

**QUINCY HOME CONSORTIUM
MUTUAL COOPERATION AGREEMENT
TO CONTINUE A CONSORTIUM
UNDER THE
HOME INVESTMENT PARTNERSHIPS PROGRAM**

MUTUAL COOPERATION AGREEMENT made this 28th day of May, 2008, by and between the Towns of Braintree, Holbrook, Milton, Weymouth and the City of Quincy (units of general local government) organized and existing under the laws of the Commonwealth of Massachusetts.

WHEREAS, the Congress of the United States of America has enacted the Cranston-Gonzalez National Affordable Housing Act, HOME Investment Partnerships Program; and

WHEREAS, the U.S. Department of Housing and Urban Development (hereinafter, "HUD") has promulgated regulations, notices, and requirements as now or hereafter in effect, allowing units of general local government to enter into mutual cooperation agreements to form a consortium or continue an existing consortium for the purpose of obtaining funding as a participating jurisdiction under the HOME Investment Partnerships Program (hereinafter, "HOME Program"); and

WHEREAS, the signatory units of general local government have entered into this Mutual Cooperation Agreement in order to access HOME Program funding which otherwise would not have been available to them as individual communities; and

WHEREAS, the signatory units of general local government intend hereby to add new members, Braintree, Holbrook, and Milton to the consortium previously made up of Weymouth and Quincy and to continue to cooperate in undertaking or assisting in pursuing housing assistance activities through the HOME Investment Partnerships Program, as it may be amended, and

WHEREAS, the signatories to this agreement agree to comply with all requirements of HUD regulations and requirements as now or hereafter in effect for eligibility to participate to the maximum extent possible in the HOME Program to create or improve affordable housing for their low and moderate income residents.

NOW THEREFORE, in consideration of the mutual promises contained herein, the parties to this agreement do agree as follows:

SECTION 1 - DEFINITIONS

- a. "Member" means a unit of local government that is a signatory to this Agreement and therefore a member of the Consortium for the purpose of carrying out eligible activities under HUD regulations and requirements as now or hereafter in effect. This includes the lead community, Quincy, when carrying out eligible activities as a member community, but not when acting as Representative Member.
- b. "Representative Member" means a unit of local government designated hereafter as the one member to act in a representative capacity for all members for the purposes of this Agreement, as defined in HUD regulations and requirements as now or hereafter in effect.

- c. “Consortium” means the consortium set up under the HOME Investments Partnership Program with the member communities listed above. This consortium shall be called the Quincy HOME Consortium.
- d. “Consolidated Strategy and Plan” means a Consolidated Plan (including the Annual Action Plan), as defined in HOME Program Regulation §92.2 and required by HUD regulations and requirements as now or hereafter in effect.
- e. “CHDO” means a Community Housing Development Organization, as defined in HUD regulations and requirements as now or hereafter in effect.
- f. “HUD Regulations and Requirements” means those HUD regulations and other requirements that are applicable to the HOME Investment Partnerships Program, principally those at 24 CFR Part 92.
- g. “Consortium Council” means the governing group of the Consortium. It is made up of the Planning Directors or, if none, Town Managers, (or their designees) from the Member Communities. Council shall meet on a periodic basis with the Consortium Administrator (Representative Member designee), to decide issues of policy and procedure.

SECTION 2 - DESIGNATION OF REPRESENTATIVE MEMBER; POWERS AND DUTIES OF REPRESENTATIVE MEMBER

- a. The City of Quincy, acting through its Community Development Director, hereinafter Consortium Administrator, will be designated as and agrees to assume overall responsibility as the Representative Member for this consortium for the purposes of the HOME Program, in compliance with HUD HOME Program statutes, regulations, and instructions, now or hereafter in effect, for the duration of this Agreement.
- b. The Representative Member shall have access to all records of each of the Members related to the use of HOME program funds for the purpose of ensuring compliance with HUD regulations.
- c. The Representative Member shall establish and maintain the local HOME Investment Trust Fund required by HUD regulations and requirements as now or hereafter in effect.
- d. The Representative Member shall establish, with the prior consent of the Member units, such administrative procedures as may be necessary to facilitate the application for and distribution of HOME program funds.
- e. Representative Member may provide technical assistance to the Members upon request. Said assistance shall not relieve each Member from compliance with all relevant HOME regulations, nor unduly burden the Representative Member.
- f. The Representative Member may withdraw funds from the HOME Investment Trust Fund for a particular Member or Member’s project only upon receipt of a written requisition signed by the

Member requesting the disbursement.

- g. The Representative Member shall also be governed by the requirements of the *Program Administrative Guidelines*, dated May 14, 2008, attached hereto and made a part hereof, and as may be amended from time to time.

