row House					
Walk-up					
<b>Total Units</b>					

## **EXHIBIT D: Development Schedule**

[Insert the information included in Section 5 of the Development Proposal.]

## **EXHIBIT E**

### **EVIDENTIARY MATERIALS**

A. ——— The following evidentiary materials must be submitted by the Authority to HUD first in draft form for review and approval prior to execution and

~~then re-submitted to HUD in final form after execution and recordation, if required. Final evidentiary materials should be submitted within sixty days of financial closing, along with a certification that no substantive changes have been made to the documents since HUD's initial review of the draft documents or, if changes have been made, a list of all substantive changes must be provided to HUD along with the evidentiary materials.~~

~~The evidentiary materials must be submitted in one complete binder(s) with an index and tabbed dividers or on a CD or other electronic medium approved by HUD, with an index and each document copied to the CD or other electronic medium as a discrete file. All evidentiary materials must be submitted in accordance with the provisions of Section 7(B) of this Mixed-Finance ACC Amendment. The following evidentiary materials must be submitted to HUD:~~

- ~~(1) — This Mixed-Finance ACC Amendment executed by the Authority and HUD, along with all exhibits;~~
- ~~(2) — HUD's Declaration of Restrictive Covenants properly recorded in the appropriate land records, in the form and order of priority approved by HUD. The restriction must assure that the public housing units will be available for use by eligible low-income families in accordance with the Applicable Public housing Requirements for the period required by law;~~
- ~~(3) — A Regulatory and Operating Agreement between the Authority and the Owner Entity that provides binding assurances that the operation of the public housing units will be in accordance with the Applicable Public Housing requirements. This Agreement should also describe the methodology for providing operating subsidy to the public housing units in the development, the development's reserve structure, public housing transformation remedies and other provisions as required by HUD;~~
- ~~(4) — A copy of the lease and memorandum of lease, if applicable, between the Authority and the Owner Entity encompassing all land included in the Development;~~
- ~~(5) — An ALTA survey of the Development (to be reviewed by HUD Field Counsel);~~
- ~~(6) — A final Title Policy showing HUD's Declaration of Restrictive Covenants in a first lien priority position against the fee estate of the development or other order of recording approved by HUD. This should be in the form of an ALTA title policy and receipts of recordation evidencing that the Declaration of Restrictive Covenants has been recorded in the order prescribed by HUD should also be submitted;~~
- ~~(7) — A legal opinion prepared by Authority counsel after due diligence and based on information that is, to the knowledge of counsel, true and correct, opining that the Authority has the legal authority to take all actions and enter into all agreements referenced, and that all such agreements are in accordance with the Applicable Public Housing Requirements;~~
- ~~(8) — A revised and updated Development Proposal consistent with the Mixed-Finance ACC Amendment;~~
- ~~(9) — A management agreement, management plan and form of tenant~~



~~lease for the public housing units, if the units will be managed by an entity other than the Authority;~~

~~(10) Mixed-Finance Certifications and Assurances (HUD form 50161); and~~

~~(11) Any additional documentation required by HUD.~~

~~B. All other evidentiary materials associated with the Project and executed between the parties must also be listed under this section, but are not required to be submitted to HUD. These documents must include, but are not limited to, the following:~~

~~(1) A partnership agreement, membership agreement, development agreement, or other agreement between any of the participating parties, including an agreement between the agency and the owner entity, its partner, or other participating parties, that establishes the rights and liabilities (financial and otherwise) of the parties;~~

~~(2) An amended, or supplementary cooperation agreement between the jurisdiction and the Authority that includes the development or documentation from an authorized official for the applicable jurisdiction that the existing cooperation agreement covers the development or, in the case where the development will pay property taxes, documentation from the jurisdiction showing that the development is consistent with the jurisdiction's Comprehensive Plan (previously known as a comprehensive housing affordability strategy);~~

~~(3) All financing documents, including notes, mortgages, deeds of trust, loan agreements, bond documents, or such other documents that evidence the availability of the participating party(ies) financing, and the amount and source of financing committed to the development;~~

~~(4) The organizational documents of the owner entity.~~

## **EXHIBIT F: Construction and Permanent Development Budgets**

~~[Insert "Construction Budget" and "Permanent Budget" from the Development Proposal Calculator]~~

## **EXHIBIT G: Draw Down Ratio**

~~(sample: insert appropriate funding information)~~

~~1. Public Housing Funds in the amount of \$9,255,690, of which \$6,177,003 are~~

