

2016 INTERGOVERNMENTAL FUNDING AGREEMENT FOR THE REGIONAL HOUSING ALLIANCE OF LA PLATA COUNTY

This 2016 Intergovernmental Funding Agreement for The Regional Housing Alliance of La Plata County (hereafter the “Agreement”) is entered by and between the Board of County Commissioners of La Plata County, Colorado whose address is 1060 E. Second Avenue, Durango, Colorado (hereafter “La Plata County”), the City of Durango, Colorado whose address is 949 East Second Avenue, Durango, Colorado (hereafter “Durango”), The Town of Ignacio, Colorado, whose address is 540 Goddard Avenue, Ignacio, Colorado (hereafter “Ignacio”), the Town of Bayfield, Colorado whose address is 1199 Bayfield Parkway, Bayfield, Colorado (hereafter “Bayfield”), and the Regional Housing Alliance of La Plata County (hereafter the “RHA”) whose address is 124 East 9th Street, Durango, Colorado 81301 (collectively, the “Parties”).

RECITALS

- A. The provisions of Section 18 of Article XIV of the Colorado Constitution and C.R.S. 29-1-203 allow Colorado governments to cooperate to contract with one another to provide any function, service, or facility lawfully authorized to each local government.
- B. The provisions of C.R.S. 29-1-204.5 allow Colorado local governments to contract with each other to establish a separate governmental entity to be known as a multijurisdictional housing authority.
- C. Durango, Ignacio, and La Plata County established RHA as a multijurisdictional housing authority on August 5, 2004, by executing an Intergovernmental Agreement (the “IGA”) to be effective as of that same date. The IGA was amended in 2008 to include the Town of Bayfield as a party to the IGA.
- D. The Parties have previously entered into funding agreements to provide some of the funds necessary for the operation of the RHA. The Parties wish to provide additional funding for RHA for 2016 according to the terms of this Agreement.

NOW THEREFORE, for and in consideration of the mutual promises, covenants and obligations set forth herein, the Parties hereto agree as follows:

- 1. **Term.** The term of this Agreement shall commence as of the effective date hereof and shall expire, subject to earlier termination in the event of non-appropriation as hereinafter provided, on December 31, 2016.
- 2. **Funding of RHA.**
 - 2.1 *Funding Obligations – Generally.* La Plata County, City of Durango, Town of Ignacio, and the Town of Bayfield agree to provide funding to RHA for 2016 in the

total aggregate amount of Two Hundred Eighty-Five Thousand, Six Hundred Sixty Dollars (\$285,660).

2.2 *Proportional Shares of Funding.* The Parties agree that the responsibility for funding the obligations set forth in Section 2.1 herein should be shared by the Parties in the following proportions:

La Plata County	61 %	\$174,252.00
City of Durango	33 %	\$94,268.00
Town of Ignacio	1 %	\$2,857.00
Town of Bayfield	5 %	\$14,283.00

2.3 *Payment Dates.* All entities shall make payment to RHA by February 1, 2016.

2.4 *Budgetary Surplus.* Any surplus of funds that remain at the end of this funding cycle will be carried over for use by RHA, to the extent permitted by law.

3. **Services Provided by the RHA.**

3.1 *Basic Services.* In return for the funding provided by the Parties, RHA agrees to provide such entities the “Basic Services” described in Exhibit A attached hereto and incorporated herein.

3.2 *Additional Services.* In addition to the provision of Basic Services as described in Section 3.1 above, RHA may provide for the Parties, upon request, additional housing-related services to be agreed upon by RHA and the entity requesting such additional services. For such additional services (“Additional Services”), RHA shall be paid by the entity requesting such Additional Services an hourly rate or a lump sum fee as negotiated between the requesting entity and RHA. Only the entity requesting the Additional Services shall be obligated to pay RHA for such Additional Services.

3.3 *Use of RHA Services.* The Parties agree to utilize RHA for the provision of housing-related services when RHA has the skill, talent, and expertise to perform the required services.

3.4 *Provision of Services by RHA to Third Parties.* RHA may provide housing-related services to third Parties in order to generate additional operating income for RHA. RHA further agrees that such services shall be charged on an hourly or lump sum basis.