SECTION 3 - DUTIES OF MEMBER UNITS OF LOCAL GOVERNMENT

- a. Each Member agrees to cooperate in undertaking or assisting in the pursuit of housing assistance activities for the HOME Investment Partnerships Program.
- b. The Consortium collectively acting through its Representative Member and each of its Members, acting through its Planning Director (or other person designated by each Member's chief executive officer), agrees to carry out eligible activities in accordance with the requirements of HUD regulations and requirements as now or hereafter in effect.
- c. Each Member shall be responsible for obtaining the necessary local approvals for acceptance and allocation of HOME program funds.
- d. Each Member is responsible for submitting to the Representative Member all information necessary for participation in the consortium as defined in HUD regulations, requirements, and schedules as now or hereafter in effect. This includes, but is not limited to, information necessary for the Consolidated Strategy and Plan, the HOME Program Description and certifications, written agreements executed with subrecipients, and performance reports.
- e. Each Member shall be responsible for obtaining matching funds or matching fund credits for all of its projects as required by HUD regulations and requirements as now or hereafter in effect.
 - (i) Required matching funds are based on the total match required for all projects of the Consortium as a whole. A single project or group of projects may contribute more match than is required for that project or projects. This additional match credit will be accumulated consistent with 24 CFR 92.218-.222 and assigned first to other projects of the Member contributing the additional match credit. If the contributing Member has no need for the additional match credit, it may be assigned with the written assent of the contributing and receiving Members to other projects within the Consortium.
- f. Project management.
 - (i) Each Member shall be responsible for project management and shall perform all procedures and tasks necessary to develop, design, implement and monitor each specific project and shall fully comply with uniform administrative requirements as stated in HOME Program regulation §92.505. The Member shall describe how each proposed project and site satisfy all applicable HOME Program regulations and the requirements of this Agreement and shall record these determinations in each project/site file together with an official approval memorandum signed by Member's responsible HOME Program staff. For multiple site programs the Member shall provide the proposed program guidelines and any amendments to the same to the Representative Member for review.

- (ii) Prior to implementation of each project, the Member shall submit a project approval checklist to the Representative Member for review and approval. Upon the Representative Member's approval, this checklist shall be referred to as the Project Approval Checklist and the Member may proceed with encumbering funds, or executing contracts pursuant thereto.
 - (iii) At completion of each project, the Member shall submit a Project Compliance Checklist to the Representative Member. Failure to submit a Project Compliance Checklist may result in the Representative Member withholding payment of funds on this or other projects the Member may have outstanding until the Checklist is submitted.
 - (iv) Each member must require housing assisted with HOME funds to meet the affordability requirements of §92.252 or §92.254, as applicable, and must require repayment of the funds if the housing does not meet the affordability requirements for the specified time period.
- g. Each Member shall also be governed by the requirements of the *Program Administrative Guidelines*, dated April 14, 2008, attached hereto and made a part hereof, and as may be amended from time to time.

SECTION 4 - FUNDING

- a. Each Member shall be entitled to the amount of HOME Program funding based on the amount which the Member's participation in the Consortium contributes to total allocation to the Consortium, as determined by HUD, and as detailed in the Annual Action Plan for that funding year.
- b. A Member may voluntarily relinquish, or negotiate with another member an exchange of all, or a portion of, its HOME allocation for this or future funding years, if it does so in writing to the Consortium Administrator. The Administrator will then convene the Consortium Council. The Council may approve, based on project readiness and size (by unit and dollars), the negotiated exchange. In the case of a voluntary relinquishment, the Council will determine which Member or Members will be awarded the funding.
- c. The Representative Member shall be entitled to an additional amount of up to 3% of new Members annual HOME allocation designated for administration and up to 2% of founding Members annual HOME allocation designated for administration for management of the Consortium.
- d. The Representative Member may provide additional services (e.g. lead paint inspections) to a Member, if that Member agrees to transfer a sufficient amount of its administrative funds to the Representative Member to cover those services.
- e. HOME funds will be deposited into and disbursed from the Consortium HOME Investment Trust account established by the Representative Member consistent with HOME Program regulation §92.500 The HOME Investment Trust Fund and §92.502 Program disbursement and information system. All loan repayments, interest, or other returns on investments shall be deposited into this account.
- f. Reservation of HOME Project Funds.
 - (i) Project Set-Up in IDIS (or successor) System. Each Member shall request that the Representative Member "Set up", i.e., establish an activity and reserve funds for a particular site or eligible activity

after meeting all the requirements of the Mutual Cooperation Agreement, the applicable Annual Action Plan and Project Approval Checklist and all other related preliminary agreements.

- (ii) Each Member shall forward a Set-Up Request in writing to the Representative Member, enclosing a HUD Project Set-Up Report together with the Project Compliance Checklist, completed through the project initiation stage. This shall include the applicable information indicating whether acquisition/relocation procedures are triggered, whether any acquisition/relocation procedures have been initiated, and if so which procedures. If not previously submitted, the Member shall also transmit the Environmental Clearance Form. However, the Representative Member will not establish a site or activity in the IDIS System if one or more of the following conditions occur: HUD Set-Up Report is incomplete; the data on the HUD Set-Up Report or other site data are inconsistent with HOME Program requirements; environmental clearance is not complete per Section 10, paragraph b. Environmental Review, or if the required acquisition/relocation procedures are incomplete or inadequate.
- (iii) Each Member shall request project Set-up consistent with the following: For a transaction requiring a check on a specific closing date, submit set-up request at least eighteen days prior to closing and scheduled to coordinate with the Representative Member's two-week cash drawdown cycle.
- (iv) The Representative Member agrees to provide the Member or its designated lower tier recipients and/or contractor(s) with HOME Program funds in the amounts as stated in the Annual Action Plan and Project Approval Checklist, for the purposes described in said Plan and Checklist, provided that the Member has complied with all requirements of the HOME Program and this Agreement.

g. Written Agreements.

- (i) Prior to committing HOME Program funds to a subrecipient, each Member shall enter into a written agreement with that subrecipient including all provisions described in HOME Program regulation §92.504, or its successor.
- (ii) The Member shall include in each such written agreement additional provisions as may be required by HUD and such reasonable requirements as may be requested by the Representative Member consistent with HOME Program regulations and this Agreement.

h. Review of Project Funding Instruments. Each member shall transmit proposed lower-tier funding instruments and agreements to the Representative Member for review consistent with the applicable Consortium guidelines, as they may be amended from time to time. For multiple site programs each Member shall also include the proposed program guidelines. Once multi-site guidelines and funding instruments have been approved by the Representative Member, the Member may execute such funding instruments for a covered site without further review by the Representative Member. Each Member must keep originals or certified copies of all case-specific funding instruments and related documents in project files.

i. Expenditures. The Member shall meet the principles and standards of cost allowability stated in the current OMB Circular A-87, "Cost Principles for State and Local Governments."

j. Processing and Release of Project Funds.