**Capital Funds,**

~~\$2,979,223 are Choice Neighborhoods funds, and \$99,464 are Replacement Housing Factor Funds, shall be funded under the Mixed-Finance ACC Amendment. Of the total \$9,255,690 of Public Housing Funds, \$7,910,609 will be loaned by the Authority to the Owner Entity.~~

~~The remaining \$1,345,081 (\$9,255,690 – \$7,910,609) of Public Housing Funds, which is reflected in Part B of the permanent project budget form found in Exhibit F, shall be used to fund the following internal Authority costs or fund activities paid directly by the Authority in support of the Project. These costs are excluded from the calculation of the drawdown ratio:~~

<del>Authority Administration/Non-Technical Salaries</del>	<del>250,932</del>
<del>Program Management</del>	<del>94,149</del>
<del>Demolition</del>	<del>700,000</del>
<del>Community and supportive Services</del>	<del>300,000</del>
<del><b>Total</b></del>	<del><b>\$1,345,081</b></del>

- ~~2. The aggregate amount of private and other public funds in the amount of \$28,773,483 is projected to be invested permanently in the project after construction are:~~

<del>First Mortgage—FHA</del>	<del>\$17,000,000</del>
<del>Tax Credit Equity</del>	<del>5,172,966</del>
<del>CDBG Funds</del>	<del>5,915,000</del>
<del>City CIP Funds</del>	<del>685,000</del>
<del>General Partner Equity</del>	<del>517</del>
<del><b>Total</b></del>	<del><b>\$28,773,483</b></del>

~~After the end of the construction period, the ratio of public housing funds to total private and other public funds may not exceed \$1.00 of public housing funds to \$3.64 of private and other funds (\$28,773,483 / 7,910,609). After full disbursement, if the ratio of public housing funds to private and other funds invested exceeds \$1.00 to \$3.64, private and other funds must reimburse public housing funds in a sufficient amount to reduce the draw down ratio to not more than \$1.00 in public housing funds to \$3.64 of private and other funds.~~

- ~~3. The portion of public housing funds that will be loaned by the Authority to the Owner Entity will be disbursed in accordance with the construction draw schedule included as Exhibit G-1 to this ACC Amendment and any loan agreement between the Owner Entity and the Authority and/or disbursing agreement by and among the lender, the Authority and the Owner Entity.~~
- ~~4. The specific amounts in the line items for sources and uses of funds set forth in Exhibit F are projections, which are subject to adjustment in accordance with~~

~~the evidentiary documents listed on Exhibit E and are subject to all applicable regulations and OMB Circulars.~~

## **EXHIBIT G-1: Construction Draw Schedule**

~~[Insert "Draw Schedule" from the Development Proposal Calculator.]~~

## **EXHIBIT H – PROGRAM INCOME CERTIFICATION**

~~THIS PROGRAM INCOME CERTIFICATION (the "Certification") is provided by the Authority to the United States Department of Housing and Urban Development ("HUD") in connection with the Development.~~

### **RECITALS**

~~WHEREAS, as described in Section 2 of this Mixed Finance ACC Amendment, the Authority has received financial assistance from HUD for the revitalization of public housing units at the Development ("Federal Grant");~~

~~WHEREAS, Program Income, as defined in 2 CFR subpart D, means gross income generated directly by a grant supported activity or earned as a result of the grant agreement during the Grant Period. The term "Grant Period," as used in this Certification shall mean the period beginning on the date of commencement of the Federal Grant and ending on the close-out date of the Federal Grant.~~

~~WHEREAS, pursuant to 2 CFR subpart D, Program Income includes income from: (i) fees for services, which shall include, but are not limited to, payments to the Authority that may be earned as a developer fee; (ii) the use or rental of real or personal property acquired with grant funds; (iii) the sale of commodities or items fabricated under a grant agreement; (iv) the payments of principal and interest on loans, including bridge loans, funded with grant funds; or (v) other reimbursements, fees, repayments or other income generated by the Federal Grant.~~

~~WHEREAS, Program Income does not include proceeds from the disposition of land.~~

~~The use of such proceeds is governed by 970.9 and the HUD approved disposition plan.~~

~~WHEREAS, this Certification is intended to set forth HUD and the Authority's agreement concerning the use Program Income generated from development of the Project.~~

~~WHEREAS, this Certification is effective concurrent with the day and year of the execution of this Mixed-Finance AGC Amendment.~~