4. **Appropriations.** Because this Agreement involves the expenditure of public funds, this contract is contingent upon continued availability of such funds for payment. The obligations of the Parties shall not constitute a general obligation, indebtedness or multiple-year direct or indirect debt, or other financial obligation whatsoever within the meaning of the constitution or the laws of the State of Colorado.
5. **Notices.** Except as otherwise provided, all notices provided or required under this Agreement shall be in writing, signed by the party giving the same, and shall be deemed properly given when actually received or three (3) days after being mailed, by certified mail, return receipt requested, and addressed to the Parties at their addresses appearing on the signature pages. Each party, by written notice to the other party, may specify any other address for the receipt of such instruments or communications.
6. **Applicable Law.** This Agreement shall be interpreted in all respects in accordance with the laws of the State of Colorado.
7. **Modifications.** At all times during the performance of this Agreement, the Parties shall strictly adhere to all applicable federal, state, and local laws, and rules and regulations that have been or may hereafter be established. This Agreement may be modified or amended only by a duly authorized written instrument executed by the Parties hereto.
8. **RHA Board Approval.** The provisions of this Agreement have been duly approved by the Board of Directors of RHA.
9. **Effective Date.** The effective date of this Agreement shall be the date when the last signature of the Parties is affixed to this Agreement.
10. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed to be an original and all of which shall constitute one original Agreement.
11. **Severability.** If any term or provision of this Agreement shall be adjudicated to be invalid, illegal, or unenforceable this Agreement shall be deemed to be amended to delete the invalid, illegal, or unenforceable term and the remaining terms shall not be affected thereby.
12. **Third Party Beneficiaries.** The Parties to this Agreement do not intend to benefit any person not a party to this Agreement. No person or entity other than the Parties to this Agreement shall have any right, legal or equitable to enforce any provision of this Agreement.

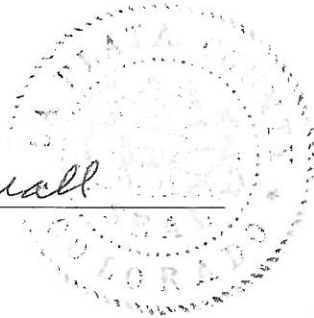
IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date and year set forth below.

Dated this 8th day of December 2015

**BOARD OF COUNTY COMMISSIONERS
OF LA PLATA COUNTY, COLORADO**

Attest:

Jeanne Bignall
Clerk to the Board



Gwen A. Lachelt
Gwen A. Lachelt, Chair

ADDITIONAL SIGNATURES ON THE FOLLOWING PAGES

Dated this 4 day of Jan., 2016 **CITY OF DURANGO, COLORADO**

Attest:

Dana Evans
City Clerk, Deputy

Dean Brookie
Mayor Dean Brookie



ADDITIONAL SIGNATURES ON THE FOLLOWING PAGES

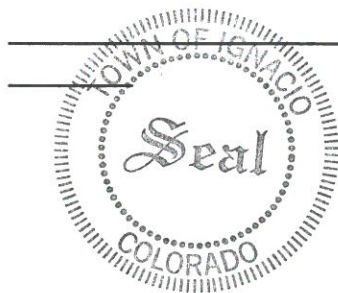
Dated this 18th day of November, 2015

TOWN OF IGNACIO, COLORADO

Attest:

Georgann Valdez
Town Clerk

Stella Cox
Mayor Stella Cox




ADDITIONAL SIGNATURES ON THE FOLLOWING PAGES

Dated this 11 day of December, 2015

**REGIONAL HOUSING ALLIANCE
OF LA PLATA COUNTY**

Attest:


Clerk


Executive Director Karen Iverson

EXHIBIT A

BASIC SERVICES

Homebuyer Assistance Program

RHA, either directly or through a subcontract with La Plata Homes Fund will offer a comprehensive Homebuyer Assistance Program to empower low-and moderate income residents with the tools and resources to achieve homeownership in La Plata County. The Homes Fund is an independent nonprofit that is able to leverage capital resources for La Plata County. RHA, either directly and/or through a subcontract with La Plata Homes Fund, will:

- Provide a minimum of 11 Homebuyer Education Classes in La Plata County;
- Graduate at least 170 families from the Homebuyer Education Classes;
- Provide individual counseling to at least 85 families;
- Provide at least 15 mortgage assistance loans to homebuyers in La Plata County;
- Apply for at least \$400,000 in capital resources;
- Educate local lenders and realtors about below-market products available; and
- Market, package, or administer loan and assistance programs offered by other lenders that could be utilized by La Plata County residents such as Mortgage Credit Certificates.