(i) Pre-Release Requirements.

(A) Funding Instruments. Lower tier funding agreements with subrecipients must be executed. Closing documents with funding recipients must be executed or a closing scheduled for the same. **NO FUNDS WILL BE AUTHORIZED OR RELEASED** for work done **PRIOR** to the effective date of this Agreement.

(B) Environmental clearance. **A request for environmental clearance must be submitted to the Representative Member as soon as a site is identified.** Release of funds must have been received from HUD for this project or activity, unless the project has been determined to be “exempt” or “categorically excluded” by the Consortium’s Environmental Compliance Officer. The Representative Member must have approved final site specific environmental documentation.

(C) Set-up Request. The site must have been set-up in the HUD IDIS system as provided in Section 4 - Funding, paragraph f, herein.

(ii) Disbursement Procedure. The Representative Member shall draw down and release HOME funds on a reimbursement or “pay as you go” basis to the Member or on behalf of the Member to such designated subrecipient, contractor, vendor or other recipient as mutually approved by the Representative Member and Member consistent with the following procedure:

(A) Invoice. An invoice requesting payment shall be submitted to the Member by the entity to be paid or reimbursed. Invoices must appear on the letterhead of the entity or another standard invoice form approved by the Representative Member and be signed by an individual authorized by the entity. Each invoice must contain the following information: invoice number, date, name of project, project code, contract number, period of time covered by the requisition, types and amounts of expenditures, and breakdown of funding sources if applicable. Requests for payment shall be limited to the amount currently needed for the payment of eligible costs consistent with HOME Program regulation §92.504(c)(2)(vi).

(B) Approval by Member. Each invoice submitted shall have been reviewed and approved by the Member for accuracy, quantity and quality of work, materials or services provided, consistency with contractual terms, and compliance with all applicable HUD and HOME Program regulations. As required by HOME Program regulation §92.504(c)(2)(vi) the Member shall limit the requested disbursement of project funds to the amount presently needed for payment of eligible costs. For construction projects with 12 or more units, Davis-Bacon compliance must be fully documented for the period covered by the invoice.

(C) Requisition. Each Member shall submit a requisition, using the approved Consortium requisition form, complying with all Consortium requirements and shall attach the approved invoice and any other supporting documentation requested by the Representative Member, to the Representative Member for review and approval. Requisitions for administrative costs must be submitted separately.

(D) Processing Requisition and Checks. The Representative Member will process all approved

requisitions for payment in a manner consistent with Quincy accounts payable procedures. Incomplete or non-conforming requisitions will be returned to the Member. Checks will be mailed to the designated payee unless alternative arrangements have been made with the Representative Member.

(E) General. The Representative Member reserves the right to modify procedures herein as needed to comply with HUD and Quincy requirements. In such case, advance notification will be provided to the Members. Considerations unique to specific projects including but not limited to construction retainage, contingencies, retainage for compliance, and other aspects will be addressed on a case by case basis in a manner mutually acceptable to the Representative Member and Member and shall be described by the Member in a specific Project Description included with the Project Approval Checklist.

k. Reversion of Assets. Upon expiration of this Agreement, each Member shall transfer to the Consortium HOME Investment Trust any HOME funds on hand at the time of expiration and accounts receivable attributable to the use of HOME funds per HOME Program regulations §92.503 and §92.504(c) and HUD Notice CPD 97-09. In the event the Consortium is dissolved, HOME funds and receivables shall remain in the custody of the Member, unless otherwise provided by HUD.

SECTION 5 - SETASIDE FOR COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS

Each Member is responsible for reserving not less than 15 percent of its HOME funds for investment only in housing to be developed, sponsored, or owned by community housing development organizations (CHDOs), in accordance with the Consortium's Program Administration Guidelines and HOME Program regulations §92.300 - §92.303, as they may be amended from time to time.

SECTION 6 - TERM OF AGREEMENT AND RENEWAL

- a. This Agreement shall commence on **July 1, 2009**, and remain in effect during the period necessary to complete all activities funded by Federal Fiscal Year (FFY) 2009, 2010, and 2011 HOME Program grants (i.e. Consortium Program Years 2010, 2011, and 2012) or until the Consortium's status as a participating jurisdiction in the HOME Program is revoked by HUD. Members of the Consortium are on the same program year for the purposes of CDBG, HOME, ESG and HOPWA.
- b. This agreement supersedes all prior agreements made for this purpose and applies to all HOME activities initiated under said prior agreements and that are still active, as well as all HOME activities initiated subsequent to the date of this agreement.
- c. Nothing in this Agreement obligates a Member to become a signatory to a future agreement to continue the Consortium for HOME Program grants subsequent to FFY2011. Each Member shall notify the Representative Member at least 60 days before the effective date of such future agreement if it intends not to become a signatory. Notwithstanding the foregoing, if the following FFY grant information is not available 60 days before the effective date, a Member shall use best efforts to notify the Representative Member as soon as possible – after it receives the grant information.
- d. This Agreement shall automatically be renewed for subsequent three year terms, subject to the following provisions:

- i. By the date specified in HUD’s consortia designation notices, the Representative Member shall notify each Member in writing of its right not to participate for the successive three-year qualification periods. A copy of this notification must be sent to the HUD Boston Office by the date specified in the consortia designation notice. A Member choosing not to renew, must comply with the 60 day notice provision in paragraph 6(c) above.
- ii. In the event HUD changes the requirements for cooperation agreements, as set forth in the Consortia Qualification Notice, this agreement will be amended to comply with such changes. Such amendment will be submitted to HUD in accordance with the Consortia Qualification Notice for that period. Failure to comply will void the automatic renewal of this agreement.

