

2015 INTERGOVERNMENTAL FUNDING AGREEMENT FOR THE REGIONAL HOUSING ALLIANCE OF LA PLATA COUNTY

This 2015 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 the 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 the RHA for 2015 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, 2015.
2. **Funding of RHA.**
 - 2.1 *Funding Obligations – Generally.* La Plata County, the City of Durango, the Town of Ignacio, and the Town of Bayfield agree to provide funding to the RHA for 2015

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 the RHA by February 1, 2015.

2.4 *Budgetary Surplus.* Any surplus of funds that remain at the end of this funding cycle will be carried over for use by the 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, the 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, the RHA may provide for the Parties, upon request, additional housing-related services to be agreed upon by the RHA and the entity requesting such additional services. For such additional services (“Additional Services”), the 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 the RHA. Only the entity requesting the Additional Services shall be obligated to pay the RHA for such Additional Services.

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

3.4 *Provision of Services by RHA to Third Parties.* The RHA may provide housing-related services to third parties in order to generate additional operating income for the RHA. The 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, 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 the 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.

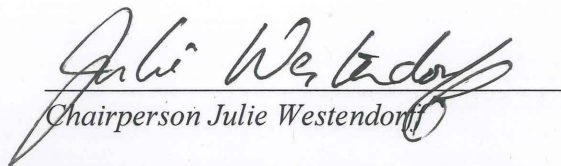
IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year set forth below.

Dated this 16th day of December, 2014

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

Attest:


County Clerk


Chairperson Julie Westendorf

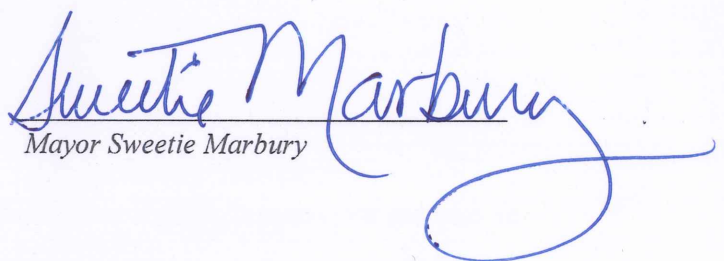
Dated this 13 day of Jan, 2015

CITY OF DURANGO, COLORADO

Attest:


City Clerk




Mayor Sweetie Marbury

ADDITIONAL SIGNATURES ON THE FOLLOWING PAGES


Dated this 24 day of November, 2014

TOWN OF IGNACIO, COLORADO

Attest:



Town Clerk




Mayor Stella Cox

ADDITIONAL SIGNATURES ON THE FOLLOWING PAGES

Dated this 2nd day of December, 2014

TOWN OF BAYFIELD, COLORADO

Attest:


Town Clerk

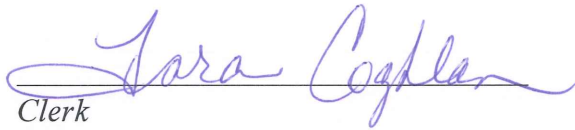

Mayor Rick Smith

ADDITIONAL SIGNATURES ON THE FOLLOWING PAGES

Dated this 30th day of December, 2014

**REGIONAL HOUSING ALLIANCE
OF LA PLATA COUNTY**

Attest:


Clerk


Executive Director Karen Iverson

EXHIBIT A

BASIC SERVICES

Homebuyer Education and Counseling Services

RHA, either directly or through a subcontract with the La Plata Homes Fund will offer an eight-hour Homebuyer Education Class that meets national and state standards; provide one-on-one pre-purchase counseling, educate the local community on below-market mortgage products; market below-market homes that result from regional policies or partnerships with local entities and developers, and promote affordable opportunities offered by regional nonprofit organizations. RHA 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;
- Market affordable housing opportunities generated by each entity; and
- Educate local lenders and realtors about below-market products available.

Mortgage Assistance

The RHA shall provide mortgage assistance to households that cannot afford the market rate home prices in La Plata County. The RHA may use grant funds, donations, or fee-in-lieu funds collected on behalf of the Parties. The RHA may also partner with La Plata Homes Fund to provide mortgage assistance. The Homes Fund is an independent nonprofit that is able to leverage capital resources for La Plata County. The RHA, either directly and/or through a subcontract with the La Plata Homes Fund, will:

- Provide at least 15 mortgage assistance loans to homebuyers in La Plata County;
- Apply for at least \$400,000 in capital resources;
- 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; and
- Administer loan programs according to board approved policies and procedures.

Developer Support Program

The RHA will support three developments in 2015: a 50-unit LIHTC (Low Income Housing Tax Credit) project at 3190 E. Animas Village Drive, Durango, CO, the development of the Rock Creek III site in Ignacio, and a permanent supportive housing project on the social service campus site near Manna Soup Kitchen. To support these projects, the RHA's activities may include the following:

- Identify, secure, and hold sites for affordable housing either directly or on behalf of the Parties;

- As funding allows, conduct pre-development studies that may include market studies, site plans, and financial feasibility;
- Craft RFP/RFQ's to solicit development partners;
- Identify and help secure funding sources;
- Research and write grants to support development activities; and
- Broker relationships between funders, developers, local elected officials, and land owners to facilitate the development of affordable housing.

Fair Share Programs

The RHA will:

- Administer and monitor Fair Share Programs and Workforce Housing Agreements for each entity that adopts such a policy or has such agreements;
- Create and update administrative procedures for each entity that adopts a Fair Share Program;
- Provide financial reporting for fee-in lieu funds collected and expended;
- Deploy fee-in lieu funds according to terms as determined by the member entity;
- 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
- Serve as a referral agency on affordable housing elements of development proposals, which includes reviewing pro formas.

Policy Development and Education

This is a broad strategy to encourage or collaborate on larger policy issues that will encourage “green,” affordable housing near jobs, transportation, and services. This strategy also focuses on keeping affordable housing as a top priority in the community. The 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, including possible resources, grants, and program information to participating entities on an as-needed basis;
- Advise entities and their planning commissions or staff on housing-related issues and policies on an as-needed basis; and
- Draft housing policies on an as-needed basis (this will not include legal expenses of review).

RHA Direct Results	Cumulative	2014 Projections	2015 Projections
<u>Housing Counseling</u> One-on-one individualized, personal counseling	960 households	85 households	85 households
<u>Homebuyer Education Class</u> Eight-hour, monthly classes taught in diverse locations	820 households	170 households	170 households
<u>Mortgage Assistance</u> Clients who received an RHA or HF loan Amount of mortgage assistance provided	121 households \$3.5M	15 households \$500,000	17 households \$400,0000
<u>New Homeowners</u> Who received counseling and/or took class	265 households	20 households	25 households
<u>Mortgage Credit Certificates</u> Homebuyers who receive increased tax benefits to their regular mortgage interest deduction	42 households	15 households	17 households
<u>RHA Sponsored Development</u> Rental housing		50 unit Lumien project under completion Development team assembled for Supportive Site Pre-development at Rock Creek	50 unit Lumien completed Additional pre-development studies for Rock Creek
<u>Fair Share Program</u> Land, \$, or homes donated from developers	75 Units \$27.M in obligation \$65,200 collected	5 Units (Including 3 DMR loans)	Fees collected/land