Housing Development Program

RHA, either directly or through a subcontract with La Plata Homes Fund, will develop and/or own new and preserve existing affordable housing units in La Plata County. Potential projects include the Rock Creek site in Ignacio, social campus lease site in Durango, and other sites as they become identified and/or are dedicated to RHA. It is RHA's goal to develop 100 units of affordable rental housing in La Plata County by 2020. RHA, either directly and/or through a subcontract with La Plata Homes Fund, will:

- Complete construction and lease up 50 unit Lumien Apartments adding 50 affordable rental units;
- Identify, secure, and hold sites for affordable housing development either directly or on behalf of the Parties including the Rock Creek parcel, social campus lease site, Tamaron parcel, and sites associated with Fair Share compliance including sites at Twin Buttes and Three Springs;
- Complete pre-development tasks, assemble development team, and submit funding applications for at least one 30-unit rental project by 2017;
- Explore opportunities to acquire and preserve existing affordable rental communities; and
- Explore a homeownership development model to build affordable homeownership opportunities.

Fair Share Policy Administration

RHA will generate new resources for affordable housing through effective administration of inclusionary housing programs. Specifically, RHA will:

- Administer and monitor Fair Share Programs, Workforce Housing Agreements, and deed restriction units for each entity that adopts such a policy or has such an agreement;
- Create and update administrative procedures for each entity that adopts a Fair Share Program;
- Collect and deploy Fair Share fee-in lieu funds;
- Provide financial reporting for fee-in lieu funds collected and expended;
- Review and update pricing schedules annually based on changes to HUD incomes, prevailing interest rates, and market rate price of entry-level homes;
- Create and administer affordability controls (however, based on type of control there may be additional costs); and
- Provide recommendations on affordable housing elements of development proposals, which includes reviewing pro-formas.

Policy Development

RHA will foster inter-jurisdictional collaboration on housing policies that will provide affordable housing near jobs, transportation, and services. This is a broad strategy to collaborate on larger policy issues that will encourage affordable housing near jobs, transportation, and services. This strategy also focuses on keeping affordable housing as a top priority in the community. As requested by the jurisdiction, RHA will:

- Periodically update the La Plata County Needs Assessment and Housing Action Plan for planning purposes (at least every five years);
- Provide educational materials and services regarding housing policy and development best practices, and relevant state and federal initiatives. This may including providing sample policies, resources, grant opportunities, and program information to participating entities;
- Advise entities and their planning commissions or staff on housing-related issues, policies, and development options; and
- Draft housing policies (this will not include legal expenses of review).

RHA Direct Results	Cumulative	2015 Projections	2016 Projections
<u>Housing Counseling</u> One-on-one individualized, personal counseling	954 households	85 households	85 households
<u>Homebuyer Education Class</u> Eight-hour, monthly classes taught in diverse locations	1,035 households	170 households	170 households
<u>Mortgage Assistance</u> Clients who received an RHA or HF loan Amount of mortgage assistance provided	135 households \$3.5M	15 households \$350,000	15 households \$350,000
<u>New Homeowners</u> Who received counseling and/or took class	198 households	25 households	25 households
<u>Mortgage Credit Certificates</u> Homebuyers who receive increased tax benefits to their regular mortgage interest deduction	61 households	10 households	10 households
<u>RHA Sponsored Development</u> Rental housing		50 unit Lumien completed Additional pre-development studies for Rock Creek	Prepare/submit LIHTC application for 30-unit rental project
<u>Fair Share Program</u> Land, money, or homes donated from developers	93 Units \$500,800 collected \$27M in obligation	8 Loans 2 Three Springs Units \$100,000 fee-in-lieu committed for new development	4-6 loans from fee-in-lieu depending on available capital from DMR/City of Durango.