SECTION 7 - REPAYMENT OF FUNDS AND PENALTIES

a. Repayment of HOME Funds to HUD.

- (i) In the event that HUD requires the Representative Member to repay HOME funds disbursed to the Consortium for failure to meet affordability requirements as set forth in applicable HUD regulations (primarily at §92.503), or for any other reason, each Member shall reimburse the Representative Member for the amount of funds required to be repaid on account of that Member’s use of HOME funds. Consistent with the foregoing, the Representative Member, when acting as a Member shall remain solely liable to HUD for repayment of HOME funds originally awarded to the Representative Member, if required, on account of the Representative Member’s use of such HOME funds.
- (ii) In the event that HUD requires repayment of HOME funds by the Representative Member which cannot be attributed to a single Member’s use of such funds, each Member shall be liable to repay to the Representative Member, a proportional percentage of such repayment amount equal to the Member’s portion of the total Consortium HOME Program funding allocation, or such other sum as all the Consortium Members agree to in writing.

b. Cancellation. Each Member agrees to repay the Consortium HOME Investment Trust all HOME funds released to the Member attributable to a project in the event such project is cancelled for any reason, in accordance with §92.503(b)(2). Such repayment shall be made within the time period specified by HUD or other reasonable time period agreed to by the Representative Member.

c. Violations. Each Member who continues to violate any HOME Program regulation or provision of this Agreement, after having an opportunity to cure, shall repay to the Consortium HOME Investment Trust Account any HOME funds disbursed directly or to lower tier recipients, with respect to the site or sites where the violation has occurred, or such amount as HUD determines.

d. Penalties.

- (i) Member. Each Member shall reimburse the Representative Member the full amount of any penalties assessed against the Representative Member by HUD as a result of that Member’s use of HOME funds pursuant to this Agreement. Each Member shall reimburse the Representative Member the Member’s proportionate share of any penalties assessed by HUD against the Representative Member which penalties cannot be attributed to specific Members’ use of HOME

funds. Each Member's proportionate share of such penalty shall be equal to its share of the total Consortium HOME Program funding allocation unless otherwise agreed to in writing by all Members.

(ii) Representative Member. The Representative Member shall reimburse the Consortium the full amount of any penalties assessed against the Consortium by HUD as a result of the Representative Member's failure to comply with HUD regulations.

e. Restriction on Future Funds. The Representative Member may withhold and restrict a Member's access to HOME funds if the Member fails to cure a violation, fails to repay HOME funds or fails to pay the penalties provided for above. Funds withheld in the amounts necessary to repay HOME funds or penalties should be charged against the Member's HOME funds in the following order:

(i) First against the funds for the project or projects in which the violation occurred or which are the subject of dispute between the Representative Member and Member;

(ii) Second against any other HOME funds allocated to the Member in the same fiscal year;

(iii) Finally against HOME funds allocated to such Member in future fiscal years.

If HUD subsequently determines that no violation has occurred, the Representative Member shall make the withheld funds available to the Member for HOME projects. Otherwise such funds are retained for the benefit of the Consortium or in the case of penalties to reimburse the Representative Member or Consortium as the case may be.

SECTION 8 - OPPORTUNITY TO CURE OR DISPUTE VIOLATIONS, LEGAL RECOURSE AND INDEMNIFICATION

a. Opportunity to cure. The Representative Member shall provide a written notice to a Member of the violation of any provisions of this Agreement, an Annual Action Plan or Project Compliance Checklist, or applicable HUD regulations. The notice shall set forth a description of the violation, the steps which must be taken to cure the violation and a reasonable time period established by mutual consent of the parties within which to effect the cure. However, if the parties are unable to agree to a deadline for full compliance, the Representative Member shall establish said deadline. The Representative Member may extend the time for cure if the Member proves its failure to cure was for circumstances beyond its control.

b. Disputing a Violation. If the Member and Representative Member disagree as to whether a violation has occurred, either may request HUD's determination of whether a violation exists. The Member disputing the Representative Member's finding of a violation may expend the subject funds, subject to repayment, unless the Representative Member chooses to withhold the funds.

c. Legal Recourse. In the event that any Member, including the Representative Member acting in its representative capacity, fails to comply with this Agreement, an Annual Action Plan or Project Compliance Checklist, or a HOME Program or other HUD regulation or finding or fails to cooperate with any other Member, the Representative Member or the Consortium in complying with a HUD finding, the Representative Member or any other Member may take any steps necessary to fulfill its obligations to HUD and under this Agreement, including but not limited to legal action.

d. Indemnification for Violations. Each Member shall to the extent permitted by law, hold harmless and defend the Representative Member, the Consortium and the other Members from and against all claims for repayment of HOME project funds attributable to such Member's failure to comply with applicable HUD regulations, this Agreement, or any Annual Action Plan or Project Compliance Checklist, and from penalties, costs and attorneys' fees related to such failure.

SECTION 9 - FAIR HOUSING

a. Each Member agrees to affirmatively further fair housing in accordance with applicable Federal Law, Consolidated Strategy and Plan and with 24 CFR 570.904(c).

b. Affirmative Marketing. Each Member shall adopt and implement affirmative marketing procedures for HOME assisted housing containing 5 or more housing units consistent with the requirements of HOME Program regulations §92.351. Each Member shall summarize these procedures in an affirmative marketing plan for each project. In addition, for projects involving multiple sites, each Member shall, during the course of project implementation, prepare a plan for each site. Documentation of action taken to carry out said site-specific plans shall also be placed in said files.