## **~~CERTIFICATION~~**

~~NOW, THEREFORE, the Authority certifies as follows:~~

- ~~1. The foregoing recitals are true and correct and are incorporated herein by reference;~~
- ~~2. It will use the Program Income to carry out the following eligible and approved activities under the Federal Grant:~~
  - ~~a. If the Authority has earned Program Income as part of the developer fee, then the Program Income earned must be used either for this Project or, if applicable, for subsequent phases of the Project as defined in a HUD approved Revitalization Plan. To the extent that funds remain upon completion of the entire Revitalization Plan or if the Project has only one phase and the Program Income is not necessary to complete the Project, the Program Income may be used for affordable housing purposes;~~
  - ~~b. If the Authority has earned Program Income through the repayment of loans funded with public housing funds, then Program Income must be used for affordable housing purposes;~~
  - ~~c. If the Authority has earned Program Income through the repayment of bridge loans funded with public housing funds, then Program Income must be used for the purposes of and under the conditions of the original funding source's grant agreement; and,~~
  - ~~d. If the Authority has earned Program Income through other sources, then Program Income must be used consistent with the terms of this Mixed-Finance AGC Amendment.~~
  - ~~e. For Choice Neighborhoods projects, Program Income must be used in accordance with the Grant Agreement.~~
- ~~3. The Authority projects the receipt of Program Income in the amount of \$\_\_\_\_\_. The source(s) of the Program Income are as~~

follows:

- a. \$\_\_\_\_\_ from a developer fee
- b. \$\_\_\_\_\_ from repayment of loans (if fixed)
- c. \$\_\_\_\_\_ from repayment of bridge loans
- d. \$\_\_\_\_\_ from (identify other sources):

4. ~~Consistent with the requirements of Section 2 above, the Authority intends to use the Program Income listed in Section 3 for the following purposes:~~

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~~(For example: construction of a future phase of the Development, to provide supportive services to public housing residents, to develop additional public housing after completion of the Development.)~~

5. ~~Pursuant to 2 CFR subpart D the Authority will use any additional Program Income for eligible and approved costs under the Federal Grant before drawing down additional funds under the Federal Grant for such activities, unless otherwise approved by HUD, provided, however, incorporation of this Certification into the Mixed-Finance ACC Amendment constitutes HUD's approval of the uses identified in Section 4, above. The Authority agrees that after the end of the award period, any gross income received by the Authority or a sub-grantee that was directly generated by a grant-supported activity (or earned only as the result of funding provided under this Mixed-Finance ACC Amendment, including, without limitation, principal and interest on loans made with grant funds, will be utilized solely for eligible program costs or other affordable housing purposes. This covenant will survive any termination of the grant and, at HUD's direction, may be incorporated into any documentation related to the closeout of the grant. After all eligible and approved activities under the Federal Grant are complete any additional Program Income can be used for affordable housing purposes. This certification expressly survives the~~

~~termination of the Grant Period.~~

6. ~~The Authority has ensured that the terms of this certification are binding on the Authority, its affiliates, sub-grantee(s), and their successors and assigns.~~

7. ~~This Certification may not be altered, modified, or rescinded without the~~

~~prior written approval of HUD.~~

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Summary Report	
Title	pdfDocs compareDocs Comparison Results
Date & Time	11/7/2019 11:30:36 AM
Comparison Time	2.85 seconds
compareDocs version	v4.3.400.132

Sources	
Original Document	D0901373.PDF.docx
Modified Document	D0901369.PDF.docx

Comparison Statistics	
Insertions	101
Deletions	94
Changes	128
Moves	0
Font Changes	0
Paragraph Style Changes	0
Character Style Changes	0
TOTAL CHANGES	323

Word Rendering Set Markup Options	
Name	Standard
<u>Insertions</u>	
<del>Deletions</del>	
<u>Moves</u> / <del>Moves</del>	
Font Changes	
Paragraph Style Changes	
Character Style Changes	
Inserted cells	
Deleted cells	
Merged cells	
Changed lines	Mark left border.
Comments color	By Author.
Balloons	False

compareDocs Settings Used	Category	Option Selected
Open Comparison Report after saving	General	Always
Report Type	Word	Formatting
Character Level	Word	False
Include Headers / Footers	Word	True
Include Footnotes / Endnotes	Word	True
Include List Numbers	Word	True
Include Tables	Word	True
Include Field Codes	Word	True
Include Moves	Word	False
Flatten Field Codes	Word	False
Show Track Changes Toolbar	Word	True
Show Reviewing Pane	Word	True
Update Automatic Links at Open	Word	[Yes / No]



Summary Report	Word	End
Detail Report	Word	Separate (View Only)
Document View	Word	Print
Remove Personal Information	Word	False