SECTION 10 - GENERAL PROVISIONS

a. Federal Regulations. The provisions of 24 CFR Part 92, HOME Investment Partnerships Program, Interim Rule published in the Federal Register Vol. 56, No. 241, December 16, 1991 (hereinafter "HOME Program regulations") and all future amendments and revisions to the same are hereby incorporated into and made a part of this Agreement. The Representative Member and Members shall at all times comply with said HOME Program regulations, and shall comply with other related Federal and state statutes and regulations, Executive Orders, OMB Circulars, and all future revisions and amendments to the same. The Members shall become thoroughly familiar with all of the foregoing requirements as applicable and shall ensure that all projects comply in all respects.

b. Environmental Review. The release of funds for all HOME assisted projects and activities is subject to environmental review as set forth in HOME Program regulation §92.352 and 24 CFR 58. Each Member shall prepare and provide to the Representative Member all information necessary to obtain Release of Funds from HUD and documentation to establish specific site clearance consistent with Consortium procedures.

c. Equal Opportunity. Each Member shall comply with all applicable federal and state laws governing discrimination and equal opportunity. In particular, each Member shall ensure compliance with HOME Program regulations §92.350 and the following statutes and executive orders pertaining to Equal Opportunity: Fair Housing Act; Executive Order 11063 (Equal Opportunity in Housing); Civil Rights Act of 1964, Title VI (Nondiscrimination in Federally Assisted Programs); Age Discrimination Act of 1975; Rehabilitation Act of 1973, Section 504; Executive Order 11246 (Equal Employment Opportunity); Housing and Urban Development Act of 1968, Section 3; Executive Orders 11625 and 121432 (Minority Business Enterprise); Executive Order 12138 (Women's Business Enterprise).

d. Labor Standards. Each Member shall comply with and/or ensure compliance with all applicable state

and federal labor laws, including but not limited to the Davis/Bacon Act, 40 U.S.C. 276a-5 et. seq., as applicable pursuant to HOME Program regulations §92.354. In particular, each Member shall comply with and/or ensure compliance with all applicable federal laws and regulations pertaining to labor standards and all future amendments and revisions thereto. Each Member shall require certification as to compliance with the provisions of this paragraph as required by HOME Program regulation §92.354.

e. Records. Each Member shall maintain all applicable records for its project(s) consistent with HOME Program regulations, §92.508 Record-keeping. In addition each Member shall make available copies of all such records as may be requested by the Representative Member for administration of the Consortium.

f. Reports. The Representative Member shall, on behalf of the Consortium submit such reports (with full and complete copies to the Member) as may be required pursuant to HOME Program regulations, §92.509, Performance Reports. Each Member shall cooperate with the Representative Member in providing all data and information specific to each community and projects in such formats and time frame as required by HUD. In addition, each Member shall prepare and submit to the Representative Member the project completion reports required by HOME Program regulation §92.502(d), Submission of project completion reports. This report shall be submitted to the Representative Member within 45 days of the final requisition for HOME funds together with a fully completed Project Compliance Checklist. For multiple site projects, a Project Completion Report and Checklist for each site shall be submitted to the Representative Member within 45 days of the final requisition for HOME funds at each site. Following review of the above for completeness, the Representative Member shall transmit the Project Completion Report on behalf of the Consortium to HUD as required by §92.502(d).

g. Faith-Based Organizations. Each Member shall ensure that any HOME funds disbursed to a faith-based organization are distributed in compliance with 24 CFR 92.257. HOME Program funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for inherently religious activities. They may be used for these purposes only to the extent that those structures are used for conducting eligible activities under 24 CFR 92. Where a structure is used for both eligible and inherently religious activities, HOME funds may not exceed the cost of those portions of the acquisition, construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to HOME funds. HOME funds may not be used for improvements to sanctuaries, chapels, or other rooms that are used as a principal place of worship.

h. Conflict of Interest.

(i) In accordance with HOME Program regulation §92.356, the procurement of property and services by the Consortium, its Members and subrecipients is governed by the conflict of interest provisions stated in 24 CFR 85.36 and 24 CFR 84.42. Each Member shall comply with all applicable federal and state conflict of interest rules and shall endeavor to ensure the compliance with the same by all subrecipients as defined in HOME Program regulations §92.2 or other persons designated to receive HOME funds pursuant to this Agreement. At a minimum, each Member shall make a copy of all applicable conflict of interest provisions available to all recipients of HOME Program funds.

(ii) The conflict of interest provisions of part (i) of this section shall apply to the following persons: any person who is an employee, agent, consultant, officer, elected or appointed official of the Representative Member, or of the Members designated herein, or any state recipient, or subrecipient of HOME funds. None of the foregoing who exercise or have exercised any functions or responsibilities with respect to activities assisted with HOME funds or who are in

position to participate in a decision-making process or gain inside information with regard to these activities, may obtain a financial interest or benefits from a HOME assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter. Any exceptions to the conflict of interest provisions stated or cited herein must be approved by HUD in accordance with HOME Program regulation §92.356(d). Each Member shall advise the Representative Member in writing as to any such exceptions granted by HUD.

i. HOME Project Requirements. Each Member shall perform and carry out the projects as described in the HOME Annual Action Plan during the period covered by this Agreement, consistent with specific Project Descriptions attached to the Project Approval Checklist and in compliance with the requirements of HOME Program regulations Subpart F, Project Requirements, as applicable, depending upon the type of project assisted. Each Member shall comply with the requirements contained in Subparts E and F specifically in HOME Program regulations §92.205 - .215, the income targeting requirements in regulations §92.216 and .217, unit subsidy limits, ... etc. ... stated in regulations §92.250 through .258. Written agreements executed with a subrecipient or other entity shall contain provisions requiring compliance with the regulations cited herein.

j. Ownership, Use, and Disposition of Property. Each Member shall comply with the affordability provisions referenced in HOME Program regulations §92.252 - .256, as applicable, which include income targeting, use requirements, initial and subsequent sale restrictions. For rental projects assisted with HOME funds, each Member shall require that the affordability requirements of HOME Program regulation section §92.252 be enforced by deed restriction or by restrictive covenants running with the land in accordance with HOME Program regulation §92.252(e). If a Member fails to comply with any of the requirements of this provision, the Member shall be required to repay HOME funds disbursed pursuant to this Agreement, consistent with HOME Program regulation §92.503(b). Each Member shall describe, in the Project Descriptions attached to the Project Approval Checklist, the specific restrictions to be utilized for each project.

k. Post-Completion Requirements. Upon completion of a project, each Member shall enforce all applicable short and long-term special requirements. Such requirements include, but are not limited to: compliance with Housing Affordability requirements (see HOME Program regulations §92.252 - 255 and §92.504(c)), and **compliance** with the Housing Quality Standards (see regulation §92.251 **and** §92.504(c)&(d)). Each Member shall require owners of HOME assisted housing to comply with the requirements stated above and all applicable requirements for the duration of the applicable period of affordability and shall incorporate such time period into the duration of agreements executed with lower tier recipients of HOME funds. Prior to the anticipated completion date for each site, each Member shall prepare a plan for each post-completion enforcement responsibility by site and shall include such plans in each site file. Each Member shall notify the Representative Member of compliance with this requirement by completing the Post-completion Plan item on the Project Compliance Checklist for each site.

l. Other Federal Regulations and Provisions. Each Member shall comply with Federal regulations incorporated in HOME Program regulation Subpart G, sections §92.300 through §92.303, Subpart H, sections §92.350 through §92.357, and all other applicable HOME regulations as well as all project requirements per this Agreement, provided that a Member's responsibilities with respect to environmental review contained in Subpart H shall be as stated in **SECTION 10 - GENERAL PROVISIONS**,

paragraph **b.**, Environmental Review above.

m. Lead-Based Paint. Each Member shall remain solely responsible for ensuring that all projects at all times comply with applicable requirements of the Lead Based Paint Poisoning Prevention Act, 42 U.S.C. 4821, et, seq.; Lead-Based Paint Regulations 24 CFR Part 35 and all future revisions and amendments to the same. Each Member shall also ensure that all projects comply with such Lead-Based Paint regulations as may be adopted pursuant to HOME Program regulation §92.355, and with the applicable requirements of the Massachusetts Lead Paint Statute, M.G.L. c.111, s.189A-199B and all future revisions and amendments to the same.

n. Audit and Monitoring.

(i) General. Consortium and Member records shall be audited consistent with 24 CFR 44 (OMB A-128; Government entities) and non-profit subrecipient records shall be audited consistent with OMB A-133. Each Member shall be responsible for the cost of all audits performed on its records and operations pursuant to this section and may use designated HOME administrative funds. Other entities shall be responsible for the cost of their audits, respectively, and shall not use HOME funds for any portion of the cost of such audits unless expressly approved by a Member and included as an authorized cost in the Project Budget. Each Member and/or its subrecipient shall make available all such records and documents as requested by the Representative Member, HUD, and/or the Comptroller General of the United States. Such parties may examine and make copies, excerpts or transcripts from such records and may audit all contracts, procurement records, invoices, materials, payrolls, personnel records, conditions of employment, and all documents relating to all matters covered by this Agreement.

(ii) HUD Performance Reviews and Monitoring. HUD may conduct performance reviews and monitoring of the Consortium and of the Members as provided in HOME Program regulations, §92.550-.552. Each Member agrees to cooperate with HUD and the Representative Member to undertake such remedial action as may be required pursuant to HOME Program regulation §92.551, Corrective and remedial actions.

(iii) Monitoring by the Representative Member. The Representative Member shall perform periodic monitoring of projects on behalf of the Consortium. Such monitoring will include, but shall not be limited to, an annual review of the activities of owners of housing assisted with HOME funds, as applicable in accordance with HOME Program regulation §92.504(d), and an annual review of the performance of each contractor and recipient of HOME Program funds. Each Member shall cooperate with the Representative Member throughout these monitoring procedures and shall implement such corrective action as requested by the Representative Member consistent with HOME Program regulations.

(iv) Monitoring by Member. Each Member shall monitor its recipients in accordance with §92.504(d) to ensure full compliance with all applicable requirements. All monitoring shall be performed in accordance with applicable HUD monitoring guidelines and on forms agreed to by the Representative Member and Members.

o. Indemnification.

(i) Disclaimer. Each Member shall, to the extent permitted by law, hold harmless and defend the

Representative Member, the Consortium, and the other Members from and against all claims arising from any latent, or patent defects in any work performed or services provided with respect to each Member's projects pursuant to this Agreement and any Annual Action Plan or Project Compliance Checklist to the extent permitted by law.

- (ii) Indemnification. Each Member shall to the extent permitted by law, indemnify, hold harmless and defend the Representative Member, the Consortium, and its agents, from and against all claims, damages, losses, and expenses including, but not limited to, attorneys' fees arising out of or resulting from the use of HOME funds disbursed pursuant to this Agreement with respect to each Member's projects, provided that any such claim, damage, loss or expense is (1) attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property, and (2) is caused in whole or in part by any negligent act or omission of a Member, anyone directly or indirectly employed by a Member, or anyone for whose acts the a Member may be liable, regardless of whether or not it is caused in part by a party indemnified hereunder.

p. Insurance. Each Member shall require that all owners, contractors and subrecipients of HOME assisted projects shall at all times maintain certain types of insurance coverage consistent with the character of the project and shall ensure compliance with the following as applicable.

- (i) Certificate of Insurance. At time of closing of a grant or loan providing assistance, each Member shall obtain a certificate of insurance covering the assisted premises. Said certificate shall provide coverages of the types and amounts stated in subparagraphs (A) and (B) herein. The insurance provided shall be maintained for the duration of the note, mortgage or the affordability period, whichever is longer.

(A) The certificate of insurance shall provide, at a minimum, comprehensive general liability insurance and property insurance with an arrangement of coverage specifying the premises. The certificate shall name the Member as loss payee. Any changes from the standard required coverages and amounts as stated below must be mutually agreed to in advance and in writing by the Member and Representative Member.

(B) Minimum Requirements. Typically, the following coverage will be required at the minimum amounts indicated:

Property Insurance: Minimum Amount = 80% of market replacement value or amount of HOME funds invested and all senior indebtedness, whichever is greater.

Liability Insurance: Minimum Amount = HOME funds and all senior indebtedness

- (ii) Flood insurance. All HOME - assisted projects are subject to the Federal Flood Disaster Protection Act and associated regulations. Each Member shall ensure compliance with the applicable requirements, including ensuring the provision of flood insurance protection coverage. At time of closing of a grant or loan providing assistance, each Member shall obtain a certificate of insurance covering the assisted premises. Said certificate shall provide the following minimum coverage:

Minimum Amount = HOME funds and all senior indebtedness.

(iii) Construction insurance. Prior to the commencement of work on any HOME-assisted site, each Member shall obtain a certificate of insurance covering the work to be performed. Said certificate shall provide coverages for premises, operations, contractual liability, completed operations, automobile liability, employers liability, workers' compensation and professional liability (where applicable) and shall name the Member as additional insured. Minimum amounts are stated in subparagraphs (A) and (B) below. The insurance shall be maintained for the duration of the work to be performed.

(A) Minimum Requirements. Typically, the following coverages will be required at the minimum amounts indicated:

| | |
|----------------------------------|--|
| Workmens' Compensation: | Statutory coverage. |
| Employer's Liability: | \$100,000 Coverage B |
| Comprehensive General Liability: | \$300,000 each occurrence |
| Bodily Injury: | \$500,000 each occurrence |
| Property Damage: | \$100,000 each occurrence \$300,000 aggregate |

(B) Automobile Liability (case by case basis, subject to determination by Member and Representative Member) for owned and non-owned vehicles:

| | |
|------------------|--|
| Property Damage: | \$100,000 each occurrence \$100,000 aggregate |
| Bodily injury | \$250,000 each occurrence \$500,000 aggregate |

q. Displacement and Relocation.

(i) General. Each Member shall take all reasonable steps to minimize displacement of persons consistent with the requirements of HOME Program regulation §92.353. In the event that displacement cannot be avoided, each Member shall ensure compliance with HOME Program regulation §92.353, including the provision of relocation assistance in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, hereinafter "URA", as amended. In addition, the Member shall ensure compliance with the most current edition of HUD Handbook 1378 "Tenant Assistance, Relocation and Real Property Acquisition".

(ii) Responsibility of Member. Each Member shall prepare and maintain all necessary displacement and relocation plans and documentation, including, but not limited to site-by-site relocation plans, determinations of comparable housing, amounts and types of relocation assistance proposed, etc. as required by the URA. Each Member shall record compliance with all applicable relocation requirements on the Project Compliance Checklist.

r. Use of Community Development Block Grant funds (CDBG). If CDBG funds are utilized in the

HOME assisted project for optional relocation costs (not administrative or planning costs) and/or for any project based costs, including staff project delivery costs, each Member shall ensure compliance with all applicable provisions of the Housing and Community Development Act of 1974, and applicable implementing regulations set forth in 24 CFR 570.

s. Acquisition. The acquisition of real property for a HOME project is subject to HOME Program regulation §92.353, the URA and the requirements of 49 CFR 24, Subpart B. Each Member shall ensure compliance with all of the foregoing, and shall prepare and maintain all necessary acquisition documentation, including, but not limited to: appraisals, offer letters, required notices, checklists, and any related materials.

t. Procurement. Each Member agrees to fully comply with applicable requirements as referenced in 24 CFR 85.36 and related HUD Notices and will ensure compliance with 24 CFR 84.40-.48 for lower tier nonprofit recipient organizations. Procurement steps must satisfy all applicable advertisement, competitive pricing, minority outreach, award, documentation and related requirements. Note that 24 CFR 24 **prohibits** the use of debarred firms and requires certain certifications for covered lower tier transactions consistent with 24 CFR 24, Appendix B.

u. Loan Servicing. In the event a loan or loans are issued with HOME funds, each Member shall work out appropriate arrangements for the financial servicing of said loan(s) satisfactory to the parties. Each Member shall establish and maintain accounting records and procedures consistent with 24 CFR 85.20, HOME Program regulations §92.505 and §92.508(a)(6), including but not limited to individual loan case files, loan account histories, posting of payments and/or deferrals, account maintenance and updates, recording of loan discharge documents, preparation of IRS reports as applicable, loan portfolio reports, loan receivables control, loan repayment and interest reports, and related loan management documents. Loan payments, repayments and recaptures shall be handled in accordance with §92.503.

v. Assignability. Neither any Member nor the Representative Member shall assign any interest in this Agreement and shall not transfer any interest in the same whether by assignment or novation.

w. Liens.

(i) General. Each Member shall ensure that any property benefiting through a HOME-assisted activity is free from any attachments, tax liens, mechanics' liens or any other encumbrances except as provided in paragraph (ii) below.

(ii) A property assisted with HOME funds may have multiple mortgages subject to the discretion of each Member, and subject to loan underwriting analysis confirming sufficient equity is available to secure such HOME loan as may be secured by said property.

SECTION 11 – GOVERNANCE; CHANGES

Each Member community shall have one vote on the Consortium Council, as further described in the *Program Administrative Guidelines*, dated May 14, 2008, (“Guidelines”) attached hereto. While decisions may be made by majority vote, the Council shall strive to make decisions through consensus.

In the event that changes in this Agreement become necessary, a Member initiating such changes shall

notify the Representative Member in writing describing the subject changes which shall be circulated to all Members for review. Upon mutual consent of all Members regarding the requested changes, the Representative Member shall prepare an amendment to this Agreement incorporating said changes which shall become effective following execution by all of the respective authorized signatories of the Members.

However, in signing this Agreement, Members agree that:

- a. changes in the allocation of funding to Member communities (Section 4) shall not be reconsidered during the term of this Agreement and upon renewal, any change must be based on the mutual consent of all members. No member shall be required to forfeit or pool any part of its allocation without its consent, except as otherwise allowed in the Guidelines, Sections E (Funding), F (Matching Funds), and G (Community Housing Development Organizations); and
- b. there shall be no vote to add new members to the Consortium until, at the earliest, July 1, 2010.

SECTION 12 - APPLICABLE LAW

This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts and all applicable HUD regulations. HUD HOME Program regulations (primarily at 24 CFR Part 92) and requirements, as now or hereafter in effect, are incorporated by reference and shall take precedence for determining any issues that may arise concerning the Consortium.

SECTION 13 - SEVERABILITY

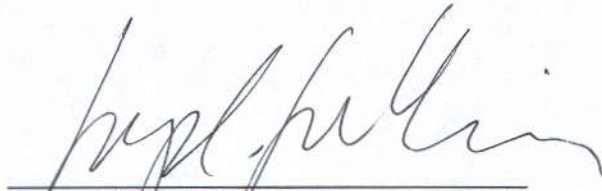
- a. The provisions of this Agreement are severable. In the event that any provision herein is declared void or unenforceable, all other provision shall remain in full force and effect.
- b. This Agreement is executed in five (5) counterparts, each of which shall be deemed to be an original and all constituting together one and the same instrument, this being one of the said counterparts.

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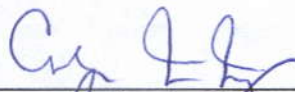
SIGNATORIES

IN WITNESS WHEREOF the parties hereto have executed this Agreement in 5 counterparts, as of the date first written above.



Town of Braintree, by its
Mayor
Joseph C. Sullivan

Approved as to legal form:

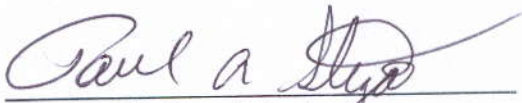


Attorney for the Town of Braintree


SIGNATORIES

IN WITNESS WHEREOF the parties hereto have executed this Agreement in 5 counterparts, as of the date first written above.

Approved as to legal form:



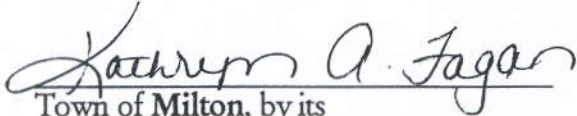
Town of **Holbrook**, by its
Chairman of the Board of Selectmen
Paul A. Stigas



Attorney for the Town of Holbrook

SIGNATORIES

IN WITNESS WHEREOF the parties hereto have executed this Agreement in 5 counterparts, as of the date first written above.

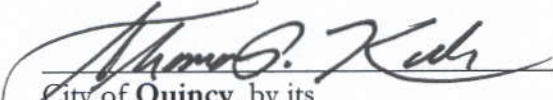
A handwritten signature in cursive script that reads "Kathryn A. Fagan". The signature is written in black ink and is positioned above a horizontal line.

Town of Milton, by its
Chairman of the Board of Selectmen
Kathryn A. Fagan

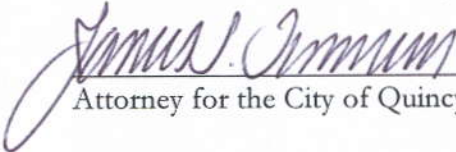
SIGNATORIES

IN WITNESS WHEREOF the parties hereto have executed this Agreement in 5 counterparts, as of the date first written above.

Approved as to legal form:

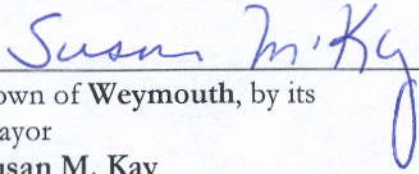


City of Quincy, by its
Mayor
Thomas P. Koch



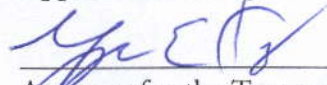
Attorney for the City of Quincy

Quincy HOME Consortium – Mutual Cooperation Agreement



Town of Weymouth, by its
Mayor
Susan M. Kay

Approved as to legal form:



Attorney for the Town of Weymouth